

# WATERBERG DISTRICT MUNICIPALITY

DC36



*on the Go for Growth*

## AUDITED ANNUAL FINANCIAL STATEMENTS 2015/2016

30 NOVEMBER 2016

# **WATERBERG DISTRICT MUNICIPALITY**

## **AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

I am responsible for the preparation of these annual financial statements which are set out on pages 1 to 60, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the municipality.

I certify that the salaries, allowances and benefits of Councilors as disclosed in note 24 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act, the Minister of Provincial and Local Government's determination in accordance with this Act and Government Notice R243 of Government Gazette 38608 dated 25 March 2015.

I have complied with the disclosure requirements in terms of section 122 to 126 of the Municipal Finance Management Act, No 56 of 2003.



**MS MABOTJA  
MUNICIPAL MANAGER**

14 DECEMBER 2016  
DATE

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# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## General Information

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### Members of Council

|   |   |
|---|---|
| Executive Mayor                         | N.R Mogotlane   |
| Speaker                                 | K.S Lamola  |
| Chief Whip                              | N.S Morumudi  |
| Mayoral Committee member                | T.A Mashamaite  |
| Mayoral Committee member                | S.M Molekwa   |
| Mayoral Committee member                | Z Mozam   |
| Mayoral Committee member                | B.S Mhlanga   |
| Mayoral Committee member                | R.Z Moeletsi  |
| Mayoral Committee member                | M.L Moremi  |
| MPAC Chairperson                        | L.C Kganyago  |
| Councillor                              | A.F Basson  |
| Councillor                              | T.M Kekana  |
| Councillor                              | V.H Kekana  |
| Councillor                              | G.B Koadi   |
| Councillor                              | M.N Langa   |
| Councillor                              | L.J Lebelo  |
| Councillor                              | P.M Mahlangu  |
| Councillor                              | R.L Mahlela   |
| Councillor                              | S.I Manala  |
| Councillor                              | L.S Manamela  |
| Councillor                              | M.E Manganyi  |
| Councillor                              | F.M Masalesa  |
| Councillor                              | M.M.A Mogotsi   |
| Councillor                              | N.G Mojela  |
| Councillor                              | R.N Monene  |
| Councillor                              | T.E Mokgonyane  |
| Councillor                              | R.L.R Monoa   |
| Councillor                              | D.P Motlohoneng                                       |
| Councillor                              | L.N Ngwetjana   |
| Councillor                              | M.P Nyamah  |
| Councillor                              | M.D Phokela   |
| Councillor                              | A.R Ramogale  |
| Councillor                              | P.A Scruton   |
| Councillor                              | M.J Sekhu   |
| Councillor                              | M.J Selokela  |
| <b>Grading of district municipality</b> | Grade 4   |
| <b>Chief Finance Officer (CFO)</b>      | L.G Tioubatla   |
| <b>Accounting Officer</b>               | M.S Maboŋja   |
| <b>Business address</b>                 | 42 Harry Gwala Street<br>Modimolle<br>Limpopo<br>0510 |
| <b>Postal address</b>                   | Private Bag X1018<br>Modimolle<br>Limpopo<br>0510     |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## General Information

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**Bankers**

ABSA Bank  
Modimolle

**Auditors**

Auditor General (SA)

**Attorneys**

Mohale Incorporated

**Contact numbers**

(014) 718 3300 (Tel)  
086 621 9321 (fax)

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

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The reports and statements set out below comprise the financial statements presented to the provincial legislature:

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### Abbreviations

|         |  |
|---------|--|
| GRAP    | Generally Recognised Accounting Practice                 |
| EPWP    | Expanded Public Works Programme                          |
| IAS     | International Accounting Standards                       |
| IMFO    | Institute of Municipal Finance Officers                  |
| IPSAS   | International Public Sector Accounting Standards         |
| MEC     | Member of the Executive Council                          |
| MFMA    | Municipal Finance Management Act                         |
| MIG     | Municipal Infrastructure Grant (Previously CMIP)         |
| LG SETA | Local Government Sector Education and Training Authority |
| PMU     | Project Management Unit                                  |
| LEDET   | Limpopo Economic Development, Environment and Tourism    |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting officer's Responsibilities and Approval

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The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2017 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the municipality's financial statements. The financial statements have been examined by the municipality's external auditors and their report is presented on page 5.

The financial statements set out on pages 5 to 63, which have been prepared on the going concern basis, were approved by the Municipal Manager on 31 August 2016 and were signed on its behalf by:



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Accounting Officer  
M.S Mabotja



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Statement of Financial Position as at 30 June 2016

|  | Note(s) | 2016               | 2015               |
|--|---------|--------------------|--------------------|
| <b>Assets</b>  |         |                    |                    |
| <b>Current Assets</b>                                  |         |                    |                    |
| Cash and cash equivalents                              | 3       | 136,214,004        | 83,059,082         |
| Trade and other receivables from exchange transactions | 4       | 8,256              | 14,919             |
| Receivables from non-exchange transactions             | 5       | 776,848            | 1,124,684          |
| Inventories  | 6       | 83,097             | 117,835            |
| Held-to-maturity investments                           | 7       | 30,116,436         | 31,176,088         |
| VAT receivable   | 8       | 4,140,862          | 679,004            |
|  |         | <b>171,339,503</b> | <b>116,171,612</b> |
| <b>Non-Current Assets</b>                              |         |                    |                    |
| Property, plant and equipment                          | 9       | 59,120,292         | 61,237,873         |
| Intangible assets                                      | 10      | 2,224,484          | 2,122,980          |
| Non-current receivables                                | 11      | 54,775             | 54,775             |
|  |         | <b>61,399,551</b>  | <b>63,415,628</b>  |
| <b>Total Assets</b>                                    |         | <b>232,739,054</b> | <b>179,587,240</b> |
| <b>Liabilities</b>                                     |         |                    |                    |
| <b>Current Liabilities</b>                             |         |                    |                    |
| Trade and other payables from exchange transactions    | 12      | 3,876,476          | 3,253,510          |
| Other payables from non-exchange transactions          | 13      | 8,576,368          | 7,557,323          |
| Consumer deposits                                      | 14      | 2,000              | 600                |
| Provisions   | 15      | 165,476            | 165,476            |
| Unspent conditional grants and receipts                | 16      | 60,206,456         | 18,147,449         |
| Employee benefit obligation                            | 17      | 549,924            | 480,912            |
| Current portion of long service awards liability       | 18      | 643,676            | 240,759            |
|  |         | <b>74,020,376</b>  | <b>29,846,029</b>  |
| <b>Non-Current Liabilities</b>                         |         |                    |                    |
| Employee benefit obligation                            | 17      | 22,501,171         | 21,247,104         |
| Long service awards liability                          | 18      | 2,219,859          | 2,279,741          |
|  |         | <b>24,721,030</b>  | <b>23,526,845</b>  |
| <b>Total Liabilities</b>                               |         | <b>98,741,406</b>  | <b>53,372,874</b>  |
| <b>Net Assets</b>                                      |         | <b>133,997,648</b> | <b>126,214,366</b> |
| Accumulated surplus                                    |         | 133,997,648        | 126,214,369        |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Statement of Financial Performance

|   | Note(s) | 2016                 | 2015                 |
|---|---------|----------------------|----------------------|
| <b>Revenue</b>                                      |         |                      |                      |
| <b>Revenue from exchange transactions</b>           |         |                      |                      |
| Service charges                                     |         | 1,255,604            | 1,988,914            |
| Interest earned - External investments              | 19      | 10,382,263           | 7,183,234            |
| Interest earned - Receivables                       | 19      | 31,665               | 121                  |
| Other income  | 20      | 128,651              | 482,204              |
| <b>Total revenue from exchange transactions</b>     |         | <b>11,798,183</b>    | <b>9,654,473</b>     |
| <b>Revenue from non-exchange transactions</b>       |         |                      |                      |
| <b>Transfer revenue</b>                             |         |                      |                      |
| Government grants & subsidies                       | 21      | 147,813,891          | 104,085,244          |
| Public contributions and donations                  | 22      | 50,000               | 71,778               |
| <b>Total revenue from non-exchange transactions</b> |         | <b>147,863,891</b>   | <b>104,157,022</b>   |
| <b>Total revenue</b>                                |         | <b>159,662,074</b>   | <b>113,811,495</b>   |
| <b>Expenditure</b>                                  |         |                      |                      |
| Employee related costs                              | 23      | (64,616,463)         | (59,513,386)         |
| Remuneration of councillors                         | 24      | (6,717,206)          | (6,346,779)          |
| Post-retirement health care expenditure             |         | (1,931,653)          | (4,735,274)          |
| Long-service award expenditure                      |         | (568,768)            | (620,879)            |
| Depreciation and amortisation                       | 25      | (6,010,996)          | (5,358,538)          |
| Impairment loss/ Reversal of impairments            | 26      | (164,918)            | (1,656,260)          |
| Repairs and maintenance                             |         | (1,442,300)          | (778,277)            |
| Contracted services                                 | 27      | (15,703,090)         | (14,288,994)         |
| Project expenditure                                 | 29      | (36,119,517)         | (8,927,175)          |
| General Expenses                                    | 28      | (18,603,884)         | (18,599,282)         |
| <b>Total expenditure</b>                            |         | <b>(151,878,795)</b> | <b>(120,824,844)</b> |
| Loss on disposal of assets                          |         | -                    | (407,273)            |
| <b>Surplus (deficit) for the year</b>               |         | <b>7,783,279</b>     | <b>(7,420,622)</b>   |

The accounting policies on pages 11 to 25 and the notes on pages 26 to 63 form an integral part of the financial statements.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Statement of Changes in Net Assets

|   | Accumulated<br>surplus | Total net<br>assets |
|---|------------------------|---------------------|
| <b>Balance at 01 July 2014</b>              | <b>133,634,990</b>     | <b>133,634,990</b>  |
| Net Surplus / (Deficit) previously reported | (7,453,199)            | (7,453,199)         |
| Effects of Prior year corrections - Note 39 | 32,578                 | 32,578              |
| Net Surplus (Deficit) for the year          | (7,420,621)            | (7,420,621)         |
| <b>*Restated Balance at 01 July 2015</b>    | <b>126,214,369</b>     | <b>126,214,369</b>  |
| Net Surplus / (Deficit) for the year        | 7,783,279              | 7,783,279           |
| <b>Balance at 30 June 2016</b>              | <b>133,997,648</b>     | <b>133,997,648</b>  |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Cash Flow Statement

|   | Note(s)   | 2016                      | 2015                      |
|---|-----------|---------------------------|---------------------------|
| <b>Cash flows from operating activities</b>                 |           |                           |                           |
| <b>Receipts</b>   |           |                           |                           |
| Sale of goods and services                                  |           | 1,262,267                 | 630,845                   |
| Grants  |           | 210,214,349               | 121,795,824               |
| Interest income - Investments                               |           | 10,382,263                | 7,183,355                 |
| Interest income - receivables                               |           | 31,665                    | -                         |
| Other receipts  |           | 178,650                   | 446,159                   |
| VAT receipts  |           | 2,451,432                 | -                         |
|   |           | <u>224,520,626</u>        | <u>130,056,183</u>        |
| <b>Payments</b>   |           |                           |                           |
| Employee costs  |           | (71,333,669)              | (66,258,578)              |
| Suppliers   |           | (20,046,184)              | (13,139,830)              |
| Other payments for VAT                                      |           | (6,595,053)               | 2,190,038                 |
| Project expenditure   |           | (33,621,444)              | (8,947,241)               |
| Thabazimbi project expenditure                              |           | (20,341,451)              | -                         |
| Contracted services   |           | (15,703,090)              | (13,008,670)              |
| Other payments  |           | (789,549)                 | (5,064,859)               |
|   |           | <u>(168,430,440)</u>      | <u>(104,229,140)</u>      |
| <b>Net cash flows from operating activities</b>             | <b>31</b> | <b><u>56,090,186</u></b>  | <b><u>25,827,043</u></b>  |
| <b>Cash flows from investing activities</b>                 |           |                           |                           |
| Purchase of property, plant and equipment                   | 9         | (3,705,972)               | (2,833,400)               |
| Proceeds from sale of property, plant and equipment         | 9         | -                         | 496,450                   |
| Purchase of other intangible assets                         | 10        | (288,946)                 | (73,505)                  |
| Proceeds from sale of financial assets                      |           | -                         | 301,828                   |
| <b>Net cash flows from investing activities</b>             |           | <b><u>(3,994,918)</u></b> | <b><u>(2,108,627)</u></b> |
| <b>Cash flows from financing activities</b>                 |           |                           |                           |
| Decrease/(Increase) in Held-to-maturity investments         |           | 1,059,654                 | (3,095,426)               |
| <b>Net cash flows from financing activities</b>             |           | <b><u>1,059,654</u></b>   | <b><u>(3,095,426)</u></b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |           | <b><u>53,154,922</u></b>  | <b><u>20,622,990</u></b>  |
| Cash and cash equivalents at the beginning of the year      |           | 83,059,082                | 62,436,092                |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>3</b>  | <b><u>136,214,004</u></b> | <b><u>83,059,082</u></b>  |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

|  | Approved budget     | Adjustments         | Final Budget        | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|---------------------|---------------------|---------------------|------------------------------------|--|-----------|
| <b>Statement of Financial Performance</b>  |                     |                     |                     |                                    |  |           |
| <b>Revenue</b>   |                     |                     |                     |                                    |  |           |
| <b>Revenue from exchange transactions</b>  |                     |                     |                     |                                    |  |           |
| Services charges   | 2,033,500           | (300,000)           | 1,733,500           | 1,255,604                          | (477,896)                                  |           |
| Other income   | 24,000              | -                   | 24,000              | 128,651                            | 104,651                                    |           |
| Interest earned - Investments  | 5,230,000           | -                   | 5,230,000           | 10,382,263                         | 5,152,263                                  |           |
| Interest earned - Other  | 50                  | 50                  | 100                 | 31,665                             | 31,565                                     |           |
| <b>Total revenue from exchange transactions</b>  | <b>7,287,550</b>    | <b>(299,950)</b>    | <b>6,987,600</b>    | <b>11,798,183</b>                  | <b>4,810,583</b>                           |           |
| <b>Revenue from non-exchange transactions</b>  |                     |                     |                     |                                    |  |           |
| <b>Transfer revenue</b>  |                     |                     |                     |                                    |  |           |
| Government grants & subsidies  | 146,381,000         | 29,172,000          | 175,553,000         | 147,813,891                        | (27,739,109)                               |           |
| Public contributions and donations   | -                   | -                   | -                   | 50,000                             | 50,000                                     |           |
| <b>Total revenue from non-exchange transactions</b>  | <b>146,381,000</b>  | <b>29,172,000</b>   | <b>175,553,000</b>  | <b>147,863,891</b>                 | <b>(27,689,109)</b>                        |           |
| <b>Total revenue</b>   | <b>153,668,550</b>  | <b>28,872,050</b>   | <b>182,540,600</b>  | <b>159,662,074</b>                 | <b>(22,878,526)</b>                        |           |
| <b>Expenditure</b>   |                     |                     |                     |                                    |  |           |
| Employee related costs   | (70,295,926)        | (483,414)           | (70,779,340)        | (64,616,463)                       | 6,162,877                                  |           |
| Remuneration of councillors  | (6,807,500)         | -                   | (6,807,500)         | (6,717,206)                        | 90,294                                     |           |
| Post-retirement health care expenditure  | (3,739,400)         | (35,080)            | (3,774,480)         | (1,931,653)                        | 1,842,827                                  |           |
| Depreciation and amortisation  | (7,423,300)         | (120,000)           | (7,543,300)         | (6,010,996)                        | 1,532,304                                  |           |
| Impairment loss/ Reversal of impairments   | -                   | -                   | -                   | (164,918)                          | (164,918)                                  |           |
| Repairs and maintenance Long-service award expenditure   | (1,661,600)         | (320,000)           | (1,981,600)         | (1,442,300)                        | 539,300                                    |           |
| Contracted Services  | (643,200)           | -                   | (643,200)           | (568,768)                          | 74,432                                     |           |
| Transfers and Subsidies  | (15,817,220)        | 1,350,800           | (14,466,420)        | (15,703,090)                       | (1,236,670)                                |           |
| General Expenses   | (34,289,000)        | (62,540,372)        | (96,829,372)        | (36,119,517)                       | 60,709,855                                 |           |
| <b>Total expenditure</b>   | <b>(21,945,574)</b> | <b>(1,171,686)</b>  | <b>(23,117,260)</b> | <b>(18,603,884)</b>                | <b>4,513,376</b>                           |           |
| <b>Operating surplus</b>   | <b>(8,954,170)</b>  | <b>(34,447,702)</b> | <b>(43,401,872)</b> | <b>7,783,279</b>                   | <b>51,185,151</b>                          |           |
| Gain on disposal of assets and liabilities   | (20,000)            | -                   | (20,000)            | -                                  | 20,000                                     |           |
| <b>Surplus before taxation</b>   | <b>(8,974,170)</b>  | <b>(34,447,702)</b> | <b>(43,421,872)</b> | <b>7,783,279</b>                   | <b>51,205,151</b>                          |           |
| <b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b> | <b>(8,974,170)</b>  | <b>(34,447,702)</b> | <b>(43,421,872)</b> | <b>7,783,279</b>                   | <b>51,205,151</b>                          |           |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

|  | Approved budget    | Adjustments         | Final Budget       | Actual amounts on comparable basis | Difference between final budget and actual | Reference |
|--|--------------------|---------------------|--------------------|------------------------------------|--|-----------|
| <b>Statement of Financial Position</b>                         |                    |                     |                    |                                    |  |           |
| <b>Assets</b>  |                    |                     |                    |                                    |  |           |
| <b>Current Assets</b>  |                    |                     |                    |                                    |  |           |
| Inventories  | 100,000            | -                   | 100,000            | 83,097                             | (16,903)                                   |           |
| Held-to-maturity investments                                   | 62,337,600         | (4,543,600)         | 57,794,000         | 30,116,436                         | (27,677,564)                               |           |
| Receivables from non-exchange transactions                     | 765,000            | -                   | 765,000            | 776,848                            | 11,848                                     |           |
| VAT receivable   | 1,020,400          | -                   | 1,020,400          | 4,140,862                          | 3,120,462                                  |           |
| Consumer debtors   | 30,000             | -                   | 30,000             | 8,256                              | (21,744)                                   |           |
| Cash and cash equivalents                                      | 5,005,200          | -                   | 5,005,200          | 136,214,004                        | 131,208,804                                |           |
|  | <b>69,258,200</b>  | <b>(4,543,600)</b>  | <b>64,714,600</b>  | <b>171,339,503</b>                 | <b>106,624,903</b>                         |           |
| <b>Non-Current Assets</b>                                      |                    |                     |                    |                                    |  |           |
| Property, plant and equipment                                  | 54,771,900         | -                   | 54,771,900         | 59,120,292                         | 4,348,392                                  |           |
| Intangible assets  | 1,880,200          | -                   | 1,880,200          | 2,224,484                          | 344,284                                    |           |
| Non-current receivables  | 54,800             | -                   | 54,800             | 54,775                             | (25)                                       |           |
|  | <b>56,706,900</b>  | <b>-</b>            | <b>56,706,900</b>  | <b>61,399,551</b>                  | <b>4,692,651</b>                           |           |
| <b>Total Assets</b>  | <b>125,965,100</b> | <b>(4,543,600)</b>  | <b>121,421,500</b> | <b>232,739,054</b>                 | <b>111,317,554</b>                         |           |
| <b>Liabilities</b>   |                    |                     |                    |                                    |  |           |
| <b>Current Liabilities</b>                                     |                    |                     |                    |                                    |  |           |
| Trade and other payables from exchange transactions            | -                  | -                   | -                  | 3,876,476                          | 3,876,476                                  |           |
| Taxes and transfers payable (non-exchange)                     | 10,260,100         | -                   | 10,260,100         | 8,576,368                          | (1,683,732)                                |           |
| Consumer deposits  | 1,600              | -                   | 1,600              | 2,000                              | 400  |           |
| Employee benefit obligation                                    | 523,400            | -                   | 523,400            | 549,924                            | 26,524                                     |           |
| Unspent conditional grants and receipts                        | -                  | 29,012,372          | 29,012,372         | 60,206,456                         | 31,194,084                                 |           |
| Provisions   | 1,111,100          | (178,200)           | 932,900            | 165,476                            | (767,424)                                  |           |
| Current portion of long service awards liability               | 291,100            | -                   | 291,100            | 643,676                            | 352,576                                    |           |
|  | <b>12,187,300</b>  | <b>28,834,172</b>   | <b>41,021,472</b>  | <b>74,020,376</b>                  | <b>32,998,904</b>                          |           |
| <b>Non-Current Liabilities</b>                                 |                    |                     |                    |                                    |  |           |
| Employee benefit obligation                                    | 19,526,100         | -                   | 19,526,100         | 22,501,171                         | 2,975,071                                  |           |
| Long service awards liability                                  | 3,060,900          | -                   | 3,060,900          | 2,219,858                          | (841,042)                                  |           |
|  | <b>22,587,000</b>  | <b>-</b>            | <b>22,587,000</b>  | <b>24,721,029</b>                  | <b>2,134,029</b>                           |           |
| <b>Total Liabilities</b>                                       | <b>34,774,300</b>  | <b>28,834,172</b>   | <b>63,608,472</b>  | <b>98,741,405</b>                  | <b>35,132,933</b>                          |           |
| <b>Net Assets</b>  | <b>91,190,800</b>  | <b>(33,377,772)</b> | <b>57,813,028</b>  | <b>133,997,649</b>                 | <b>76,184,621</b>                          |           |
| <b>Net Assets</b>  |                    |                     |                    |                                    |  |           |
| <b>Net Assets Attributable to Owners of Controlling Entity</b> |                    |                     |                    |                                    |  |           |
| <b>Reserves</b>  |                    |                     |                    |                                    |  |           |
| Accumulated surplus  | 91,190,800         | (33,377,772)        | 57,813,028         | 133,997,648                        | 76,184,620                                 |           |

**DC36 Waterberg - Table A1 Budget Summary**

| Description  | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>R thousands</b>   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Financial Performance</b>   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Property rates   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges  | 652             | 719             | 1,671           | 1,571                | 2,095           | 2,095              | 2,034   | 2,034                  | 2,034                  |
| Investment revenue   | 7,402           | 6,177           | 6,117           | 5,700                | 5,600           | 5,600              | 5,230   | 4,230                  | 3,230                  |
| Transfers recognised - operational                                   | 99,298          | 93,442          | 101,326         | 104,099              | 104,247         | 104,247            | 146,381   | 117,932                | 119,790                |
| Other own revenue  | 310             | 1,324           | 473             | 86                   | 266             | 266                | 24  | 26                     | 27                     |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>107,662</b>  | <b>101,662</b>  | <b>109,587</b>  | <b>111,456</b>       | <b>112,208</b>  | <b>112,208</b>     | <b>153,669</b>                                      | <b>124,221</b>         | <b>125,081</b>         |
| Employee costs   | 44,769          | 50,871          | 58,611          | 67,477               | 68,072          | 68,073             | 74,336  | 80,002                 | 85,339                 |
| Remuneration of councillors  | 4,979           | 5,473           | 5,992           | 6,441                | 6,441           | 6,441              | 6,808   | 7,182                  | 7,563                  |
| Depreciation & asset impairment                                      | 4,584           | 7,623           | 4,411           | 7,181                | 7,026           | 7,026              | 7,423   | 7,543                  | 7,662                  |
| Finance charges  | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Materials and bulk purchases   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers and grants   | 26,255          | 24,209          | 23,327          | 4,671                | 12,631          | 12,631             | 38,449  | 1,897                  | 1,992                  |
| Other expenditure  | 26,989          | 30,188          | 32,277          | 39,446               | 40,197          | 40,197             | 39,992  | 41,771                 | 43,949                 |
| <b>Total Expenditure</b>   | <b>107,576</b>  | <b>118,363</b>  | <b>124,618</b>  | <b>125,216</b>       | <b>134,367</b>  | <b>134,367</b>     | <b>167,008</b>                                      | <b>138,395</b>         | <b>146,506</b>         |
| <b>Surplus/(Deficit)</b>   | <b>86</b>       | <b>(16,701)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Transfers recognised - capital                                       | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Contributions recognised - capital & contributed assets              | 264             | 11              | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Share of surplus/ (deficit) of associate                             | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) for the year</b>                                | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| <b>Capital expenditure &amp; funds sources</b>                       |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Capital expenditure</b>   | <b>12,039</b>   | <b>8,350</b>    | <b>7,023</b>    | <b>-</b>             | <b>9,167</b>    | <b>9,167</b>       | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| Transfers recognised - capital                                       | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public contributions & donations                                     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing  | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Internally generated funds   | 12,039          | 8,350           | 7,023           | -                    | 9,167           | 9,167              | -   | -                      | -                      |
| <b>Total sources of capital funds</b>                                | <b>12,039</b>   | <b>8,350</b>    | <b>7,023</b>    | <b>-</b>             | <b>9,167</b>    | <b>9,167</b>       | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>Financial position</b>  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total current assets   | 129,615         | 109,834         | 96,175          | 72,597               | 72,727          | 67,310             | 64,795  | 61,474                 | 51,352                 |
| Total non current assets   | 61,614          | 61,538          | 64,099          | 64,569               | 64,130          | 64,130             | 56,707  | 49,164                 | 41,502                 |
| Total current liabilities  | 15,685          | 10,445          | 10,350          | 19,026               | 17,162          | 11,745             | 12,089  | 13,752                 | 15,401                 |
| Total non current liabilities  | 12,852          | 14,926          | 18,954          | 17,186               | 19,530          | 19,530             | 22,587  | 24,413                 | 26,404                 |
| Community wealth/Equity  | 162,682         | 146,002         | 130,970         | 100,954              | 100,165         | 100,165            | 86,826  | 72,474                 | 51,050                 |
| <b>Cash flows</b>  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Net cash from (used) operating                                       | 2,820           | (5,865)         | (6,584)         | 3,555                | (4,196)         | (11,363)           | (5,862)   | (3,389)                | (10,188)               |
| Net cash from (used) investing                                       | (13,993)        | (7,890)         | (14,965)        | -                    | (9,133)         | (9,133)            | (35)  | (55)                   | (55)                   |
| Net cash from (used) financing                                       | -               | -               | -               | -                    | -               | -                  | 2   | 2                      | 2                      |
| <b>Cash/cash equivalents at the year end</b>                         | <b>97,739</b>   | <b>83,985</b>   | <b>62,436</b>   | <b>71,731</b>        | <b>71,861</b>   | <b>64,694</b>      | <b>62,799</b>                                       | <b>59,357</b>          | <b>49,115</b>          |
| <b>Cash backing/surplus reconciliation</b>                           |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cash and investments available                                       | 118,026         | 104,134         | 90,517          | 71,731               | 71,861          | 64,694             | 62,799  | 59,356                 | 49,115                 |
| Application of cash and investments                                  | 28,164          | 30,641          | 35,264          | 46,315               | 46,158          | 38,897             | 43,496  | 46,636                 | 49,089                 |
| <b>Balance - surplus (shortfall)</b>                                 | <b>89,862</b>   | <b>73,493</b>   | <b>55,252</b>   | <b>25,416</b>        | <b>25,703</b>   | <b>25,797</b>      | <b>19,304</b>                                       | <b>12,721</b>          | <b>26</b>              |
| <b>Asset management</b>  |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Asset register summary (WDV)   | 61,505          | 61,385          | 63,926          | 64,534               | 64,076          | 64,076             | 56,652  | 49,110                 | 41,447                 |
| Depreciation & asset impairment                                      | 4,584           | 7,623           | 4,411           | 7,181                | 7,026           | 7,026              | 7,423   | 7,543                  | 7,662                  |
| Renewal of Existing Assets   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Repairs and Maintenance  | 779             | 860             | 1,469           | 1,376                | 1,572           | 1,572              | 1,661   | 1,759                  | 1,858                  |
| <b>Free services</b>   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cost of Free Basic Services provided                                 | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Revenue cost of free services provided                               | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Households below minimum service level</b>                        |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Water:   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sanitation/sewerage:   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Energy:  | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Refuse:  | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

DC36 Waterberg - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

| Standard Classification Description        | Ref | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>Revenue - Standard</b>                  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Governance and administration</b>       |     | 98,448          | 99,150          | 103,232         | 107,043              | 106,999         | 106,999            | 118,796   | 120,291                | 121,055                |
| Executive and council                      |     | 1,416           | 1,082           | 519             | 1,234                | 1,234           | 1,234              | 300   | 300                    | 300                    |
| Budget and treasury office                 |     | 96,804          | 97,830          | 102,183         | 105,709              | 105,609         | 105,609            | 118,376   | 119,863                | 120,621                |
| Corporate services                         |     | 228             | 238             | 529             | 100                  | 156             | 156                | 120   | 127                    | 134                    |
| <b>Community and public safety</b>         |     | 8,738           | 34              | 136             | 60                   | 60              | 60                 | -   | -                      | -                      |
| Community and social services              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Sport and recreation                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public safety                              |     | 384             | 34              | 136             | 60                   | 60              | 60                 | -   | -                      | -                      |
| Housing                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health                                     |     | 8,354           | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Economic and environmental services</b> |     | 60              | 1,897           | 4,548           | 2,779                | 3,054           | 3,054              | 32,839  | 1,897                  | 1,992                  |
| Planning and development                   |     | 60              | 368             | 272             | -                    | 275             | 275                | -   | -                      | -                      |
| Road transport                             |     | -               | 1,330           | 4,276           | 2,779                | 2,779           | 2,779              | 32,839  | 1,897                  | 1,992                  |
| Environmental protection                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Trading services</b>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electricity                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste water management                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste management                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other</b>                               | 4   | 679             | 792             | 1,671           | 1,574                | 2,095           | 2,095              | 2,034   | 2,034                  | 2,034                  |
| <b>Total Revenue - Standard</b>            | 2   | 107,925         | 101,673         | 109,587         | 111,456              | 112,208         | 112,208            | 153,669   | 124,221                | 125,061                |
| <b>Expenditure - Standard</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Governance and administration</b>       |     | 48,141          | 54,153          | 52,334          | 58,054               | 59,179          | 59,180             | 63,099  | 62,544                 | 66,340                 |
| Executive and council                      |     | 25,188          | 30,138          | 26,307          | 28,551               | 29,361          | 29,362             | 30,013  | 29,217                 | 30,819                 |
| Budget and treasury office                 |     | 8,052           | 9,765           | 11,579          | 13,197               | 13,642          | 13,643             | 16,130  | 15,539                 | 16,628                 |
| Corporate services                         |     | 14,902          | 14,251          | 14,448          | 16,305               | 16,176          | 16,175             | 16,956  | 17,788                 | 18,892                 |
| <b>Community and public safety</b>         |     | 37,613          | 42,420          | 42,537          | 50,168               | 50,136          | 50,136             | 51,658  | 54,822                 | 57,785                 |
| Community and social services              |     | 4,262           | 1,832           | 2,451           | 2,836                | 2,876           | 2,876              | 3,160   | 3,358                  | 3,552                  |
| Sport and recreation                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public safety                              |     | 20,679          | 24,852          | 23,709          | 29,640               | 29,567          | 29,567             | 30,088  | 31,854                 | 33,406                 |
| Housing                                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health                                     |     | 12,672          | 15,737          | 16,377          | 17,692               | 17,692          | 17,693             | 18,408  | 19,611                 | 20,826                 |
| <b>Economic and environmental services</b> |     | 18,373          | 18,135          | 24,022          | 11,037               | 18,430          | 18,430             | 45,003  | 13,226                 | 14,015                 |
| Planning and development                   |     | 5,770           | 6,218           | 6,697           | 5,015                | 8,547           | 8,547              | 7,494   | 6,375                  | 6,767                  |
| Road transport                             |     | 12,603          | 11,917          | 17,325          | 6,022                | 9,883           | 9,882              | 37,510  | 6,851                  | 7,248                  |
| Environmental protection                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Trading services</b>                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electricity                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste water management                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste management                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Other</b>                               | 4   | 3,449           | 3,655           | 5,725           | 5,957                | 6,622           | 6,622              | 7,251   | 7,803                  | 8,365                  |
| <b>Total Expenditure - Standard</b>        | 3   | 107,576         | 118,363         | 124,618         | 125,216              | 134,367         | 134,367            | 167,008   | 138,395                | 146,505                |
| <b>Surplus/(Deficit) for the year</b>      |     | 349             | (16,690)        | (15,032)        | (13,760)             | (22,159)        | (22,159)           | (13,339)  | (14,173)               | (21,424)               |

**References**

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification



**DC36 Waterberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

| Vote Description                              | Ref      | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>Revenue by Vote</b>                        |          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - FINANCIAL SERVICES                   | 1        | 96,804          | 97,830          | 102,183         | 105,709              | 105,609         | 105,609            | 118,376   | 119,863                | 120,621                |
| Vote 2 - MUNICIPAL MANAGER                    |          | 1,416           | 1,064           | 519             | 1,234                | 1,234           | 1,234              | 300   | 300                    | 300                    |
| Vote 3 - CORPORATE SERVICES                   |          | 228             | 238             | 529             | 100                  | 156             | 156                | 120   | 127                    | 134                    |
| Vote 4 - PLANNING                             |          | 60              | 368             | 272             | -                    | 275             | 275                | -   | -                      | -                      |
| Vote 5 - TECHNICAL SERVICES                   |          | -               | 1,330           | 4,276           | 2,779                | 2,779           | 2,779              | 32,839  | 1,897                  | 1,992                  |
| Vote 6 - MAYORS OFFICE                        |          | -               | 18              | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 7 - SOCIAL SERVICES                      |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 8 - FIRE FIGHTING                        |          | 384             | 34              | 136             | 60                   | 60              | 60                 | -   | -                      | -                      |
| Vote 9 - MUNICIPAL HEALTH                     |          | 8,354           | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 10 - ABBATOIR                            |          | 679             | 792             | 1,671           | 1,574                | 2,095           | 2,095              | 2,034   | 2,034                  | 2,034                  |
| Vote 11 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 12 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 13 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 14 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 15 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Revenue by Vote</b>                  | <b>2</b> | <b>107,925</b>  | <b>101,673</b>  | <b>109,587</b>  | <b>111,456</b>       | <b>112,208</b>  | <b>112,208</b>     | <b>153,669</b>                                      | <b>124,221</b>         | <b>125,081</b>         |
| <b>Expenditure by Vote to be appropriated</b> |          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - FINANCIAL SERVICES                   | 1        | 8,052           | 9,765           | 11,579          | 13,197               | 13,642          | 13,643             | 16,130  | 15,539                 | 16,628                 |
| Vote 2 - MUNICIPAL MANAGER                    |          | 9,120           | 8,302           | 6,828           | 8,701                | 9,565           | 9,565              | 8,624   | 8,935                  | 9,488                  |
| Vote 3 - CORPORATE SERVICES                   |          | 14,902          | 14,251          | 14,448          | 16,305               | 16,176          | 16,175             | 16,956  | 17,788                 | 18,892                 |
| Vote 4 - PLANNING                             |          | 5,770           | 6,218           | 6,697           | 5,015                | 8,547           | 8,547              | 7,494   | 6,375                  | 6,767                  |
| Vote 5 - TECHNICAL SERVICES                   |          | 12,603          | 11,917          | 17,325          | 6,022                | 9,883           | 9,882              | 37,510  | 6,851                  | 7,248                  |
| Vote 6 - MAYORS OFFICE                        |          | 16,068          | 21,836          | 19,480          | 19,850               | 19,797          | 19,797             | 21,390  | 20,282                 | 21,331                 |
| Vote 7 - SOCIAL SERVICES                      |          | 4,262           | 1,832           | 2,451           | 2,836                | 2,876           | 2,876              | 3,160   | 3,358                  | 3,552                  |
| Vote 8 - FIRE FIGHTING                        |          | 20,679          | 24,852          | 23,709          | 29,640               | 29,567          | 29,567             | 30,088  | 31,854                 | 33,406                 |
| Vote 9 - MUNICIPAL HEALTH                     |          | 12,672          | 15,737          | 16,377          | 17,692               | 17,692          | 17,693             | 18,408  | 19,611                 | 20,826                 |
| Vote 10 - ABBATOIR                            |          | 3,449           | 3,655           | 5,725           | 5,957                | 6,622           | 6,622              | 7,261   | 7,803                  | 8,365                  |
| Vote 11 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 12 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 13 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 14 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 15 - Entity 016                          |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Expenditure by Vote</b>              | <b>2</b> | <b>107,576</b>  | <b>118,363</b>  | <b>124,616</b>  | <b>125,216</b>       | <b>134,367</b>  | <b>134,367</b>     | <b>167,008</b>                                      | <b>138,395</b>         | <b>146,505</b>         |
| <b>Surplus/(Deficit) for the year</b>         | <b>2</b> | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |

**References**

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC36 Waterberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description  | Ref  | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>Revenue By Source</b>   |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Property rates   | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Property rates - penalties & collection charges                      |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges - electricity revenue                                | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges - water revenue                                      | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges - sanitation revenue                                 | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges - refuse revenue                                     | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges - other  |      | 652             | 719             | 1,671           | 1,571                | 2,095           | 2,095              | 2,034   | 2,034                  | 2,034                  |
| Rental of facilities and equipment                                   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Interest earned - external investments                               |      | 7,402           | 6,177           | 6,117           | 5,700                | 5,600           | 5,600              | 5,230   | 4,230                  | 3,230                  |
| Interest earned - outstanding debtors                                |      | 37              | 112             | 0               | 3                    | 0               | 0                  | 0   | 0                      | 0                      |
| Dividends received   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Fines  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Licences and permits   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Agency services  |      | 76              | 76              | 136             | 60                   | 60              | 60                 | -   | -                      | -                      |
| Transfers recognised - operational                                   |      | 99,298          | 93,442          | 101,326         | 104,099              | 104,247         | 104,247            | 146,381   | 117,932                | 119,790                |
| Other revenue  | 2    | 187             | 1,113           | 337             | 23                   | 150             | 150                | 24  | 25                     | 27                     |
| Gains on disposal of PPE   |      | 11              | 23              | -               | -                    | 56              | 56                 | -   | -                      | -                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |      | <b>107,662</b>  | <b>101,662</b>  | <b>109,587</b>  | <b>111,456</b>       | <b>112,208</b>  | <b>112,208</b>     | <b>153,669</b>                                      | <b>124,221</b>         | <b>125,081</b>         |
| <b>Expenditure By Type</b>   |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Employee related costs   | 2    | 44,769          | 50,871          | 58,611          | 67,477               | 68,072          | 68,073             | 74,336  | 80,002                 | 85,339                 |
| Remuneration of councillors  |      | 4,979           | 5,473           | 5,992           | 6,441                | 6,441           | 6,441              | 6,808   | 7,182                  | 7,563                  |
| Debt impairment  | 3    | 35              | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Depreciation & asset impairment                                      | 2    | 4,584           | 7,623           | 4,411           | 7,181                | 7,026           | 7,026              | 7,423   | 7,543                  | 7,662                  |
| Finance charges  |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Bulk purchases   | 2    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other materials  | 8    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Contracted services  |      | 11,987          | 12,760          | 13,714          | 15,791               | 15,791          | 15,791             | 15,817  | 16,973                 | 17,913                 |
| Transfers and grants   |      | 26,255          | 24,209          | 23,327          | 4,671                | 12,631          | 12,631             | 38,449  | 1,897                  | 1,992                  |
| Other expenditure  | 4, 5 | 14,958          | 16,900          | 18,503          | 23,580               | 24,331          | 24,331             | 24,155  | 24,799                 | 26,036                 |
| Loss on disposal of PPE  |      | 9               | 528             | 59              | 75                   | 75              | 75                 | 20  | -                      | -                      |
| <b>Total Expenditure</b>   |      | <b>107,576</b>  | <b>118,363</b>  | <b>124,618</b>  | <b>125,216</b>       | <b>134,367</b>  | <b>134,367</b>     | <b>167,008</b>                                      | <b>138,395</b>         | <b>146,505</b>         |
| <b>Surplus/(Deficit)</b>   |      | <b>86</b>       | <b>(16,701)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Transfers recognised - capital                                       |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Contributions recognised - capital                                   | 6    | 264             | 11              | -               | -                    | -               | -                  | -   | -                      | -                      |
| Contributed assets   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> |      | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Taxation   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) after taxation</b>                              |      | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Attributable to minorities   |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) attributable to municipality</b>                |      | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |
| Share of surplus/ (deficit) of associate                             | 7    | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Surplus/(Deficit) for the year</b>                                |      | <b>349</b>      | <b>(16,690)</b> | <b>(15,032)</b> | <b>(13,760)</b>      | <b>(22,159)</b> | <b>(22,159)</b>    | <b>(13,339)</b>                                     | <b>(14,173)</b>        | <b>(21,424)</b>        |

**References**

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

DC36 Waterberg - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

| Vote Description                                  | Ref | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>Capital expenditure - Vote</b>                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Multi-year expenditure to be appropriated</b>  | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - FINANCIAL SERVICES                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 2 - MUNICIPAL MANAGER                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 3 - CORPORATE SERVICES                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 4 - PLANNING                                 |     | -               | 8               | 16              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 5 - TECHNICAL SERVICES                       |     | -               | -               | 13              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 6 - MAYORS OFFICE                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 7 - SOCIAL SERVICES                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 8 - FIRE FIGHTING                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 9 - MUNICIPAL HEALTH                         |     | -               | 18              | 110             | -                    | -               | -                  | -   | -                      | -                      |
| Vote 10 - ABBATOIR                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 11 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 12 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 13 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 14 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 15 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Capital multi-year expenditure sub-total</b>   | 7   | -               | 25              | 139             | -                    | -               | -                  | -   | -                      | -                      |
| <b>Single-year expenditure to be appropriated</b> | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - FINANCIAL SERVICES                       |     | 62              | 15              | 6               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 2 - MUNICIPAL MANAGER                        |     | 51              | 30              | 20              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 3 - CORPORATE SERVICES                       |     | 2,264           | 805             | 658             | -                    | 2,098           | 2,098              | -   | -                      | -                      |
| Vote 4 - PLANNING                                 |     | 28              | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 5 - TECHNICAL SERVICES                       |     | 7               | -               | -               | -                    | 745             | 745                | -   | -                      | -                      |
| Vote 6 - MAYORS OFFICE                            |     | 1,345           | 83              | 43              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 7 - SOCIAL SERVICES                          |     | -               | 18              | 633             | -                    | -               | -                  | -   | -                      | -                      |
| Vote 8 - FIRE FIGHTING                            |     | 7,337           | 8,899           | 5,453           | -                    | 6,324           | 6,324              | -   | -                      | -                      |
| Vote 9 - MUNICIPAL HEALTH                         |     | 3               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 10 - ABBATOIR                                |     | 943             | 896             | 70              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 11 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 12 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 13 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 14 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Vote 15 - Entity 016                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b>  |     | 12,039          | 8,326           | 8,883           | -                    | 9,167           | 9,167              | -   | -                      | -                      |
| <b>Total Capital Expenditure - Vote</b>           |     | 12,039          | 8,350           | 7,023           | -                    | 9,167           | 9,167              | -   | -                      | -                      |
| <b>Capital Expenditure - Standard</b>             |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>              |     | 3,853           | 713             | 727             | -                    | 2,098           | 2,098              | -   | -                      | -                      |
| Executive and council                             |     | 1,439           | 93              | 63              | -                    | -               | -                  | -   | -                      | -                      |
| Budget and treasury office                        |     | 71              | 15              | 6               | -                    | -               | -                  | -   | -                      | -                      |
| Corporate services                                |     | 2,143           | 605             | 658             | -                    | 2,098           | 2,098              | -   | -                      | -                      |
| <i>Community and public safety</i>                |     | 7,399           | 6,735           | 6,196           | -                    | 6,324           | 6,324              | -   | -                      | -                      |
| Community and social services                     |     | -               | 18              | 633             | -                    | -               | -                  | -   | -                      | -                      |
| Sport and recreation                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public safety                                     |     | 7,398           | 6,899           | 5,453           | -                    | 6,324           | 6,324              | -   | -                      | -                      |
| Housing   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Health  |     | 3               | 18              | 110             | -                    | -               | -                  | -   | -                      | -                      |
| <i>Economic and environmental services</i>        |     | 44              | 6               | 29              | -                    | 745             | 745                | -   | -                      | -                      |
| Planning and development                          |     | 37              | 6               | 16              | -                    | -               | -                  | -   | -                      | -                      |
| Road transport                                    |     | 7               | -               | 13              | -                    | 745             | 745                | -   | -                      | -                      |
| Environmental protection                          |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Trading services</i>                           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Electricity                                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste water management                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste management                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Other</i>                                      |     | 943             | 896             | 70              | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total Capital Expenditure - Standard</b>       | 3   | 12,039          | 8,350           | 7,023           | -                    | 9,167           | 9,167              | -   | -                      | -                      |
| <b>Funded by:</b>                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Provincial Government                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| District Municipality                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other transfers and grants                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers recognised - capital                    | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Public contributions & donations                  | 5   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing   | 6   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Internally generated funds                        |     | 12,039          | 8,350           | 7,023           | -                    | 9,167           | 9,167              | -   | -                      | -                      |
| <b>Total Capital Funding</b>                      | 7   | 12,039          | 8,350           | 7,023           | -                    | 9,167           | 9,167              | -   | -                      | -                      |

**References**

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.
- Capital expenditure by standard classification must reconcile to the appropriations by vote.
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure).
- Must reconcile to Budgeted Financial Performance (revenue and expenditure).
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17.
- Total Capital Funding must balance with Total Capital Expenditure.
- Include any capitalised interest (MFMA section 46) as part of relevant capital budget.

**DC36 Waterberg - Table A6 Budgeted Financial Position**

| Description                              | Ref | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>R thousand</b>                        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>ASSETS</b>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Current assets</b>                    |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Cash                                     |     | 97,739          | 83,985          | 62,436          | 5,006                | 5,006           | 5,006              | 22,799  | 29,356                 | 29,115                 |
| Call investment deposits                 | 1   | 20,287          | 20,149          | 28,081          | 66,726               | 66,855          | 59,688             | 40,000  | 30,000                 | 20,000                 |
| Consumer debtors                         | 1   | 11              | 5               | 7               | 80                   | 80              | 80                 | 30  | 30                     | 30                     |
| Other debtors                            |     | 11,477          | 5,549           | 5,533           | 680                  | 680             | 2,430              | 1,865   | 1,982                  | 2,097                  |
| Current portion of long-term receivables |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Inventory                                | 2   | 100             | 147             | 117             | 106                  | 106             | 106                | 100   | 106                    | 110                    |
| <b>Total current assets</b>              |     | <b>129,615</b>  | <b>109,834</b>  | <b>96,175</b>   | <b>72,597</b>        | <b>72,727</b>   | <b>67,310</b>      | <b>64,795</b>                                       | <b>61,474</b>          | <b>51,352</b>          |
| <b>Non current assets</b>                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Long-term receivables                    |     | 35              | 35              | 55              | 35                   | 55              | 55                 | 55  | 55                     | 55                     |
| Investments                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment property                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment in Associate                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Property, plant and equipment            | 3   | 58,889          | 58,971          | 61,700          | 62,658               | 61,832          | 61,832             | 54,772  | 47,592                 | 40,293                 |
| Agricultural                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangible                               |     | 2,616           | 2,414           | 2,226           | 1,876                | 2,243           | 2,243              | 1,880   | 1,517                  | 1,154                  |
| Other non-current assets                 |     | 74              | 118             | 118             | -                    | -               | -                  | -   | -                      | -                      |
| <b>Total non current assets</b>          |     | <b>61,614</b>   | <b>61,538</b>   | <b>64,099</b>   | <b>64,569</b>        | <b>64,130</b>   | <b>64,130</b>      | <b>56,707</b>                                       | <b>49,164</b>          | <b>41,502</b>          |
| <b>TOTAL ASSETS</b>                      |     | <b>191,229</b>  | <b>171,372</b>  | <b>160,274</b>  | <b>137,166</b>       | <b>136,857</b>  | <b>131,440</b>     | <b>121,502</b>                                      | <b>110,638</b>         | <b>92,854</b>          |
| <b>LIABILITIES</b>                       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Current liabilities</b>               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Bank overdraft                           | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing                                | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Consumer deposits                        | 2   | 2               | 1               | 1               | 2                    | 2               | 2                  | 2   | 2                      | 2                      |
| Trade and other payables                 | 4   | 13,968          | 9,582           | 9,069           | 14,826               | 15,131          | 9,714              | 10,340  | 11,667                 | 13,152                 |
| Provisions                               |     | 1,715           | 863             | 1,281           | 4,198                | 2,030           | 2,030              | 1,747   | 2,083                  | 2,247                  |
| <b>Total current liabilities</b>         |     | <b>15,685</b>   | <b>10,445</b>   | <b>10,350</b>   | <b>19,026</b>        | <b>17,162</b>   | <b>11,745</b>      | <b>12,089</b>                                       | <b>13,752</b>          | <b>15,401</b>          |
| <b>Non current liabilities</b>           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Borrowing                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Provisions                               |     | 12,852          | 14,926          | 18,954          | 17,186               | 19,530          | 19,530             | 22,587  | 24,413                 | 26,404                 |
| <b>Total non current liabilities</b>     |     | <b>12,852</b>   | <b>14,926</b>   | <b>18,954</b>   | <b>17,186</b>        | <b>19,530</b>   | <b>19,530</b>      | <b>22,587</b>                                       | <b>24,413</b>          | <b>26,404</b>          |
| <b>TOTAL LIABILITIES</b>                 |     | <b>28,537</b>   | <b>25,371</b>   | <b>29,304</b>   | <b>36,212</b>        | <b>36,692</b>   | <b>31,275</b>      | <b>34,676</b>                                       | <b>38,165</b>          | <b>41,804</b>          |
| <b>NET ASSETS</b>                        | 5   | <b>162,692</b>  | <b>146,002</b>  | <b>130,970</b>  | <b>100,954</b>       | <b>100,165</b>  | <b>100,165</b>     | <b>86,826</b>                                       | <b>72,474</b>          | <b>51,050</b>          |
| <b>COMMUNITY WEALTH/EQUITY</b>           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Accumulated Surplus/(Deficit)            |     | 160,626         | 143,978         | 129,261         | 99,628               | 98,839          | 98,759             | 85,550  | 71,435                 | 50,181                 |
| Reserves                                 | 4   | 2,066           | 2,024           | 1,709           | 1,326                | 1,326           | 1,406              | 1,276   | 1,039                  | 869                    |
| Minorities' interests                    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | 5   | <b>162,692</b>  | <b>146,002</b>  | <b>130,970</b>  | <b>100,954</b>       | <b>100,165</b>  | <b>100,165</b>     | <b>86,826</b>                                       | <b>72,474</b>          | <b>51,050</b>          |

**References**

1. Detail to be provided in Table SA.3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA.3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

DC36 Waterberg - Table A7 Budgeted Cash Flows

| Description                                       | Ref | 2011/12         | 2012/13         | 2013/14         | Current Year 2014/15 |                 |                    | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2015/16                                 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Property rates, penalties & collection charges    |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Service charges                                   |     | 833             | 1,902           | 1,819           | 1,494                | 2,429           | 2,429              | 2,034   | 2,034                  | 2,034                  |
| Other revenue                                     |     | -               | -               | -               | -                    | -               | -                  | 24  | 25                     | 27                     |
| Government - operating                            | 1   | 96,677          | 94,170          | 100,365         | 104,099              | 104,247         | 104,247            | 146,381   | 117,932                | 119,790                |
| Government - capital                              | 1   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Interest  |     | 7,438           | 6,289           | 6,117           | 5,703                | 5,600           | 5,600              | 5,230   | 4,230                  | 3,230                  |
| Dividends   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Suppliers and employees                           |     | (76,708)        | (83,355)        | (91,506)        | (103,070)            | (103,841)       | (111,008)          | (121,081)   | (125,714)              | (133,277)              |
| Finance charges                                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Transfers and Grants                              | 1   | (25,420)        | (24,871)        | (23,379)        | (4,671)              | (12,631)        | (12,631)           | (38,449)  | (1,897)                | (1,992)                |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  |     | <b>2,820</b>    | <b>(5,865)</b>  | <b>(6,584)</b>  | <b>3,555</b>         | <b>(4,196)</b>  | <b>(11,363)</b>    | <b>(5,862)</b>                                      | <b>(3,389)</b>         | <b>(10,188)</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Proceeds on disposal of PPE                       |     | 17              | 280             | 11              | -                    | 56              | 56                 | 20  | -                      | -                      |
| Decrease (increase) in non-current debtors        |     | -               | 13              | -               | -                    | (22)            | (22)               | (55)  | (55)                   | (55)                   |
| Decrease (increase) other non-current receivables |     | (33)            | -               | (20)            | -                    | -               | -                  | -   | -                      | -                      |
| Decrease (increase) in non-current investments    |     | (2,202)         | 138             | (7,933)         | -                    | -               | -                  | -   | -                      | -                      |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Capital assets                                    |     | (11,775)        | (8,321)         | (7,023)         | -                    | (9,167)         | (9,167)            | -   | -                      | -                      |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  |     | <b>(13,993)</b> | <b>(7,890)</b>  | <b>(14,965)</b> | <b>-</b>             | <b>(9,133)</b>  | <b>(9,133)</b>     | <b>(35)</b>   | <b>(55)</b>            | <b>(55)</b>            |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Receipts</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Short term loans                                  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Borrowing long term/refinancing                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Increase (decrease) in consumer deposits          |     | -               | -               | -               | -                    | -               | -                  | 2   | 2                      | 2                      |
| <b>Payments</b>                                   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Repayment of borrowing                            |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  |     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>2</b>  | <b>2</b>               | <b>2</b>               |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      |     | <b>(11,172)</b> | <b>(13,755)</b> | <b>(21,549)</b> | <b>3,555</b>         | <b>(13,329)</b> | <b>(20,496)</b>    | <b>(5,895)</b>                                      | <b>(3,443)</b>         | <b>(10,241)</b>        |
| Cash/cash equivalents at the year begin:          | 2   | 108,912         | 97,739          | 83,985          | 68,176               | 85,190          | 85,190             | 68,694  | 62,799                 | 59,357                 |
| Cash/cash equivalents at the year end:            | 2   | 97,739          | 83,985          | 62,436          | 71,731               | 71,861          | 64,694             | 62,799  | 59,357                 | 49,115                 |

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

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1. Presentation of Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

These accounting policies are consistent with the previous period, unless explicitly stated.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

##### Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

##### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15 - Provisions.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.3 Significant judgements and sources of estimation uncertainty (continued)

#### Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high- quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 17.

#### Allowance for doubtful debts

For receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

### 1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up. The municipality has no assets of cultural, environmental or historical significance and therefore no heritage assets.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on cost minus the residual value, using the straight line basis over their expected useful lives to their estimated residual value. Land, heritage assets and artwork are not depreciated as it is deemed to have an indefinite useful life.

Subsequent to initial recognition, items of Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses. Subsequent expenditure is capitalised when it increases the capacity of future economic benefits associated with the asset.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.4 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

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| Item                     | Depreciation method | Average useful life |
|--------------------------|---------------------|---------------------|
| Buildings and facilities | Straight line       | 10 to 60            |
| Plant and equipment      | Straight line       | 5 to 25             |
| Furniture and fixtures   | Straight line       | 5 to 37             |
| Motor vehicles           | Straight line       | 3 to 15             |
| Office equipment         | Straight line       | 4 to 36             |
| IT equipment             | Straight line       | 4 to 10             |
| Emergency equipment      | Straight line       | 5 to 10             |
| Specialised vehicles     | Straight line       | 5 to 16             |

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

### 1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are subsequently carried at cost less any accumulated amortisation and any impairment losses.

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# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.5 Intangible assets (continued)

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item                     | Useful life   |
|--------------------------|---------------|
| Computer software, other | 4 to 40 years |

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

### 1.6 Financial instruments

#### Classification

The municipality classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through surplus or deficit - held for trading
- Held-to-maturity investment
- Loans and receivables
- Financial liabilities at fair value through surplus or deficit - held for trading

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

#### Initial recognition and measurement

Financial instruments are recognised initially when the municipality becomes a party to the contractual provisions of the instruments.

The municipality classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through surplus or deficit, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through surplus or deficit are recognised in surplus or deficit.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

---

### 1.6 Financial Instruments (continued)

#### Subsequent measurement

Financial instruments at fair value through surplus or deficit are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in surplus or deficit for the period.

Net gains or losses on the financial instruments at fair value through surplus or deficit dividends or similar distributions and interest.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

#### Impairment of financial assets

At each end of the reporting period the municipality assesses all financial assets, other than those at fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the municipality, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from equity as a reclassification adjustment and recognised in surplus or deficit.

Impairment losses are recognised in surplus or deficit.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit except for equity investments classified as available-for-sale.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

#### Receivables from exchange transactions

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Trade and other receivables are classified as loans and receivables.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.6 Financial instruments (continued)

#### Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Amounts that are payable within 12 months from the reporting date are classified as current. The carrying amount of trade and other payables is a reasonable approximation of fair value.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including petty cash) and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

The credit risk disclosure is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk.

#### Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in surplus or deficit when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the municipality has the positive intention and ability to hold to maturity are classified as held to maturity, these include investments held as fixed deposits and short term deposits invested in registered commercial banks.

#### Impairment of financial assets

The municipality assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

Assets are carried at amortised cost.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss shall be recognised in surplus or deficit.

### 1.7 Statutory receivables

### 1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.8 Leases (continued)

#### Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease. The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease installments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

#### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. The average payments over the period of the lease are expensed and any difference between the average and actual payment is disclosed as a debtor or creditor in the Statement of Financial Position.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

#### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in the effect of item 1 & 2 above on accumulated surplus.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight -line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

### 1.9 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.9 Inventories (continued)

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

### 1.10 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

Criteria developed by the municipality to distinguish cash-generating assets from non-cash-generating assets are as follow:

### 1.11 Impairment of non-cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

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# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.11 Impairment of non-cash-generating assets (continued)

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- (a) the period of time over which an asset is expected to be used by the municipality; or
- (b) the number of production or similar units expected to be obtained from the asset by the municipality.

Criteria developed by the municipality to distinguish non-cash-generating assets from cash-generating assets are as follow:  
[Specify criteria]

### 1.12 Employee benefits

#### Short-term employee benefits

Provision is made in the financial statements for all employee benefits. Liabilities for wages and salaries, including non-monetary benefits, bonuses and annual leave obliged to be settled within 12 months of the reporting date, are recognized in other payables or provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognized when the leave is taken and measured at the rates paid or payable.

The liability for long service leave for which settlement can be deferred beyond 12 months from the reporting date is recognized in the non-current liability for employee benefits and measured as the present value of expected future payment to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms of maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry- managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the entity's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.12 Employee benefits (continued)

#### Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial period, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in surplus or deficit over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the entity is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

#### Other post retirement obligations

The entity provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The entity also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

The cost of providing health care is charged to the income statement so as to recognize current and past service costs, interest cost on defined benefit obligations, and the effect of any curtailments of settlements, net of expected returns on plan assets. Actuarial gains and losses are recognized in full directly in the statement of financial performance. Additional benefits are expensed as past service cost in the period in which the benefit is granted to the extent that it is not covered by a surplus to contributions funded by the municipality. The municipality has no plan assets. A liability is consequently recognized in the statement of financial position based on the present value of defined benefit obligations, less any unrecognized past service costs.

### 1.13 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.13 Provisions and contingencies (continued)

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. 37.

### 1.14 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

### 1.15 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising out of situations where the municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

#### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.15 Revenue from exchange transactions (continued)

#### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff.

#### Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised, on a time proportion basis in surplus or deficit, using the effective interest rate method.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

### 1.16 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.16 Revenue from non-exchange transactions (continued)

#### Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The municipality assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met, to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Grants without any conditions attached are recognised as revenue when the asset is recognised.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a re-imbusement basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

#### Other grants and donations

Other grants and donations are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- to the extent that there has been compliance with any restrictions associated with the grant.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, a deferred income (liability) is recognised.

If goods in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

### 1.17 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

### 1.18 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the the effect of item 1 & 2 above on accumulated surplus in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the the effect of item 1 & 2 above on accumulated surplus.

The recovery of unauthorised expenditure is based on legislated procedures, and is recognized when the recovery thereof from the responsible officials is probable. The recovery of unauthorised expenditure is treated as other income.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the the effect of item 1 & 2 above on accumulated surplus in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the the effect of item 1 & 2 above on accumulated surplus.

The recovery of fruitless and wasteful expenditure is based on legislated procedures, and is recognized when the recovery thereof from the responsible officials is probable. The recovery of fruitless and wasteful expenditure is treated as other income.

### 1.20 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the The effect of Item 1 & 2 above on Accumulated surplus and where recovered, it is subsequently accounted for as revenue in the The effect of Item 1 & 2 above on Accumulated surplus.

The recovery of irregular expenditure is based on legislated procedures, and is recognized when the recovery thereof from the responsible officials is probable. The recovery of irregular expenditure is treated as other income.

### 1.21 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01/07/2015 to 30/06/2016.

The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

The Statement of comparative and actual information has been included in the financial statements as the recommended disclosure when the financial statements and the budget are on the same basis of accounting as determined by National Treasury.

### 1.22 Related parties

The municipality operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the local sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

### 1.23 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Accounting Policies

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### 1.23 Events after reporting date (continued)

- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

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### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### **GRAP 105: Transfers of Functions Between Entities Under Common Control**

The objective of this standard is to establish accounting principles for the acquirer and transferor in a transfer of functions between entities under common control.

A transfer of functions between entities under common control is a reorganisation and / or reallocation of functions between entities that are ultimately controlled by the same entity before and after a transfer of functions. In the event of a transfer of functions between entities under common control, the assets and liabilities should be recognised (by the acquirer) at their carrying amounts and should be derecognised (by the transferor) at their carrying amounts.

The difference between the amount of consideration paid or received, if any, and the carrying amounts of assets and liabilities should be recognised in accumulated surplus / (deficit).

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 financial statements.

The impact of the standard is not material.

##### **GRAP 106: Transfers of Functions Between Entities not Under Common Control**

The objective of this standard is to establish accounting principles for the acquirer in a transfer of functions between entities not under common control.

A transfer of functions between entities not under common control is a reorganisation and / or reallocation of functions between entities that are not ultimately controlled by the same entity before and after a transfer of functions. In the event of a transfer of functions between entities not under common control, the assets and liabilities should be recognised (by the acquirer) at their acquisition date fair values.

The difference between the amount of consideration paid, if any, and the carrying amounts of assets acquired and liabilities assumed should be recognised in accumulated surplus / (deficit).

For a transfer of functions between entities not under common control there are some specific recognition and measurement principles and exceptions to the recognition and measurement principles.

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 financial statements.

The impact of the standard is not material.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

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### 2. New standards and interpretations (continued)

#### GRAP 107: Mergers

The objective of this standard is to establish accounting principles for the combined entity and combining entities in a merger.

A merger is where a new combined entity is started, acquirer can be identified and the combining entities do not have any control over the combined entity. In the event of a merger, the assets and liabilities should be recognised (by the combined entity) at their carrying amounts and should be derecognised (by the combining entities) at their carrying amounts.

The difference between the carrying amounts of assets and liabilities should be recognised in accumulated surplus / (deficit).

The effective date of the standard is for years beginning on or after 01 April 2015.

The municipality has adopted the standard for the first time in the 2016 financial statements.

The impact of the standard is not material.

#### IGRAP 11: Consolidation - Special purpose entities

An entity may be created to accomplish a narrow and well-defined objective (e.g. to effect a lease, research and development activities or a securitisation of financial assets). Such a special purpose entity ('SPE') may take the form of a corporation, trust, partnership or unincorporated entity. SPEs often are created with legal arrangements that impose strict and sometimes permanent limits on the decision-making powers of their management over the operations of the SPE. Frequently, these provisions specify that the policy guiding the ongoing activities of the SPE cannot be modified, other than perhaps by its creator or sponsor (ie they operate on so-called 'autopilot'). The sponsor (or entity on whose behalf the SPE was created) frequently transfers assets to the SPE, obtains the right to use assets held by the SPE or performs services for the SPE, while other parties ('capital providers') may provide the funding to the SPE. An entity that engages in transactions with an SPE (frequently the creator or sponsor) may in substance control the SPE. A beneficial interest in an SPE may, for example, take the form of a debt instrument, an equity instrument, a participation right, a residual interest or a lease. Some beneficial interests may simply provide the holder with a fixed or stated rate of return, while others give the holder rights or access to other future economic benefits or service potential of the SPE's activities. In most cases, the creator or sponsor (or the entity on whose behalf the SPE was created) retains a significant beneficial interest in the SPE's activities, even though it may own little or none of the SPE's net assets.

The Standard of GRAP on Consolidated and Separate Financial Statements requires the consolidation of entities that are controlled by the reporting entity. However, the Standard of GRAP does not provide explicit guidance on the consolidation of SPEs. The issue is under what circumstances an entity should consolidate an SPE. This interpretation of the Standards of GRAP does not apply to post-employment benefit plans or other long-term employee benefit plans to which the Standard of GRAP on Employee Benefits applies.

A transfer of assets from an entity to an SPE may qualify as a sale by that entity. Even if the transfer does qualify as a sale, the provisions of the Standard of GRAP on Consolidated and Separate Financial Statements and this Interpretation of the Standards of GRAP may mean that the entity should consolidate the SPE. This Interpretation of the Standards of GRAP does not address the circumstances in which sale treatment should apply for the entity or the elimination of the consequences of such a sale upon consolidation.

The effective date of the interpretation is for years beginning on or after 01 April 2015.

The municipality has adopted the interpretation for the first time in the 2016 financial statements.

The impact of the interpretation is not material.

#### IGRAP 12: Jointly controlled entities - Non-monetary contributions by ventures

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

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### 2. New standards and interpretations (continued)

Paragraph .54 in the Standard of GRAP on Interests in Joint Ventures refers to both contributions and sales between a venturer and a joint venture as follows: 'When a venturer contributes or sells assets to a joint venture, recognition of any portion of a gain or loss from the transaction shall reflect the substance of the transaction'. In addition, paragraph 31 in the Standard of GRAP on Interests in Joint Ventures says that 'a jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or other entity in which each venturer has an interest'. There is no explicit guidance on the recognition of gains and losses resulting from contributions of non-monetary assets to jointly controlled entities ('JCEs').

Contributions to a JCE are transfers of assets by venturers in exchange for an interest in the net asset in the JCE. Such contributions may take various forms. Contributions may be made simultaneously by the venturers either upon establishing the JCE or subsequently. The consideration received by the venturer(s) in exchange for assets contributed to the JCE may also include cash or other consideration that does not depend on future cash flows of the JCE ('additional consideration').

The issues are:

- when the appropriate portion of gains or losses resulting from a contribution of a non-monetary asset to a JCE in exchange for an interest in the net assets in the JCE should be recognised by the venturer in surplus or deficit;
- how additional consideration should be accounted for by the venturer; and
- how any unrealised gain or loss should be presented in the consolidated

This Interpretation of the Standards of GRAP deals with the venturer's accounting for non-monetary contributions to a JCE in exchange for an interest in the net assets in the JCE that is accounted for using either the equity method or proportionate consolidation.

The effective date of the interpretation is for years beginning on or after 01 April 2015.

The municipality has adopted the interpretation for the first time in the 2016 financial statements.

The impact of the interpretation is not material.

### GRAP 6 (approved 2015): Consolidated and Seperate Financial Statements

The definition of 'minority interest' has been amended to 'non- controlling interest', and paragraph .60 was added by the Improvements to the Standards of GRAP issued in November 2010. An entity shall apply these amendments prospectively for annual financial periods beginning on or after the effective date [in conjunction with the effective date to be determined by the Minister of Finance for GRAP 105, 106 and 107]. If an entity elects to apply these amendments earlier, it shall disclose this fact.

Paragraph .59 was amended by Improvements to the Standards of GRAP issued in November 2010. An entity shall apply these amendments prospectively for annual financial periods beginning on or after the effective date [in conjunction with the effective date to be determined by the Minister of Finance for GRAP 105, 106 and 107] from the date at which it first applied the Standard of GRAP on Non-current Assets Held for Sale and Discontinued Operations. If an entity elects to apply these amendments earlier, it shall disclose this fact.

The Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers amended paragraphs .03, .39, .47 to .50 and added paragraphs .51 to .58 and .61 to .62. An entity shall apply these amendments when it applies the Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers.

The effective date of the amendment is for years beginning on or after 01 April 2015.

The municipality has adopted the amendment for the first time in the 2016 financial statements.

The impact of the amendment is not material.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and interpretations (continued)

#### GRAP 7 (approved 2012): Investments in Associates

Paragraphs .03 and .42 were amended by the Improvements to the Standards of GRAP issued in November 2010. An entity shall apply these amendments prospectively for annual financial periods beginning on or after the effective date [in conjunction with the effective date to be determined by the Minister of Finance for GRAP 105, 106 and 107]. If an entity elects to apply these amendments earlier, it shall disclose this fact.

The Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers amended paragraphs .22, .28 and .38 and added paragraph .24. An entity shall apply these amendments and addition when it applies the Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers.

The effective date of the amendment is for years beginning on or after 01 April 2015.

The municipality has adopted the amendment for the first time in the 2016 financial statements.

The impact of the amendment is not material.

#### GRAP 8 (as revised 2015): Interests in Joint Ventures

Paragraph .04 was amended by the Improvements to the Standards of GRAP issued in November 2010. An entity shall apply these amendments prospectively for annual financial periods beginning on or after the effective date [in conjunction with the effective date to be determined by the Minister of Finance for GRAP 105, 106 and 107]. If an entity elects to apply these amendments earlier, it shall disclose this fact.

The Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers added paragraph .50 and amended paragraphs .51 and .52. An entity shall apply these amendments and addition when it applies the Standards of GRAP on Transfer of Functions Between Entities Under Common Control, Transfer of Functions Between Entities Not Under Common Control and Mergers.

The effective date of the amendment is for years beginning on or after 01 April 2015.

The municipality has adopted the amendment for the first time in the 2016 financial statements.

The impact of the amendment is not material.

#### Directive 11: Changes in Measurement Bases following the Initial Adoption of Standards of GRAP

The objective of this directive is to permit the municipality to change its measurement bases following the initial adoption of Standards of GRAP. The change is based on the principles in the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors. This directive should therefore be read in conjunction with the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

In applying paragraph 13(b) of the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors, this directive allows the municipality, that has initially adopted the fair value model for investment property or the revaluation model for property, plant and equipment, intangible assets or heritage assets, to change its accounting policy on a once-off basis to the cost model when the municipality elects to change its accounting policy following the initial adoption of these Standards of GRAP. The once-off change will be allowed when the municipality made an inappropriate accounting policy choice on the initial adoption of the Standards of GRAP.

Subsequent to the application of this directive, the municipality will be allowed to change its accounting policy in future periods subject to it meeting the requirements in the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

The effective date of the directive is for years beginning on or after 01 April 2015.

The municipality has adopted the directive for the first time in the 2016 financial statements.



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and interpretations (continued)

The impact of the directive is not material.

#### 2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2016 or later periods:

##### GRAP 20: Related parties

The objective of this standard is to ensure that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this standard referred to as the reporting entity) shall apply this standard in:

- identifying related party relationships and transactions;
- identifying outstanding balances, including commitments, between an entity and its related parties;
- identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- determining the disclosures to be made about those items.

This standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This standard also applies to individual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to the reporting entity if that person:
  - has control or joint control over the reporting entity;
  - has significant influence over the reporting entity;
  - is a member of the management of the entity or its controlling entity.
- An entity is related to the reporting entity if any of the following conditions apply:
  - the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
  - one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
  - both entities are joint ventures of the same third party;
  - one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
  - the entity is controlled or jointly controlled by a person identified in (a); and
  - a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The standard elaborates on the definitions and identification of:

- Close member of the family of a person;
- Management;
- Related parties;
- Remuneration; and
- Significant influence

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and Interpretations (continued)

The standard sets out the requirements, inter alia, for the disclosure of:

- Control;
- Related party transactions; and
- Remuneration of management

The effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

#### GRAP 32: Service Concession Arrangements: Grantor

The objective of this Standard is: to prescribe the accounting for service concession arrangements by the grantor, a public sector entity.

It furthermore covers: Definitions, recognition and measurement of a service concession asset, recognition and measurement of liabilities, other liabilities, contingent liabilities, and contingent assets, other revenues, presentation and disclosure, transitional provisions, as well as the effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

The expected impact of the standard is that it will not be applicable and is expected to have no impact on the municipality's financial statements.

#### GRAP 108: Statutory Receivables

The objective of this Standard is: to prescribe accounting requirements for the recognition, measurement, presentation and disclosure of statutory receivables.

It furthermore covers: Definitions, recognition, derecognition, measurement, presentation and disclosure, transitional provisions, as well as the effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

#### IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset

This Interpretation of the Standards of GRAP provides guidance to the grantor where it has entered into a service concession arrangement, but only controls, through ownership, beneficial entitlement or otherwise, a significant residual interest in a service concession asset at the end of the arrangement, where the arrangement does not constitute a lease. This Interpretation of the Standards of GRAP shall not be applied by analogy to other types of transactions or arrangements.

A service concession arrangement is a contractual arrangement between a grantor and an operator in which the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time. The operator is compensated for its services over the period of the service concession arrangement, either through payments, or through receiving a right to earn revenue from third party users of the service concession asset, or the operator is given access to another revenue-generating asset of the grantor for its use.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and interpretations (continued)

Before the grantor can recognise a service concession asset in accordance with the Standard of GRAP on Service Concession Arrangements: Grantor, both the criteria as noted in paragraph .01 of this Interpretation of the Standards of GRAP need to be met. In some service concession arrangements, the grantor only controls the residual interest in the service concession asset at the end of the arrangement, and can therefore not recognise the service concession asset in terms of the Standard of GRAP on Service Concession Arrangements: Grantor.

A consensus is reached, in this Interpretation of the Standards of GRAP, on the recognition of the performance obligation and the right to receive a significant interest in a service concession asset.

The effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

The expected impact of the standard is that it will not be applicable and is expected to have no impact on the municipality's financial statements.

#### GRAP 16 (as amended 2015): Investment Property

Based on the feedback received as part of the post-implementation review, the Board agreed to reconsider certain principles in GRAP 16 and GRAP 17. In particular, the Board agreed to:

- Review the principles and explanations related to the distinction between investment property and property, plant and equipment.
- Consider whether an indicator-based assessment of useful lives of assets could be introduced.
- Clarify the wording related to the use of external valuers.
- Introduce more specific presentation and disclosure requirements for capital work-in-progress.
- Review the encouraged disclosures and assess whether any should be made mandatory or deleted.
- Require separate presentation of expenditure incurred on repairs and maintenance in the financial statements.

Various amendments were made to the Standard, affecting Definitions, Identification, Disclosure, Effective date and Transitional provisions.

The effective date of the standard is for years beginning on or after 01 April 2016.

The municipality expects to adopt the standard for the first time in the 2017 financial statements.

The expected impact of the standard is that it will not be applicable and is expected to have no impact on the municipality's financial statements.

#### GRAP 17 (as amended 2015): Property, Plant and Equipment

Based on the feedback received as part of the post-implementation review, the Board agreed to reconsider certain principles in GRAP 16 and GRAP 17. In particular, the Board agreed to:

- Review the principles and explanations related to the distinction between investment property and property, plant and equipment.
- Consider whether an indicator-based assessment of useful lives of assets could be introduced.
- Clarify the wording related to the use of external valuers.
- Introduce more specific presentation and disclosure requirements for capital work-in-progress.
- Review the encouraged disclosures and assess whether any should be made mandatory or deleted.
- Require separate presentation of expenditure incurred on repairs and maintenance in the financial statements.

Amendments identified as part of the post-implementation review, affected the following areas:

- Indicator-based assessment of the useful lives of assets
- Use of external valuers
- Encouraged disclosures
- Capital work-in-progress
- Expenditure incurred on repairs and maintenance

The effective date of the standard is for years beginning on or after 01 April 2016.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and interpretations (continued)

The municipality expects to adopt the standard for the first time in the 2017 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

#### **GRAP 109: Accounting by Principals and Agents**

The objective of this Standard is to outline principles to be used by an entity to assess whether it is party to a principal-agent arrangement, and whether it is a principal or an agent in undertaking transactions in terms of such an arrangement. The Standard does not introduce new recognition or measurement requirements for revenue, expenses, assets and/or liabilities that result from principal-agent arrangements. The Standard does however provide guidance on whether revenue, expenses, assets and/or liabilities should be recognised by an agent or a principal, as well as prescribe what information should be disclosed when an entity is a principal or an agent.

It furthermore covers Definitions, Identifying whether an entity is a principal or agent, Accounting by a principal or agent, Presentation, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The municipality expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

#### **GRAP 21 (as amended 2015): Impairment of non-cash-generating assets**

The Board agreed to include a research project on its work programme to review GRAP 21 and GRAP 26 to assess whether the principles in these Standards could be simplified and streamlined. As part of its research project, the Board considered the following aspects which led to the proposed amendments included in this Exposure Draft:

- simplifying the approach to impairment to make it clearer when an asset is cash generating or non-cash-generating;
- assessing the feasibility of one measurement approach for non-cash-generating assets; and
- assessing the feasibility of combining the two Standards.

#### **Summary of changes:**

The changes to the Standard of GRAP on Impairment of Non-cash-generating Assets are outlined below:

#### **General definitions:**

The definition of cash-generating assets has been amended to be consistent with the amendments made to clarify the objective of cash-generating assets and non-cash-generating assets.

#### **Cash generating assets and non-cash-generating assets:**

Additional commentary has been added to clarify the objective of cash-generating assets and non-cash-generating assets.

#### **Identifying an asset that may be impaired:**

Additional commentary has been added to clarify that physical damage triggers impairment of an asset when it results in a permanent or a significant decline in the potential of an asset.

#### **Reversing an impairment loss:**

An indicator has been added that the restoration of an asset's service potential following physical damage to the asset could indicate a reversal in an impairment loss.

Additional commentary has been added to clarify that restoration of an asset's service potential as a result of physical damage is an indication that an impairment loss recognised in prior periods may no longer exist or may have decreased.

**Waterberg District Municipality**  
Financial Statements for the year ended 30 June 2016  
**Notes to the Financial Statements**

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|      |      |
|------|------|
| 2016 | 2015 |
|------|------|

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**2. New standards and interpretations (continued)**

Disclosures:

The requirement to disclose the criteria developed to distinguish non-cash-generating assets from cash-generating assets has been amended to be consistent with the amendments made to clarify the objective of non-cash-generating assets and cash-generating assets.

The effective date of the standard is for years beginning on or after 01 April 2017.

The municipality expects to adopt the standard for the first time in the 2018 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

**GRAP 26 (as amended 2015): Impairment of cash-generating assets**

The Board agreed to include a research project on its work programme to review GRAP 21 and GRAP 26 to assess whether the principles in these Standards could be simplified and streamlined. As part of its research project, the Board considered the following aspects which led to the proposed amendments included in this Exposure Draft:

- simplifying the approach to impairment to make it clearer when an asset is cash generating or non-cash-generating;
- assessing the feasibility of one measurement approach for non-cash-generating assets; and
- assessing the feasibility of combining the two Standards.

Summary of changes:

The changes to the Standard of GRAP on Impairment of Cash-generating Assets are outlined below:

General definitions:

The definitions of cash-generating assets and cash-generating unit have been amended to be consistent with the amendments made to clarify the objective of cash-generating assets and non-cash-generating assets below.

Cash generating assets and non-cash-generating assets:

Additional commentary has been added to clarify the objective of cash-generating assets and non-cash-generating assets.

Disclosures:

The requirement to disclose the criteria developed to distinguish cash-generating assets from non-cash-generating assets has been amended to be consistent with the amendments made to clarify the objective of non-cash-generating assets and cash-generating assets.

The effective date of the standard is for years beginning on or after 01 April 2017.

The municipality expects to adopt the standard for the first time in the 2018 financial statements.

It is unlikely that the standard will have a material impact on the municipality's financial statements.

**Directive 12: The Selection of an Appropriate Reporting Framework by Public Entities**

Historically, public entities have prepared financial statements in accordance with generally recognised accounting practice, unless the Accounting Standards Board (the Board) approved the application of generally accepted accounting practice for that entity. "Generally accepted accounting practice" has been taken to mean Statements of Generally Accepted Accounting Practice (Statements of GAAP), or for certain entities, International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board. Since Statements of GAAP have been withdrawn from 1 December 2012, public entities will be required to apply another reporting framework in the future.

The purpose of this Directive is to prescribe the criteria to be applied by public entities in selecting and applying an appropriate reporting framework.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 2. New standards and interpretations (continued)

The effective date of the standard is for years beginning on or after 01 April 2018.

The municipality expects to adopt the standard for the first time in the 2019 financial statements.

The expected impact of the standard is that it will not be applicable and is expected to have no impact on the municipality's financial statements.

### 2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2016 or later periods but are not relevant to its operations:

#### GRAP 18: Segment Reporting

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.

This Standard has been approved by the Board but its effective date has not yet been determined by the Minister of Finance. The effective date indicated is a provisional date and could change depending on the decision of the Minister of Finance.

Directive 2 - Transitional provisions for public entities, municipal entities and constitutional institutions, states that no comparative segment information need to be presented on initial adoption of this Standard.

Directive 3 - Transitional provisions for high capacity municipalities states that no comparative segment information need to be presented on initial adoption of the Standard. Where items have not been recognised as a result of transitional provisions under the Standard of GRAP on Property, Plant and Equipment, recognition requirements of this Standard would not apply to such items until the transitional provision in that Standard expires.

Directive 4 - Transitional provisions for medium and low capacity municipalities states that no comparative segment information need to be presented on initial adoption of the Standard. Where items have not been recognised as a result of transitional provisions under the Standard of GRAP on Property, Plant and Equipment and the Standard of GRAP on Agriculture, the recognition requirements of the Standard would not apply to such items until the transitional provision in that standard expires.

The effective date of the standard is not yet set by the Minister of Finance.

The municipality does not envisage the adoption of the standard until such time as it becomes applicable to the municipality's operations.

The adoption of this standard is not expected to impact on the results of the municipality, but may result in more disclosure than is currently provided in the financial statements.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 3. Cash and cash equivalents

Cash and cash equivalents consist of:

|                     |                    |                   |
|---------------------|--------------------|-------------------|
| Cash on hand        | 5,200              | 5,200             |
| Bank balances       | 5,825,786          | 3,684,004         |
| Short-term deposits | 130,383,018        | 79,369,878        |
|                     | <b>136,214,004</b> | <b>83,059,082</b> |

A portion of cash represents restricted cash as it serves as security for unspent conditional grants.

#### Short-term deposits

|                        |                    |                   |
|------------------------|--------------------|-------------------|
| Call deposits          | 26,054,159         | 21,057,151        |
| 60 Days fixed deposits | 10,049,315         | 10,032,836        |
| 90 Days fixed deposits | 94,279,544         | 48,279,891        |
|                        | <b>130,383,018</b> | <b>79,369,878</b> |

The municipality had the following bank accounts

| Account description                      | Account number       | Bank statement balances |                    | Cash book balances |                    |
|--|----------------------|-------------------------|--------------------|--------------------|--------------------|
|  |                      | 30 June 2016            | 30 June 2015       | 30 June 2016       | 30 June 2015       |
| ABSA Bank - Current Account              | 4086264236           | 6,748,761               | -                  | 5,721,886          | -                  |
| First National Bank - Current Account    | 53170034748          | -                       | 5,933,483          | -                  | 3,684,004          |
| ABSA BANK - Call Account                 | 9309035608           | 26,000,000              | -                  | 26,054,159         | -                  |
| ABSA BANK - 90 Days Investment           | 2075918917           | 10,000,000              | -                  | 10,016,482         | -                  |
| ABSA BANK - 6 Months Investment          | 20775927095          | 10,000,000              | -                  | 10,004,449         | -                  |
| ABSA BANK - 6 Months Investment          | 2075332567           | 10,000,000              | -                  | 10,045,740         | -                  |
| NEDBANK - 60 Days Investment             | 03/7497671214/000184 | 10,000,000              | -                  | 10,049,315         | -                  |
| NEDBANK - 90 Days Investment             | 03/7497571214/000186 | 6,000,000               | -                  | 6,022,488          | -                  |
| NEDBANK - 90 Days Investment             | 03/7497571214/000172 | 11,000,000              | -                  | 11,048,099         | -                  |
| STANDARD BANK - 90 Days Investment       | 728855100-006        | 10,000,000              | -                  | 10,002,082         | -                  |
| STANDARD BANK - 90 Days Investment       | 728855100-007        | 10,000,000              | -                  | 10,062,712         | -                  |
| STANDARD BANK - 90 Days Investment       | 728855100-008        | 7,000,000               | -                  | 7,010,377          | -                  |
| INVESTEC - 90 Days Investment            | 1400198080451        | 10,000,000              | -                  | 10,004,126         | -                  |
| INVESTEC - 90 Days Investment            | 1400198080451        | 10,000,000              | -                  | 10,062,877         | -                  |
| INVESTEC - 90 Days Investment            | 1400198080451        | 10,000,000              | -                  | 10,035,630         | -                  |
| INVESTEC - 90 Days Investment            | 1400198080451        | 10,000,000              | -                  | 10,014,671         | -                  |
| INVESTEC - 6 Months Investment           | 1400198080451        | 10,000,000              | -                  | 10,066,247         | -                  |
| ABSA BANK - 90 Days Investment           | 2074873962           | -                       | 10,000,000         | -                  | 10,036,534         |
| ABSA BANK - 92 Days Investment           | 2074478401           | -                       | 10,000,000         | -                  | 10,036,471         |
| ABSA BANK - 63 Days Investment           | 2074953447           | -                       | 10,000,000         | -                  | 10,032,836         |
| ABSA BANK - Call Account                 | 9309035608           | -                       | 10,000,000         | -                  | 10,009,589         |
| ABSA BANK - 90 Days Investment           | 20774232043          | -                       | -                  | -                  | 2,934              |
| First National Bank - 90 Days Investment | 74504915560          | -                       | 10,000,000         | -                  | 10,030,591         |
| NEDBANK - 6 Months Investment            | 03/7497571214/000165 | -                       | 10,000,000         | -                  | 10,056,055         |
| NEDBANK - 6 Months Investment            | 03/7497571214/000166 | -                       | 11,000,000         | -                  | 11,062,745         |
| NEDBANK - 6 Months Investment            | 03/7497571214/000167 | -                       | 10,000,000         | -                  | 10,057,288         |
| NEDBANK - 90 Days Investment             | 03/7497571214/000168 | -                       | -                  | -                  | 2,968              |
| INVESTEC Call Account                    | 1400198080500        | -                       | 11,000,000         | -                  | 11,047,562         |
| INVESTEC - 90 Days Investment            | 1400198080 - 2       | -                       | 8,000,000          | -                  | 8,110,124          |
| INVESTEC - 90 Days Investment            | 1157518 CORP MM FUND | -                       | 10,000,000         | -                  | 10,060,268         |
| <b>Total</b>                             | <b>Total</b>         | <b>166,748,761</b>      | <b>115,933,483</b> | <b>166,221,340</b> | <b>114,229,969</b> |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

|  | 2016          | 2015          |
|--|---------------|---------------|
| <b>4. Other receivables from exchange transactions</b> |               |               |
| <b>Gross balances</b>                                  |               |               |
| Abattoir   | 8,256         | 14,919        |
| Other receivables - councillor salaries                | 3,516         | 3,516         |
|  | <u>11,772</u> | <u>18,435</u> |
| <b>Less: Allowance for impairment</b>                  |               |               |
| Other receivables - councillor salaries                | (3,516)       | (3,516)       |
|  | <u></u>       | <u></u>       |
| <b>Net balance</b>                                     |               |               |
| Abattoir   | 8,256         | 14,919        |
|  | <u></u>       | <u></u>       |
| <b>Abattoir:</b>                                       |               |               |
| Current (0 -30 days)                                   | 8,256         | 6,116         |
| 31 - 60 days   | -             | 8,530         |
| 61 - 90 days   | -             | 265           |
| 91 - 120 days  | -             | 8             |
|  | <u>8,256</u>  | <u>14,919</u> |
| <b>Councillor salaries:</b>                            |               |               |
| > 365 days   | 3,516         | 3,516         |
|  | <u></u>       | <u></u>       |
| <b>Summary of debtors by customer classification</b>   |               |               |
| <b>Consumers and other receivables</b>                 |               |               |
| Current (0 -30 days)                                   | 8,256         | 6,116         |
| 31 - 60 days   | -             | 8,530         |
| 61 - 90 days   | -             | 265           |
| 91 - 120 days  | -             | 8             |
| > 365 days   | 3,516         | 3,516         |
|  | <u>11,772</u> | <u>18,435</u> |
| <b>Less: Allowance for impairment</b>                  | (3,516)       | (3,516)       |
|  | <u>8,256</u>  | <u>14,919</u> |
| <b>Total</b>   |               |               |
| Current (0 -30 days)                                   | 8,256         | 6,116         |
| 31 - 60 days   | -             | 8,530         |
| 61 - 90 days   | -             | 265           |
| 91 - 120 days  | -             | 8             |
| > 365 days   | 3,516         | 3,516         |
|  | <u>11,772</u> | <u>18,435</u> |
| <b>Less: Allowance for impairment</b>                  | (3,516)       | (3,516)       |
|  | <u>8,256</u>  | <u>14,919</u> |
| <b>Reconciliation of allowance for impairment</b>      |               |               |
| Balance at beginning of the year                       | 3,516         | 8,719         |
| Contributions to allowance                             | -             | -             |
| Debt impairment written off against allowance          | -             | (5,203)       |
| Reversal of allowance                                  | -             | -             |
|  | <u>3,516</u>  | <u>3,516</u>  |



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 4. Other receivables from exchange transactions (continued)

#### Other receivables pledged as security

No other receivables were pledged as security.

#### Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

#### Other receivables impaired

As of 30 June 2016, other receivables of R 3 516 (2015: R 3 516) were impaired and provided for.

The amount of the provision was R 3 516 as of 30 June 2016 (2015: R 3 516).

The ageing of these loans is as follows:

|               |       |       |
|---------------|-------|-------|
| 3 to 6 months | -     | -     |
| Over 6 months | 3,516 | 3,516 |

### 5. Receivables from non-exchange transactions

|                |                |                  |
|----------------|----------------|------------------|
| Prepayments    | 759,797        | 1,113,325        |
| Sundry debtors | 17,051         | 11,359           |
|                | <u>776,848</u> | <u>1,124,684</u> |

#### Receivables from non-exchange transactions impaired

As of 30 June 2016, other receivables from non-exchange transactions of R 164,918 (2015: R -) were impaired and provided for.

The amount relates to sundry debtors consisting of councillors and employees, in respect of outstanding PAYE as a result of an audit conducted by SARS. The debt has been fully impaired pending further investigation and possible approval for writing off by council.

### 6. Inventories

|  |               |                |
|--|---------------|----------------|
| Consumable stores                                  | 83,097        | 117,835        |
| Inventories write-downs / (reversal of write-down) | -             | -              |
|  | <u>83,097</u> | <u>117,835</u> |

#### Consumables:

|                   |               |                |
|-------------------|---------------|----------------|
| Opening balance   | 117,835       | 117,300        |
| Additions         | 746,411       | 719,641        |
| Issued (expensed) | (781,150)     | (719,106)      |
| Closing balance   | <u>83,097</u> | <u>117,835</u> |

Inventory consists of stationery, fire fighting foam and grass beaters. No inventory is pledged as security. No circumstances or events existed that would have led to the write-down or the reversal of a write-down of inventories.

### 7. Held-to-maturity investments

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| 6 Months investment accounts | <u>30,116,436</u> | <u>31,176,088</u> |
|------------------------------|-------------------|-------------------|

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016                      2015

### 8. VAT

|                |           |         |
|----------------|-----------|---------|
| VAT receivable | 4,140,862 | 679,004 |
|----------------|-----------|---------|

VAT is accounted for on the payment basis.

### 9. Property, plant and equipment

|                                     | 2016                |  |                   | 2015                |  |                   |
|-------------------------------------|---------------------|--|-------------------|---------------------|--|-------------------|
|                                     | Cost /<br>Valuation | Accumulated depreciation<br>and<br>accumulated<br>impairment | Carrying value    | Cost /<br>Valuation | Accumulated depreciation<br>and<br>accumulated<br>impairment | Carrying value    |
| Land and Buildings                  | 39,563,085          | (9,520,883)  | 30,042,202        | 39,126,179          | (8,443,618)  | 30,682,561        |
| Other property, plant and equipment | 52,050,578          | (22,972,488)   | 29,078,090        | 48,781,512          | (18,226,200)   | 30,555,312        |
| <b>Total</b>                        | <b>91,613,663</b>   | <b>(32,493,371)</b>  | <b>59,120,292</b> | <b>87,907,691</b>   | <b>(26,669,818)</b>  | <b>61,237,873</b> |

#### Reconciliation of property, plant and equipment - 2016

|                                     | Opening<br>balance | Additions        | Depreciation       | Total             |
|-------------------------------------|--------------------|------------------|--------------------|-------------------|
| Land and Buildings                  | 30,682,561         | 436,906          | (1,077,265)        | 30,042,202        |
| Other property, plant and equipment | 30,555,312         | 3,269,066        | (4,746,288)        | 29,078,090        |
|                                     | <b>61,237,873</b>  | <b>3,705,972</b> | <b>(5,823,553)</b> | <b>59,120,292</b> |

#### Reconciliation of property, plant and equipment - 2015

|   | Opening<br>balance | Additions        | Disposals          | Depreciation       | Total             |
|---|--------------------|------------------|--------------------|--------------------|-------------------|
| Buildings                               | 30,195,240         | 487,321          |                    |                    | 30,682,561        |
| Other property, plant and equipment # 4 | 33,099,212         | 2,346,079        | (2,307,493)        | (2,582,486)        | 30,555,312        |
|   | <b>63,294,452</b>  | <b>2,833,400</b> | <b>(2,307,493)</b> | <b>(2,582,486)</b> | <b>61,237,873</b> |

#### Pledged as security

The municipality reviewed the residual values and estimated useful lives of its assets at the beginning of the 2015/16 financial year. The municipality also assessed if there is any indication that an asset needs to be impaired. No indicators of impairment of assets, except for the assets listed in the note below, were found.

#### Assets to be written off

Included in Property, plant and equipment above is assets amounting to R 15 223 that have been identified to be written off.

Assets amounting to R 5 395 have been identified as missing / stolen or broken and assets amounting to R 9 828 have been identified as broken / obsolete or no longer in use.

Council approval for the writing off of the assets have been obtain after 30 June 2016 and will be remove from the asset register in the new financial year.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 10. Intangible assets

|                          | 2016             |   |                | 2015             |   |                |
|--------------------------|------------------|---|----------------|------------------|---|----------------|
|                          | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value |
| Computer software, other | 3,798,271        | (1,573,787)   | 2,224,484      | 3,509,325        | (1,386,345)   | 2,122,980      |

#### Reconciliation of intangible assets - 2016

|                          | Opening balance | Additions | Amortisation | Total     |
|--------------------------|-----------------|-----------|--------------|-----------|
| Computer software, other | 2,122,980       | 288,946   | (187,442)    | 2,224,484 |

#### Reconciliation of intangible assets - 2015

|                          | Opening balance | Additions | Amortisation | Total     |
|--------------------------|-----------------|-----------|--------------|-----------|
| Computer software, other | 2,225,827       | 73,506    | (176,353)    | 2,122,980 |

#### Pledged as security

The municipality reviewed the residual values and estimated useful lives of its assets at the beginning of the 2015/16 financial year. The municipality also assessed if there is any indication that an asset needs to be impaired. No indicators of impairment of assets, except for the assets listed in the note below, were found.

### 11. Non-current receivables

#### Deposits:

|                       |               |               |
|-----------------------|---------------|---------------|
| Water and electricity | 2,025         | 2,025         |
| Office rentals        | 32,750        | 32,750        |
| Telephone             | 20,000        | 20,000        |
|                       | <u>54,775</u> | <u>54,775</u> |

#### Deposit water and electricity

These are deposits paid for water and electricity services, rental of office space in Mokopane and Thabazimbi for environmental health officials and VOIP telephone.

### 12. Trade and other payables from exchange transactions

|                |                  |                  |
|----------------|------------------|------------------|
| Trade payables | 3,573,135        | 3,092,604        |
| Retentions     | 303,341          | 160,906          |
|                | <u>3,876,476</u> | <u>3,253,510</u> |

### 13. Other payables from non-exchange transactions

|                      |                  |                  |
|----------------------|------------------|------------------|
| Other creditors      | 3,091            | 95,788           |
| Accruals for leave   | 7,335,706        | 6,321,822        |
| Accruals for bonuses | 1,237,571        | 1,139,713        |
|                      | <u>8,576,368</u> | <u>7,557,323</u> |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016                      2015

### 13. Other payables from non-exchange transactions (continued)

The fair value of other payables approximates their carrying amounts.

### 14. Consumer deposits

|  |        |        |
|--|--------|--------|
| Abattoir                                     | 2,000  | 600    |
| Guarantees held in lieu of abattoir deposits | 12,000 | 12,000 |

### 15. Provisions

#### Reconciliation of provisions - 2016

|                   | Opening Balance | Additions | Utilised during the year | Total   |
|-------------------|-----------------|-----------|--------------------------|---------|
| Performance bonus | 165,476         | -         | -                        | 165,476 |

#### Reconciliation of provisions - 2015

|                   | Opening Balance | Additions | Utilised during the year | Total   |
|-------------------|-----------------|-----------|--------------------------|---------|
| Performance bonus | 582,871         | 18,326    | (435,721)                | 165,476 |

#### Performance bonus

Performance bonuses are paid one year in arrears when the municipality has a present obligation as a result of a past event which is the services rendered and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. The bonus has been calculated based on the assessment of eligible employees at the reporting date.

The assumptions and basis of calculation was done in terms of the requirements of the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, 2006. Provision for Performance bonuses are calculated as per the performance agreements and brackets indicated in Section 32(2) the above Performance Regulations. The maximum exposure was calculated based on the final score of each individual manager at year end and in which those scores fall.

### 16. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

#### Conditional Grants from other spheres of Government

|                                      |                   |                   |
|--------------------------------------|-------------------|-------------------|
| Municipal Systems Improvement Grant  | -                 | 93,449            |
| Municipal Infrastructure Grant       | 54,837,725        | 13,014,000        |
| Municipal Water Infrastructure Grant | 5,122,026         | -                 |
| Municipal Infrastructure Grant (PMU) | -                 | 5,000,000         |
| LEDET Grant                          | 200,045           | -                 |
| <b>Other conditional grants</b>      |                   |                   |
| Mayor's Golf Day Grant               | -                 | 40,000            |
| Tourism Grant                        | 46,660            | -                 |
|                                      | <b>60,206,456</b> | <b>18,147,449</b> |

See note 21 for reconciliation of grants from National/Provincial Government.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 16. Unspent conditional grants and receipts (continued)

Included in unspent grant is the balance of R53 830 549 of MIG funding of R74 172 000 received for the Thabazimbi project and of which R20 341 451 were spent.

These amounts are invested in short-term investment until utilised.

### 17. Employee benefit obligations

#### Defined benefit plan

The municipality contributes to a number of defined contribution schemes for pension of all permanent employees and councillors. The funds are governed by the Pension Funds Act of 1956.

The following are defined contribution plans:

- National Fund for Municipal Workers
- Municipal Gratuity Fund
- Municipal Employee Fund
- Joint Municipal Pension Fund
- Municipal Councillors Pension Fund

The municipality also provides certain post-retirement medical benefits to qualifying pensioners. All post-retirement medical benefits are unfunded.

The following are defined benefit plans:

- LA Health
- SAMWU Med
- Bonitas Medical Fund
- Key Health Medical Scheme
- Hosmed

In accordance with prevailing legislation, the defined benefit funds are actuarially valued at intervals of not more than two years. The Projected Unit Credit valuation method is used. The latest actuarial valuation was performed as at 30 June 2016.

The municipality has no legal obligation to settle this liability with any immediate contributions or additional once-off contributions. The municipality intends to continue to contribute to each defined benefit post-retirement medical scheme in accordance with the latest recommendations of the actuary to each scheme.

The accumulated defined benefit obligation in respect of the post-retirement medical contributions are provided, based on calculations of independent actuaries, using methods and assumptions consistent with GRAP 25 as follows:

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

|  | 2016                | 2015                |
|--|---------------------|---------------------|
| <b>17. Employee benefit obligations (continued) Movement</b>                                   |                     |                     |
| <b>In the employee healthcare benefit liability:</b>   |                     |                     |
| <b>Present value</b>   |                     |                     |
| Liability as at 1 July   | (21,728,016)        | (17,523,330)        |
| Benefits paid  | 608,576             | 802,103             |
| Plan participants contributions  | -                   | (271,515)           |
| Current service cost   | (1,274,049)         | (1,009,279)         |
| Interest   | (1,945,451)         | (1,586,071)         |
| Actuarial losses / (gains) recognised in Statement of Financial Performance                    | 1,287,846           | (2,139,924)         |
| <b>Unfunded accrued liability as at 30 June</b>  | <b>(23,051,094)</b> | <b>(21,728,016)</b> |
| <br>   |                     |                     |
| Non-current liabilities  | (22,501,171)        | (21,247,104)        |
| Current liabilities  | (549,924)           | (480,912)           |
|  | <b>(23,051,095)</b> | <b>(21,728,016)</b> |
| <br>   |                     |                     |
| <b>The liability as at 30 June consists of:</b>  |                     |                     |
| In-service (employee) members  | (14,464,891)        | (13,977,529)        |
| Continuation members   | (7,894,406)         | (7,750,487)         |
| In-service (employee) non-members  | (691,797)           | -                   |
|  | <b>(23,051,094)</b> | <b>(21,728,016)</b> |
| <br>   |                     |                     |
| <b>Net expense recognised in the the effect of Item 1 &amp; 2 above on accumulated surplus</b> |                     |                     |
| <br>   |                     |                     |
| Current service cost   | 1,274,049           | 1,009,279           |
| Interest cost  | 1,945,451           | 1,586,071           |
| Actuarial (gains) losses   | (1,287,846)         | 2,139,924           |
|  | <b>1,931,654</b>    | <b>4,735,274</b>    |
| <br>   |                     |                     |
| <b>Key assumptions used</b>  |                     |                     |
| <b>Assumptions used at the reporting date:</b>   |                     |                     |
| <br>   |                     |                     |
| Discount rates used  | 9.42 %              | 9.05 %              |
| Health care cost inflation rates   | 8.47 %              | 8.14 %              |
| <br>   |                     |                     |
| Average remaining future working lifetime  |                     | 16.8 years          |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 17. Employee benefit obligations (continued)

#### Defined benefit obligation

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

|  | One<br>percentage<br>point increase | One<br>percentage<br>point<br>decrease |
|--|-------------------------------------|--|
| 2016: Effect on the aggregate of the health care inflation | 19                                  | (16)                                   |
| 2016: Effect on discount rate                              | 13                                  | (10)                                   |
| 2015: Effect on the aggregate of the health care inflation | 19                                  | (16)                                   |
| 2015: Effect on discount rate                              | 16                                  | (14)                                   |

Amounts for the current and previous four years are as follows:

|                            | 2016<br>R  | 2015<br>R  | 2014<br>R  | 2013<br>R  | 2012<br>R  |
|----------------------------|------------|------------|------------|------------|------------|
| Defined benefit obligation | 23,051,093 | 21,728,016 | 17,523,330 | 13,793,670 | 12,832,210 |

### 18. Long service awards liability

The municipality provides long-service awards to its permanent employees.

The benefit of long-service award is provided in the form of annual leave and a gift to a certain monetary value.

In accordance with prevailing legislation, the provision is actuarially valued at intervals of not more than two years. The Projected Unit Credit valuation method is used. The latest actuarial valuation was performed as at 30 June 2016.

The municipality has no legal obligation to settle this liability with any immediate contributions or additional once-off contributions.

The accumulated defined benefit obligation in respect of the long-service awards are provided, based on calculations of independent actuaries, using methods and assumptions consistent with GRAP 25 as follows:

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016                      2015

### 18. Long service awards liability (continued)

#### Movement in the long-service award liability:

|   |                  |                  |
|---|------------------|------------------|
| Liability as at 1 July  | 2,520,499        | 2,128,093        |
| Benefits paid   | (225,730)        | (228,473)        |
| Current service cost  | 295,011          | 251,723          |
| Interest  | 190,707          | 160,641          |
| Actuarial losses / (gains) recognised in Statement of Financial Performance | 83,048           | 208,515          |
| <b>Unfunded accrued liability as at 30 June</b>                             | <b>2,863,535</b> | <b>2,520,499</b> |
| <br>  |                  |                  |
| Current portion of liability as at 30 June                                  | 643,676          | 240,759          |
| Non-current portion of liability as at 30 June                              | 2,219,859        | 2,279,740        |
|   | <b>2,863,535</b> | <b>2,520,499</b> |
| <br>  |                  |                  |
| <b>Expense recognised in (profit) or loss:</b>                              |                  |                  |
| Current service cost  | 295,011          | 251,723          |
| Interest cost   | 190,707          | 160,641          |
| Actuarial losses / (gains)  | 83,048           | 208,515          |
|   | <b>568,766</b>   | <b>620,879</b>   |

#### Principal actuarial assumptions of valuation model used:

##### Key assumptions used

##### Assumptions used at the reporting date:

|                               |        |        |
|-------------------------------|--------|--------|
| Discount rates used           | 8.45 % | 7.94 % |
| General salary inflation rate | 7.12 % | 7.02 % |

Assumed general salary inflation rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed general inflation rates would have the following effects:

|  | One<br>percentage<br>point<br>increase | One<br>percentage<br>point<br>decrease |
|--|--|--|
| 2016: Effect on the aggregate of the general salary inflation rate | 8                                      | (7)                                    |
| 2016: Effect on discount rate                                      | 2                                      | (2)                                    |
| 2015: Effect on the aggregate of the general salary inflation      | 8                                      | (7)                                    |
| 2015: Effect on discount rate                                      | 6                                      | (6)                                    |

#### Amounts for the current and previous four years are as follows:

|                            | 2016<br>R | 2015<br>R | 2014<br>R | 2013<br>R | 2012<br>R |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| Defined benefit obligation | 2,863,535 | 2,520,499 | 2,128,093 | 1,669,115 | 1,453,933 |



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

|   | 2016              | 2015             |
|---|-------------------|------------------|
| <b>19. Interest earned</b>                                  |                   |                  |
| <b>Outstanding receivables</b>                              |                   |                  |
| Abattoir services   | 202               | 121              |
| South African Revenue Services - Interest on VAT receivable | 31,463            | -                |
|   | <b>31,665</b>     | <b>121</b>       |
| <b>External investments</b>                                 |                   |                  |
| Bank  | 458,840           | 231,283          |
| Short-term investments                                      | 9,923,423         | 6,951,951        |
|   | <b>10,382,263</b> | <b>7,183,234</b> |
|   | <b>10,413,928</b> | <b>7,183,355</b> |
| <b>20. Other income</b>                                     |                   |                  |
| Fire income   | 60,324            | 107,723          |
| Miscellaneous income  | 6,523             | 4,877            |
| Recoveries  | 4,961             | 134,954          |
| Tender document fees  | 56,843            | 234,650          |
|   | <b>128,651</b>    | <b>482,204</b>   |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016                      2015

### 21. Government grants and subsidies

#### Operating grants

|                                       |             |            |
|---------------------------------------|-------------|------------|
| Equitable share                       | 111,232,000 | 99,036,000 |
| LG SETA Grant                         | -           | 32,026     |
| Municipal Infrastructure Grant (PMU)  | 5,000,000   | -          |
| Rural Road Asset Management Grant     | 1,839,000   | 1,779,000  |
| LEDET Biosphere Grant                 | 151,622     | 147,667    |
| Municipal Systems Improvement Grant   | 940,000     | 840,551    |
| Finance Management Grant              | 1,250,000   | 1,250,000  |
| Expanded Public Works Incentive Grant | 1,000,000   | 1,000,000  |
| Mayor's Golf Day Grant                | 45,550      | -          |
| Tourism Grant                         | 243,340     | -          |

121,701,512    104,085,244

#### Capital grants

|                                      |            |   |
|--------------------------------------|------------|---|
| Municipal Infrastructure Grant       | 12,006,824 | - |
| Municipal Water Infrastructure Grant | 14,105,555 | - |

26,112,379    -

147,813,891    104,085,244

#### Equitable Share

The equitable share is an unconditional grant and is utilised to fund disaster management services, environmental health services, projects and operating expenditure.

#### Municipal Systems Improvement Grant

|   |           |           |
|---|-----------|-----------|
| Balance unspent at beginning of year                | 93,449    | 401,868   |
| Current-year receipts                               | 940,000   | 934,000   |
| Conditions met - transferred to revenue             | (940,000) | (840,551) |
| Prior year roll over paid back to National Treasury | (93,449)  | (401,868) |

-                      93,449

Conditions still to be met - remain liabilities (see note 16).

The grant is utilised for the implementation of new legislation, skills development and the GRAP compliance of the fixed asset register.

#### Municipal Infrastructure Grant

|   |              |            |
|---|--------------|------------|
| Balance unspent at beginning of year    | 13,014,000   | -          |
| Current-year receipts                   | 74,172,000   | 13,014,000 |
| Conditions met - transferred to revenue | (12,006,824) | -          |
| Thabazimbi project expenditure          | (20,341,451) | -          |

54,837,725    13,014,000

Conditions still to be met - remain liabilities (see note 16).

The grant was received in March 2016 and is to be used to construct infrastructure assets on behalf of Thabazimbi Local Municipality.

#### Finance Management Grant

|   |             |             |
|---|-------------|-------------|
| Current-year receipts                   | 1,250,000   | 1,250,000   |
| Conditions met - transferred to revenue | (1,250,000) | (1,250,000) |

-                      -

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 21. Government grants and subsidies (continued)

The grant is utilised and assist with the implementation of the MFMA and compliance with GRAP.

#### Tourism Grant

|   |               |   |
|---|---------------|---|
| Current-year receipts                   | 290,000       | - |
| Conditions met - transferred to revenue | (243,340)     | - |
|   | <u>46,660</u> | - |

Conditions still to be met - remain liabilities (see note 16).

The grant is utilised to fund the development of tourism in the district.

#### Municipal Water Infrastructure Grant

|   |                  |   |
|---|------------------|---|
| Current-year receipts                   | 19,227,581       | - |
| Conditions met - transferred to revenue | (14,105,555)     | - |
|   | <u>5,122,026</u> | - |

Conditions still to be met - remain liabilities (see note 16).

Waterberg District municipality has been appointed by the Department of Water and Sanitation as a schedule 6B implementing agent of MWIG projects for 3 local municipalities (Modimole LM, Mookgophong LM and Thabazimbi LM) during the 2015/16 financial year.

#### Expanded Public Works Incentive Grant

|   |             |             |
|---|-------------|-------------|
| Current-year receipts                   | 1,000,000   | 1,000,000   |
| Conditions met - transferred to revenue | (1,000,000) | (1,000,000) |
|   | <u>-</u>    | <u>-</u>    |

The grant is to incentivise municipalities to increase labour intensive employment through infrastructure programmes that maximise job creation and skills development in line with the EPWP guidelines.

#### LG SETA Grant

|   |          |          |
|---|----------|----------|
| Current-year receipts                   | -        | 32,026   |
| Conditions met - transferred to revenue | -        | (32,026) |
|   | <u>-</u> | <u>-</u> |

The grant is utilised for training of officials in the District Municipality.

#### Rural Road Asset Management Grant

|   |             |             |
|---|-------------|-------------|
| Current-year receipts                   | 1,839,000   | 1,779,000   |
| Conditions met - transferred to revenue | (1,839,000) | (1,779,000) |
|   | <u>-</u>    | <u>-</u>    |

The grant is utilised to set up a district Road Asset Management System and to collect rural data in line with the Road Infrastructure Strategic Framework for South Africa.

#### Municipal Infrastructure Grant (PMU)

|   |             |           |
|---|-------------|-----------|
| Balance unspent at beginning of year    | 5,000,000   | -         |
| Current-year receipts                   | -           | 5,000,000 |
| Conditions met - transferred to revenue | (5,000,000) | -         |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 21. Government grants and subsidies (continued)

- 5,000,000

Conditions still to be met - remain liabilities (see note 16).

The grant was received in March 2015 and is to be used for the establishment of a Project Management Unit for infrastructure projects.

#### LEDET Biosphere Grant

|   |                |           |
|---|----------------|-----------|
| Current-year receipts                   | 351,667        | 147,667   |
| Conditions met - transferred to revenue | (151,622)      | (147,667) |
|   | <u>200,045</u> | <u>-</u>  |

Conditions still to be met - remain liabilities (see note 16).

The grant is to be utilised to fund the operations of the Waterberg Biosphere Meander.

#### Mayor's Golf Day Grant

|   |          |               |
|---|----------|---------------|
| Balance unspent at beginning of year    | 40,000   | 35,000        |
| Current-year receipts                   | 5,550    | 5,000         |
| Conditions met - transferred to revenue | (45,550) | -             |
|   | <u>-</u> | <u>40,000</u> |

Conditions still to be met - remain liabilities (see note 16).

The grant is utilised to partly fund the annual mayoral golf day.

#### Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, (Act no.10 of 2014), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

### 22. Public contributions and donations

|           |               |               |
|-----------|---------------|---------------|
| Donations | <u>50,000</u> | <u>71,778</u> |
|-----------|---------------|---------------|

This is contributions from businesses for the LED Summit.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

|  | 2016              | 2015              |
|--|-------------------|-------------------|
| <b>23. Employee related costs</b>  |                   |                   |
| Salaries and wages   | 40,991,700        | 38,842,116        |
| Travel and other allowances  | 8,993,232         | 8,794,975         |
| Contributions for UIF, pension and medical aid and other statutory contributions | 11,771,723        | 11,013,054        |
| Housing benefits and allowances  | 2,255,592         | 236,238           |
| Overtime allowances  | 604,216           | 608,676           |
| Performance and other bonuses (increase/(reversal) of provision)                 | -                 | 18,327            |
|  | <b>64,616,463</b> | <b>59,513,386</b> |

### Remuneration of Municipal Manager

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 1,193,209        | 1,085,715        |
| Car Allowance                                   | 173,631          | 180,500          |
| Performance Bonuses                             | -                | -                |
| Contributions to UIF, Medical and Pension Funds | 15,581           | 1,785            |
|   | <b>1,382,421</b> | <b>1,268,000</b> |

The Municipal Manager was appointed on 1 July 2014.

### Remuneration of Chief Finance Officer

|   |                |                  |
|---|----------------|------------------|
| Annual Remuneration                             | 253,412        | 988,190          |
| Car Allowance                                   | 60,991         | 203,999          |
| Performance Bonuses                             | -              | 246,065          |
| Contributions to UIF, Medical and Pension Funds | 3,982          | 1,785            |
|   | <b>318,385</b> | <b>1,440,039</b> |

The previous Chief Financial Officer was appointed from 1 June 2012 and resigned effective 30 June 2015. The new Chief Financial Officer was appointed from 21 January 2016.

### Remuneration of Manager: Infrastructure Development

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 706,338          | 636,763          |
| Car Allowance                                   | 211,336          | 209,274          |
| Performance Bonuses                             | -                | -                |
| Contributions to UIF, Medical and Pension Funds | 178,004          | 157,509          |
|   | <b>1,095,678</b> | <b>1,003,546</b> |

The Infrastructure Development Manager was appointed from 1 March 2013.

### Remuneration of Manager: Planning & Economic Development

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 741,832          | 656,283          |
| Car Allowance                                   | 196,136          | 195,029          |
| Performance Bonuses                             | -                | -                |
| Contributions to UIF, Medical and Pension Funds | 196,621          | 177,329          |
|   | <b>1,134,589</b> | <b>1,028,641</b> |

The Planning & Economic Development Manager was appointed from 1 July 2013.

### Remuneration of Manager: Corporate Support and Share Services

|                     |         |         |
|---------------------|---------|---------|
| Annual Remuneration | 846,763 | 765,215 |
| Car Allowance       | 103,762 | 108,907 |
| Performance Bonuses | -       | 60,578  |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 23. Employee related costs (continued)

|   |                  |                  |
|---|------------------|------------------|
| Contributions to UIF, Medical and Pension Funds | 239,591          | 214,864          |
|   | <u>1,190,116</u> | <u>1,149,564</u> |

The Corporate Support & Shared Services Manager was appointed from 1 March 2013.

#### Remuneration of Manager: Social Development and Community Services

|   |                |                |
|---|----------------|----------------|
| Annual Remuneration                             | 746,096        | 569,571        |
| Car Allowance                                   | 161,813        | 160,948        |
| Performance Bonuses                             | -              | -              |
| Contributions to UIF, Medical and Pension Funds | 39,836         | 16,688         |
|   | <u>947,745</u> | <u>747,207</u> |

The new manager was appointed from 1 August 2014.

#### Remuneration of Manager: Executive Support Office

|   |                  |                  |
|---|------------------|------------------|
| Annual Remuneration                             | 710,138          | 639,730          |
| Car Allowance                                   | 211,539          | 209,792          |
| Performance Bonuses                             | -                | 60,929           |
| Contributions to UIF, Medical and Pension Funds | 174,779          | 154,801          |
|   | <u>1,096,456</u> | <u>1,065,252</u> |

The Executive Support Manager was appointed on 1 April 2012.

There are no post-employment benefits, other long-term benefits or termination benefits provided to Section 56 managers.

### 24. Remuneration of councillors

|                                   |                  |                  |
|-----------------------------------|------------------|------------------|
| Executive Major                   | 710,154          | 678,055          |
| Speaker                           | 426,142          | 562,400          |
| Mayoral Committee Members         | 3,382,455        | 3,073,997        |
| Councillors                       | 1,453,466        | 1,368,593        |
| Councillors' pension contribution | 744,989          | 663,734          |
|                                   | <u>6,717,206</u> | <u>6,346,779</u> |

#### In-kind benefits

The Executive Mayor, Speaker, Chief Whip and 3 other Mayoral Committee members are full time councillors. Each is provided with an office, tools of trade and secretarial support at the cost of the Council. The Executive Mayor has use of a Council owned vehicle for official duties and has a driver.

### 25. Depreciation and amortisation

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Property, plant and equipment | 5,823,554        | 5,182,186        |
| Intangible assets             | 187,442          | 176,352          |
|                               | <u>6,010,996</u> | <u>5,358,538</u> |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

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|  | 2016 | 2015 |
|--|------|------|
|--|------|------|

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### 26. Impairment of assets

#### Impairments

|                        |   |     |
|------------------------|---|-----|
| Other financial assets | - | 100 |
|------------------------|---|-----|

An investment amounting to R 270 985 capital is held with New Republic Bank, which is presently under receivership. The reversal of previous impairment relates to the payment of the 9th liquidation dividend.

|                             |         |           |
|-----------------------------|---------|-----------|
| Trade and other receivables | 164,918 | 1,662,772 |
|-----------------------------|---------|-----------|

**2016:** Sundry debtors, Councillors and Employees, in respect of outstanding PAYE as a result of an audit conducted by SARS has been fully impaired.

**2015:** A sundry debtor, Fire & Emergency has been fully impaired due to the business currently being under Business Rescue in terms of the Companies Act.

---

|  |         |           |
|--|---------|-----------|
|  | 164,918 | 1,662,872 |
|--|---------|-----------|

---

#### Reversal of impairments

|                               |  |         |
|-------------------------------|--|---------|
| Property, plant and equipment |  | (6,612) |
|-------------------------------|--|---------|

This impairment is mainly on fire fighting vehicles that has been damaged and are in for repairs over year end. Impairment is reversed as soon as they are repaired to their original lifespan and quality or disposed.

---

|  |         |           |
|--|---------|-----------|
|  | 164,918 | 1,656,260 |
|--|---------|-----------|

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**Total impairment losses (recognised) reversed**

The recoverable service amount of the assets is its fair value less costs to sell, determined by reference to an active market.

### 27. Contracted services

|               |            |            |
|---------------|------------|------------|
| Fire fighting | 15,703,090 | 14,288,994 |
|---------------|------------|------------|

This is a funded mandate of Waterberg District Municipality which is performed by local municipalities.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

|  | 2016              | 2015              |
|--|-------------------|-------------------|
| <b>28. General expenses</b>                        |                   |                   |
| Advertising  | 119,706           | 270,645           |
| Annual report                                      | 92,500            | 140,000           |
| Audit fees   | 2,284,018         | 1,804,648         |
| Audit committee                                    | 92,995            | 72,324            |
| Bank charges                                       | 78,401            | 66,209            |
| Bursaries  | 73,112            | 65,805            |
| Cleaning   | 214,026           | 167,403           |
| Conferences and seminars - Delegations             | 137,458           | 92,219            |
| Community development and training                 | 224,400           | -                 |
| Consulting and professional fees                   | 529,327           | 108,942           |
| Consumables  | 143,175           | 176,711           |
| Damaged meat claims                                | 4,104             | 1,409             |
| Disaster management                                | 277,500           | 78,630            |
| Discretionary Bursary Fund                         | 100,000           | 99,590            |
| Employee Assistance Program                        | 189,315           | 251,498           |
| Entertainment                                      | 482,509           | 651,393           |
| Environmental Health - awareness & sampling        | 54,886            | 94,843            |
| Financial management grant                         | 251,554           | 685,492           |
| Insurance  | 737,460           | 543,431           |
| Meat inspection                                    | 198,000           | 198,000           |
| Miscellaneous expenditure                          | 38,287            | 11,182            |
| Motor vehicle expenses                             | 336,573           | 315,877           |
| Municipal account - water, rates & electricity     | 1,646,445         | 1,615,155         |
| Municipal systems improvement grant                | -                 | 660,214           |
| Pauper Burials                                     | -                 | 24,158            |
| Postage and courier                                | 1,316             | 3,113             |
| Printing and stationery                            | 445,347           | 465,727           |
| Programming  | 981,313           | 916,588           |
| Protective clothing                                | 51,851            | 73,840            |
| Rental of buildings / offices                      | 508,852           | 468,111           |
| Rental of office equipment                         | 561,389           | 599,885           |
| Security cost                                      | 1,873,926         | 1,902,888         |
| State of the District Address                      | 323,711           | 210,271           |
| Subscriptions and membership fees                  | 795,497           | 799,700           |
| Subscription and publication                       | 4,821             | 23,692            |
| Telephone and cell phone expenses                  | 473,509           | 440,096           |
| Training   | 281,470           | 582,192           |
| Travel and subsistence                             | 3,995,131         | 3,917,401         |
|  | <b>18,603,884</b> | <b>18,599,282</b> |
| <b>29. Project expenditure</b>                     |                   |                   |
| Municipal Systems Improvement grant                | 940,000           | 840,551           |
| Municipal Infrastructure grant                     | 11,984,962        | -                 |
| Finance Management grant                           | 1,250,000         | 1,250,000         |
| Municipal Water Infrastructure grant               | 14,105,555        | -                 |
| Expanded Public Works Incentive grant              | 1,000,000         | 1,000,000         |
| Rural Road Asset Management grant                  | 1,839,000         | 1,779,000         |
| PMU  | 5,000,000         | -                 |
| Other grant expenditure                            | -                 | 4,057,624         |
|  | <b>36,119,517</b> | <b>8,927,175</b>  |
| <b>30. Remuneration of Audit Committee members</b> |                   |                   |
| Remuneration                                       | 92,995            | 72,324            |



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 30. Remuneration of Audit Committee members (continued)

3 Members serve on the Audit Committee. The members are paid an allowance per day and are reimbursed for travel expenses. The 3 year term of the audit committee was renewed from 1 October 2014 to 30 September 2017. Four meetings were held during the current year, but the chairperson also attended council meetings.

### 31. Cash generated from operations

|  |                   |                   |
|--|-------------------|-------------------|
| Surplus (deficit)                                      | 7,783,279         | (7,420,622)       |
| <b>Adjustments for:</b>                                |                   |                   |
| Depreciation and amortisation                          | 6,010,996         | 5,358,538         |
| Gain on sale of assets and liabilities                 | -                 | 407,273           |
| Impairments and (reversals)                            | -                 | (6,612)           |
| Movements in retirement benefit assets and liabilities | 1,323,079         | 4,204,686         |
| Movements in provisions                                | -                 | (417,395)         |
| Increase in long service awards liability              | 343,035           | 392,406           |
| <b>Changes in working capital:</b>                     |                   |                   |
| Inventories  | 34,738            | (535)             |
| Consumer debtors                                       | 6,663             | (7,548)           |
| Other receivables from non-exchange transactions       | 347,836           | 1,033,471         |
| Trade and other payables from exchange transactions    | 622,966           | 1,401,655         |
| Decrease/(Increase) in VAT receivable                  | (3,461,858)       | 2,394,238         |
| Other payables (non exchange)                          | 1,019,045         | 776,907           |
| Unspent conditional grants and receipts                | 42,059,007        | 17,710,581        |
| Consumer deposits                                      | 1,400             | -                 |
|  | <b>56,090,186</b> | <b>25,827,043</b> |

### 32. Fruitless and wasteful expenditure

|   |               |              |
|---|---------------|--------------|
| Opening balance                                   | 1,409         | 2,000        |
| Fruitless and wasteful expenditure - current year | 28,274        | 1,409        |
| Less: Amounts written off by Council              | -             | (2,000)      |
|   | <b>29,683</b> | <b>1,409</b> |

#### Current year:

An audit by SARS revealed that PAYE and skills development levy were incorrectly calculated on fringe benefits and employee costs, the resulting penalties of R 28 274 on the outstanding amount were levied during the current financial year. An objection was raised by the District Municipality to waive the penalty however this was disallowed by SARS resulting in the payment being made. The matter was investigated and no deliberate or negligent intent was found. The incident is to be reported to Council to be condoned and written off.

#### Prior year:

Red Offal was infested with flies because of the heat that led to damaged meat claims to a total of R 1 409 during the current financial year. The matter was investigated and no deliberate or negligent intent was found. The incident is to be reported to Council to be condoned and written off.

### 33. Irregular expenditure

|   |                   |                  |
|---|-------------------|------------------|
| Opening balance                           | 4,450,901         | -                |
| Add: Irregular Expenditure - current year | 8,334,423         | 4,450,901        |
| Less: Amounts written off by Council      | -                 | -                |
| Less: Amounts recoverable (not condoned)  | -                 | -                |
|   | <b>12,785,324</b> | <b>4,450,901</b> |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 33. Irregular expenditure (continued)

#### Analysis of expenditure awaiting condonation

|              |                   |                  |
|--------------|-------------------|------------------|
| Current year | 8,334,423         | 4,450,901        |
| Prior years  | 4,450,901         | -                |
|              | <u>12,785,324</u> | <u>4,450,901</u> |

#### Details of irregular expenditure – current year

|  |                  |
|--|------------------|
| Suppliers' original tax clearance certificate could not be validated by SARS.  | 1,740,678        |
| Competitive bidding was not followed due urgent required goods.  | 2,007,120        |
| Service provider is in the service of state.   | 119,930          |
| Preference points were not calculated on limited bidding procurements above R 30 000.  | 579,930          |
| Local contents requirements were not considered in applicable tenders and bid results were not published on the WDM website. | 1,428,352        |
| Bid specifications requested and bid evaluations was performed on uncertified BBBEE Accreditation certificates.              | 2,458,413        |
|  | <u>8,334,423</u> |

#### Details of irregular expenditure - prior year

|  |                  |
|--|------------------|
| Preference points were not calculated on limited bidding procurements above R 30 000.  | 1,166,108        |
| Local contents requirements were not considered in applicable tenders and bid results were not published on the WDM website. | 729,498          |
| Bid specifications requested and bid evaluations was performed on uncertified BBBEE Accreditation certificates.              | 2,555,295        |
|  | <u>4,450,901</u> |

### 34. Unauthorised expenditure

|   |               |               |
|---|---------------|---------------|
| Unauthorised expenditure                | 26,045        | -             |
| Unauthorised expenditure - current year | -             | 26,045        |
| Less: Amounts condoned by Council       | -             | -             |
| To be recovered                         | -             | -             |
|   | <u>26,045</u> | <u>26,045</u> |

#### Current Year:

No unauthorised expenditure were incurred during the current financial year.

#### Prior year:

The Abattoir department overspent by R 26 045 due to an overspending on the budgeted actuarial valuation costs for post-retirement medical aid which increased by more than projected.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 35. Additional disclosure in terms of Municipal Finance Management Act

#### Contributions to organised local government

|                            |           |           |
|----------------------------|-----------|-----------|
| Current year subscription  | 686,741   | 653,897   |
| Amount paid - current year | (686,741) | (653,897) |

#### Audit fees

|                                     |             |             |
|-------------------------------------|-------------|-------------|
| Current year audit fees - statutory | 2,284,018   | 1,804,648   |
| Amount paid - current year          | (2,284,018) | (1,804,648) |

Included in current years expenditure are audit fees for the 2014/15 and 2015/16 financial years:

Audit fees 2015/16 R 405 847.10  
Audit fees 2014/16 R1 878 170.74

#### UIF

|                                 |           |           |
|---------------------------------|-----------|-----------|
| Current year payroll deductions | 450,673   | 441,178   |
| Amount paid - current year      | (450,673) | (441,178) |

#### PAYE

|                                 |              |              |
|---------------------------------|--------------|--------------|
| Current year payroll deductions | 12,172,274   | 11,014,889   |
| Amount paid - current year      | (12,172,274) | (11,014,889) |

#### Pension and Medical Aid Deductions

|   |              |              |
|---|--------------|--------------|
| Current year payroll deductions and council contributions | 17,057,998   | 16,156,713   |
| Amount paid - current year                                | (17,057,998) | (16,156,713) |

#### VAT

|                |           |         |
|----------------|-----------|---------|
| VAT receivable | 4,140,862 | 679,004 |
|----------------|-----------|---------|

All VAT returns have been submitted by the due date throughout the year.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

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| 2016 | 2015 |
|------|------|
|------|------|

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### 35. Additional disclosure in terms of Municipal Finance Management Act (continued)

#### Supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

In terms of section 36 of the Municipal Supply Chain Management Regulations, the Municipal Manager may dispense with the official procurement process in certain instances and ratify minor breaches. Any deviation from the Supply Chain Management Policy needs to be approved/condoned by the Municipal Manager and noted by Council.

These expenses incurred, approved by the Municipal Manager and reported to Council, are listed below:

#### Deviations:

|   |                  |                  |
|---|------------------|------------------|
| Deviations on goods and services less than R 30 000             | 539,013          | 495,541          |
| Deviations on goods and services between R 30 000 and R 200 000 | 3,665,143        | 1,831,991        |
| Deviations on goods and services more than R 200 000            | 5,390,526        | 2,857,466        |
|   | <u>9,594,682</u> | <u>5,184,998</u> |

#### The expenditure was incurred as listed below:

|                                  |                  |                  |
|----------------------------------|------------------|------------------|
| Urgent and emergency procurement | 2,572,228        | 59,613           |
| Limited bidding procurement      | 6,555,146        | 4,914,155        |
| Minor breaches                   | 467,308          | 211,230          |
|                                  | <u>9,594,682</u> | <u>5,184,998</u> |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016 2015

### 36. Commitments

Commitments are stated inclusive of VAT.

#### Authorised capital expenditure

##### Already contracted for but not provided for

|                           |                   |                |
|---------------------------|-------------------|----------------|
| • Disaster Management     | -                 | 473,175        |
| • Movable assets          | -                 | 498,073        |
| • Infrastructure projects | 59,163,459        | -              |
|                           | <b>59,163,459</b> | <b>971,248</b> |

##### Total capital commitments

|   |            |         |
|---|------------|---------|
| Already contracted for but not provided for | 59,163,459 | 971,248 |
|---|------------|---------|

#### Authorised operational expenditure

##### Already contracted for but not provided for

|                             |               |                  |
|-----------------------------|---------------|------------------|
| • Environmental Health      | -             | 633,492          |
| • Abattoir                  | -             | 112,860          |
| • Institutional development | -             | 3,893,918        |
| • Tourism and SMME          | 46,660        | -                |
|                             | <b>46,660</b> | <b>4,640,270</b> |

##### Total operational commitments

|   |        |           |
|---|--------|-----------|
| Already contracted for but not provided for | 46,660 | 4,640,270 |
|---|--------|-----------|

#### Total commitments

##### Total commitments

|                                    |                   |                  |
|------------------------------------|-------------------|------------------|
| Authorised capital expenditure     | 59,163,459        | 971,248          |
| Authorised operational expenditure | 46,660            | 4,640,270        |
|                                    | <b>59,210,119</b> | <b>5,611,518</b> |

The capital commitments relates to capital projects and will be financed from grants received.

The operational commitments will be financed from own resources and donations.

The municipality has entered into a 5 year contract with ABSA Bank for the provision of banking services commencing on 1 July 2015. Normal banking charges will be incurred under the contract and does not include an overdraft facility.

#### Commitments in respect of leases

The municipality has no finance leases. At the reporting date the municipality has outstanding commitments under operating leases which fall due as follows:

##### Operating leases - as lessee

##### Minimum lease payments due

|                                     |                |                  |
|-------------------------------------|----------------|------------------|
| - within one year                   | 861,610        | 1,163,379        |
| - in second to fifth year inclusive | -              | 455,905          |
|                                     | <b>861,610</b> | <b>1,619,284</b> |

Operating lease payments represent rentals payable by the municipality photocopiers and office space in Mokopane and Thabazimbi for environmental health practitioners.

The lease agreement for office equipment will expire on 28 February 2017.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

2016

2015

### 36. Commitments (continued)

All rentals are either fixed term fixed amount contracts or contingent rentals and therefore no smoothing of leases is necessary.

### 37. Contingent liabilities

2016

2015

The following are legal cases pending at year end and the potential liability thereof:

|   |           |           |
|---|-----------|-----------|
| Mohale Incorporated - defend action against breach of contract<br>Alleged contract breach with Limpopo Business Support Agency (LIBSA)<br>due to not meeting reporting requirement. | 1 800 000 | 1 800 000 |
|---|-----------|-----------|

|  |   |   |
|--|---|---|
| Mohale Incorporated - defend action against unfair labour practice<br>SAMWU obo J Mashamaite and others regarding reasonable expectations.<br>Due to the nature and complexity of the case, financial exposure cannot be determined. | - | - |
|--|---|---|

### 38. Related parties

#### Relationships

Municipal entity

Key management - employees

Key management - councillors

Local municipalities

Waterberg Economic Development Agency (WEDA)

Refer to note 23

Refer to note 24

Modimolle LM, Thabazimbi LM, Bela Bela LM,  
Lephalale LM, Mogalakwena LM and Mookgophong  
LM

#### Related party transactions

There are no other related party transactions or balances for the current year. Waterberg Economic Development Agency (WEDA) is currently dormant. Waterberg District Municipality incurred expenditure for the establishment of WEDA and also subsequently appoint board members for the agency.

The district municipality provides support to the local municipalities in the district. Fire fighting is a funded mandate of Water District Municipality which is performed by local municipalities.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

### 39. Change in estimate

#### Property, plant and equipment

No changes were made in the current year to the estimations employed in the accounting for transactions, assets, liabilities, events and circumstances.

The following changes were made in the prior year:

Change in amortisation of Intangible Assets resulting from the reassessment of useful lives prospectively in 2014/15. There is no impact on the future periods other than the same reduced amortisation charge as the prior year. The following categories are affected in the prior period:

|                   | Useful life (in years) |                |  |
|-------------------|------------------------|----------------|--|
|                   | <u>Original</u>        | <u>Amended</u> |  |
| Computer software | 4 to 40                | 4 to 40        |  |

  

|   | <u>Value derived using the original estimate</u> | <u>Value derived using the amended estimate</u> | <u>R-value of impact of change in estimate</u> |
|---|--|---|--|
| Computer software                                   | 70 179   | 42 332  | (27 847)                                       |
| (Decrease)/Increase on Surplus for the 2014/15 year | 70 179   | 42 332  | (27 847)                                       |

### 40. Prior period errors

An error in the calculation of the provision for leave and bonus resulted in the overstatement of Other payables from non-exchange transactions.

The correction of the error(s) results in adjustments as follows:

#### Statement of financial position

|  |   |          |
|--|---|----------|
| Other payables from non-exchange transactions                    | - | 32,577   |
| <b>The effect of Item 1 &amp; 2 above on Accumulated surplus</b> |   |          |
| Employee related cost  | - | (32,577) |

### 41. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

#### Statement of financial position - extract

|  | <b>Comparative figures previously reported</b> | <b>Reclassification</b> | <b>After reclassification</b> |
|--|--|-------------------------|-------------------------------|
| Other payables from non-exchange transactions. | 7,589,900                                      | (32,577)                | 7,557,323                     |

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

### 41. Comparative figures (continued)

#### Statement of financial performance - extract

|   | Comparative figures previously reported | Reclassification | After reclassification |
|---|---|------------------|------------------------|
| <b>Other gains</b>  |   |                  |                        |
| Gain on disposal of assets (Item 1)                           | 49,462                                  | (49,462)         | -                      |
| Reversal of impairment loss on assets (Item 2)                | 6,612                                   | (6,612)          | -                      |
| <b>Expenditure</b>  |   |                  |                        |
| Employee related costs (Item 3)                               | (59,545,964)                            | 32,577           | (59,513,387)           |
| Impairment loss/ Reversal of impairments (Item 2)             | (1,662,872)                             | 6,612            | (1,656,260)            |
| Loss on disposal of assets (Item 1)                           | (456,735)                               | 49,462           | (407,273)              |
| <b>Total</b>  | <b>(61,609,497)</b>                     | <b>32,577</b>    | <b>(61,576,920)</b>    |
| <b>The effect of Item 1 to 3 above on Accumulated surplus</b> |   |                  |                        |
| Accumulated surplus (2015 AFS)                                |   | -                | 126,181,788            |
| Effect of Item 1 above  |   | -                | -                      |
| Effect of Item 2 above  |   | -                | -                      |
| Effect of Item 3 above  |   | -                | 32,577                 |
| Accumulated surplus (comparative in 2016 AFS)                 |   | -                | 126,214,365            |

#### Item 1 & 2:

The reclassification was done in terms of GRAP.

#### Item 3:

The reclassification was as a result of prior year error.

### 42. Risk management

#### 41.1 Financial risk management

The main risks of the Municipality are interest rate risk, liquidity risk, credit risk and the fair value of financial instruments.



# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

### 42. Risk management (continued)

#### 41.2 Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality's strong credit profile and diversified funding sources ensure that sufficient liquid funds are maintained to meet its daily cash requirements. The Municipality's policy on counterpart credit exposures ensures that only counterparties of a high credit standing are used for the investments of any excess cash.

The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net -settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position 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.

| At 30 June 2016          | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years |
|--------------------------|------------------|-----------------------|-----------------------|--------------|
| Trade and other payables | 3,876,476        | -                     | -                     | -            |
| Consumer deposits        | -                | -                     | 2,000                 | -            |
| At 30 June 2015          | Less than 1 year | Between 1 and 2 years | Between 2 and 5 years | Over 5 years |
| Trade and other payables | 3,188,392        | -                     | -                     | -            |
| Consumer deposits        | -                | -                     | 600                   | -            |

#### 41.3 Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors.

To manage the risk the Municipality has a credit control policy. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

##### Counter-parties:

The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty. The Municipality has no significant concentration of credit risk with any single counterparty or a group of counter-parties.

Financial assets exposed to credit risk at year end were as follows:

| Financial instrument                                   | 2016        | 2015       |
|--|-------------|------------|
| Cash and cash equivalents                              | 136,214,004 | 83,059,082 |
| Trade and other receivables from exchange transactions | 8,256       | 14,919     |
| Held-to-maturity investments                           | 30,116,436  | 31,176,088 |

#### 41.4 Market risk

##### 41.4.1 Currency risk

The Municipality does not have currency risk as in terms of section 163 of the Municipal Finance Management Act, No.56 of 2003, no municipality may incur a liability or risk payable in a foreign currency.

# Waterberg District Municipality

Financial Statements for the year ended 30 June 2016

## Notes to the Financial Statements

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### 42. Risk management (continued)

#### 41.4.2 Fair value of financial instruments

At year end the carrying amounts of cash and short-term deposits, trade and other receivables and trade and other payables approximated their fair values due to the short-term maturities of these assets and liabilities.

#### 41.4.3 Cash flow interest rate risk

The municipality's interest rate risk arises from investments. Investments at variable rates expose the municipality to cash flow interest rate risk. Investments at fixed rates expose the municipality to fair value interest rate risk. The municipal policy is to not invest more than 35% of funds with one institution and to invest at different maturity dates over the short term to alleviate major fluctuations in the interest rates. The majority of investments are fixed rate investments.

At year-end, financial instruments exposed to interest rate risk were as follows:

| Financial instrument      | 2016       | 2015       |
|---------------------------|------------|------------|
| ABSA Bank current account | 5,825,786  | 3,684,004  |
| Call deposits             | 26,054,159 | 21,057,151 |
| 60 Days fixed deposits    | 10,049,315 | 10,032,836 |
| 90 Days fixed deposits    | 94,279,544 | 48,279,891 |
| 6 Month fixed deposits    | 30,116,436 | 31,176,088 |

### 43. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.

We draw attention to the fact that at 30 June 2016, the municipality had accumulated surplus of R 133,997,648 and that the municipality's total assets exceed its liabilities by R 133,997,648.

The municipality will continue to honour its financial obligations and strive to maintain its assets, and will therefore continue to exist within the foreseeable future, as a going concern.

### 44. Events after the reporting date

There are no material events that occurred after the reporting date.

### 45. In-kind donations and assistance

The Municipality did not receive any in-kind donations and assistance during the financial year.

APPENDIX A - ACTUAL VERSUS BUDGET

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL            | BUDGET           | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|------------------|------------------|------------------|
| 1               | 10101     | SERVICES LEVIES - PRE VAT      | E            | 2016           | -                | -                | -                |
| 1               | 10102     | SERVICES LEVIES - POST VAT     | E            | 2016           | -                | -                | -                |
| 1               | 10104     | ESTABLISHMENT LEVIES -POST VAT | E            | 2016           | -                | -                | -                |
| 1               | 10106     | INTEREST ON LEVIES             | E            | 2016           | -                | -                | -                |
| 1               | 10201     | INTEREST - CURRENT ACCOUNT     | I            | 2016           | (458,840.43)     | (230,000.00)     | (228,840.43)     |
| 1               | 10202     | INTEREST -EXTERNAL INVESTMENTS | I            | 2016           | (9,923,422.97)   | (5,000,000.00)   | (4,923,422.97)   |
| 1               | 10205     | INTEREST - SARS                | I            | 2016           | (31,462.93)      | -                | (31,462.93)      |
| 1               | 10206     | INTEREST- DEPOSITS             | E            | 2016           | -                | -                | -                |
| 1               | 10305     | INTERNAL TRANSFERS             | E            | 2016           | -                | -                | -                |
| 1               | 10306     | L G SETA - SDL                 | E            | 2016           | -                | -                | -                |
| 1               | 10307     | RECOVERY                       | E            | 2016           | -                | -                | -                |
| 1               | 10308     | MISCELLANEOUS INCOME           | I            | 2016           | (6,523.02)       | (4,000.00)       | (2,523.02)       |
| 1               | 10309     | GAIN ON DISPOSAL OF PPE        | E            | 2016           | -                | -                | -                |
| 1               | 10316     | TENDER DOCUMENT PAYMENTS       | I            | 2016           | (56,842.56)      | (20,000.00)      | (36,842.56)      |
| 1               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -                | -                | -                |
| 1               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -                | -                | -                |
| 1               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -                | -                | -                |
| 1               | 10400     | GRANT INCOME                   | I            | 2016           | -                | -                | -                |
| 1               | 10416     | DBSA GRANT                     | E            | 2016           | -                | -                | -                |
| 1               | 10417     | EQUITABLE SHARE                | I            | 2016           | (111,232,000.00) | (111,232,000.00) | -                |
| 1               | 10421     | MSIG GRANT                     | E            | 2016           | (940,000.00)     | (940,000.00)     | -                |
| 1               | 10424     | MUN. FINANCE GRANT             | I            | 2016           | (952,970.12)     | (950,000.00)     | (2,970.12)       |
| 1               | 15001     | SALARIES                       | E            | 2016           | 5,172,772.21     | 5,600,100.00     | (427,327.79)     |
| 1               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 842,106.84       | 887,300.00       | (45,193.16)      |
| 1               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 298,780.80       | 305,100.00       | (6,319.20)       |
| 1               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 27,461.27        | 28,000.00        | (538.73)         |
| 1               | 15007     | PROVIDENT FUND                 | E            | 2016           | 79,242.36        | 80,700.00        | (1,457.64)       |
| 1               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 162,000.00       | 261,000.00       | (99,000.00)      |
| 1               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 418,193.57       | 543,400.00       | (125,206.43)     |
| 1               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | 2,111.37         | 9,600.00         | (7,488.63)       |
| 1               | 15014     | CONT. MEMBERS MUNIMED          | E            | 2016           | 127,663.80       | 605,600.00       | (477,936.20)     |
| 1               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 1,203.50         | 1,400.00         | (196.50)         |
| 1               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 32,686.96        | 69,400.00        | (36,713.04)      |
| 1               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           | -                | -                | -                |
| 1               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 232,497.80       | 252,000.00       | (19,502.20)      |
| 1               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 58,403.35        | 60,100.00        | (1,696.65)       |
| 1               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 27,536.00        | 31,200.00        | (3,664.00)       |
| 1               | 15101     | ADVERTISING                    | E            | 2016           | 18,463.11        | 24,000.00        | (5,536.89)       |
| 1               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 86,923.38        | 50,700.00        | 36,223.38        |
| 1               | 15104     | DELEGATION EXPENSES            | E            | 2016           | 26,558.76        | 37,100.00        | (10,541.24)      |
| 1               | 15106     | BID DOCUMENTS                  | E            | 2016           | -                | -                | -                |
| 1               | 15107     | IMPAIRMENT OF DEBTORS          | E            | 2016           | 164,917.98       | -                | 164,917.98       |
| 1               | 15108     | BANK CHARGES                   | E            | 2016           | 78,400.64        | 77,900.00        | 500.64           |
| 1               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | 350.78           | 1,900.00         | (1,549.22)       |
| 1               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -                | -                | -                |
| 1               | 15113     | DEBTOR COLLECT. COMMISSION     | E            | 2016           | -                | -                | -                |
| 1               | 15115     | DONATIONS                      | E            | 2016           | -                | -                | -                |
| 1               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 4,051.63         | 5,500.00         | (1,448.37)       |
| 1               | 15117     | PROFF SERVICES/FEES            | E            | 2016           | 495,000.00       | 495,000.00       | -                |
| 1               | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           | -                | -                | -                |
| 1               | 15121     | VEHICLE LOAN WRITTEN OFF       | E            | 2016           | -                | -                | -                |
| 1               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 89,255.87        | 110,000.00       | (20,744.13)      |
| 1               | 15126     | FINANCE GRANT GENERAL EXP      | E            | 2016           | 251,553.84       | 300,000.00       | (48,446.16)      |
| 1               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 1,650.00         | 8,500.00         | (6,850.00)       |
| 1               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 7,860.00         | 8,900.00         | (1,040.00)       |
| 1               | 15138     | PROVISION FOR BAD DEBT         | E            | 2016           | -                | -                | -                |
| 1               | 15139     | TRAINING                       | E            | 2016           | -                | -                | -                |
| 1               | 15141     | AUDIT FEES                     | E            | 2016           | 2,284,017.84     | 2,539,900.00     | (255,882.16)     |
| 1               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 622.88           | 6,000.00         | (5,377.12)       |
| 1               | 15145     | POSTAGE                        | E            | 2016           | -                | -                | -                |
| 1               | 15146     | PROGRAMMING                    | E            | 2016           | 801,708.77       | 973,400.00       | (171,691.23)     |
| 1               | 15147     | ASSETS VERIFICATION            | E            | 2016           | -                | -                | -                |
| 1               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 64,851.89        | 105,300.00       | (40,448.11)      |
| 1               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -                | -                | -                |
| 1               | 15159     | EPWP COORDINATION              | E            | 2016           | -                | -                | -                |
| 1               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 61,071.96        | 49,200.00        | 11,871.96        |
| 1               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 5,743.90         | 31,700.00        | (25,956.10)      |
| 1               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -                | -                | -                |
| 1               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -                | -                | -                |
| 1               | 15167     | INSURANCE - EXCESS PAYMENT     | E            | 2016           | -                | -                | -                |
| 1               | 15168     | INSURANCE PREMIUMS             | E            | 2016           | -                | -                | -                |
| 1               | 15171     | LONG SERVICE AWARDS            | E            | 2016           | -                | -                | -                |
| 1               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 1,282,518.87     | 1,450,000.00     | (167,481.13)     |
| 1               | 15180     | DEPRECIATION                   | E            | 2016           | 70,323.87        | 81,600.00        | (11,276.13)      |
| 1               | 15209     | AMMORTISATION                  | E            | 2016           | 39,869.19        | 124,000.00       | (84,130.81)      |
| 1               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | (37,762.01)      | 72,800.00        | (110,562.01)     |
| 1               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 11,618.00        | 15,900.00        | (4,282.00)       |
| 1               | 15212     | ACTUARIAL GAIN/LOST - LSA      | E            | 2016           | 56,640.00        | 15,000.00        | 41,640.00        |
| 1               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (160,293.00)     | 100,000.00       | (260,293.00)     |

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| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|--------------|--------------|------------------|
| 1               | 15214     | AVAILABLE 123                  | E            | 2016           | -            | -            |                  |
| 1               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 96,472.00    | 185,300.00   | (88,828.00)      |
| 1               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 973,163.00   | 1,092,700.00 | (119,537.00)     |
| 1               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            |                  |
| 1               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            |                  |
| 1               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 23,348.04    | 23,400.00    | (51.96)          |
| 1               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -            | 2,500.00     | (2,500.00)       |
| 1               | 16215     | COMPUTER EQUIPMENT             | E            | 2016           | -            | 2,500.00     | (2,500.00)       |
| 2               | 10309     | GAIN ON DISPOSAL OF PPE        | E            | 2016           | -            | -            |                  |
| 2               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -            | -            |                  |
| 2               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -            | -            |                  |
| 2               | 10319     | GAIN ON DISPOSAL OF IA         | E            | 2016           | -            | -            |                  |
| 2               | 10421     | MSIG GRANT                     | I            | 2016           | -            | -            |                  |
| 2               | 10423     | MSIG UNSPENT                   | I            | 2016           | -            | -            |                  |
| 2               | 10424     | MUN. FINANCE GRANT             | I            | 2016           | (297,029.88) | (300,000.00) | 2,970.12         |
| 2               | 10429     | LIBSA-LEPH AGR CORRIDOR        | E            | 2016           | -            | -            |                  |
| 2               | 10430     | PMS DBSA GRANT                 | I            | 2016           | -            | -            |                  |
| 2               | 15001     | SALARIES                       | E            | 2016           | 3,729,019.08 | 4,292,100.00 | (563,080.92)     |
| 2               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 376,440.00   | 608,400.00   | (231,960.00)     |
| 2               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 145,713.00   | 171,100.00   | (25,387.00)      |
| 2               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 15,489.73    | 16,200.00    | (710.27)         |
| 2               | 15007     | PROVIDENT FUND                 | E            | 2016           | 29,553.04    | 49,200.00    | (19,646.96)      |
| 2               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 36,000.00    | 144,000.00   | (108,000.00)     |
| 2               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 374,454.40   | 644,600.00   | (270,145.60)     |
| 2               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | -            | 13,200.00    | (13,200.00)      |
| 2               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 609.00       | 1,000.00     | (391.00)         |
| 2               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 29,418.27    | 60,000.00    | (30,581.73)      |
| 2               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           | -            | 113,500.00   | (113,500.00)     |
| 2               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 156,300.34   | 180,000.00   | (23,699.66)      |
| 2               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 42,833.63    | 52,200.00    | (9,366.37)       |
| 2               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 25,800.00    | 46,800.00    | (21,000.00)      |
| 2               | 15101     | ADVERTISING                    | E            | 2016           | -            | -            |                  |
| 2               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 55,227.87    | 55,400.00    | (172.13)         |
| 2               | 15104     | DELEGATION EXPENSES            | E            | 2016           | 16,627.19    | 22,100.00    | (5,472.81)       |
| 2               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | -            | -            |                  |
| 2               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -            | -            |                  |
| 2               | 15112     | AUDIT COMMITTEE EXP.           | E            | 2016           | 92,995.30    | 85,300.00    | 7,695.30         |
| 2               | 15114     | REMUNERATION COMMITTEE         | E            | 2016           | -            | 5,800.00     | (5,800.00)       |
| 2               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 395.00       | 3,100.00     | (2,705.00)       |
| 2               | 15117     | PROFF SERVICES/FEES            | E            | 2016           | -            | -            |                  |
| 2               | 15118     | STRATEGIC WORKSHOP             | E            | 2016           | -            | -            |                  |
| 2               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 24,604.25    | 33,000.00    | (8,395.75)       |
| 2               | 15126     | FINANCE GRANT GENERAL EXP      | E            | 2016           | -            | -            |                  |
| 2               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 1,613.00     | 5,800.00     | (4,187.00)       |
| 2               | 15129     | MEMBERSHIP FEES - COUNCIL      | E            | 2016           | 686,741.22   | 745,000.00   | (58,258.78)      |
| 2               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | -            | 8,900.00     | (8,900.00)       |
| 2               | 15134     | ENTERTAINMENT- MUN MANAGER     | E            | 2016           | 28,699.46    | 30,000.00    | (1,300.54)       |
| 2               | 15140     | JOB EVALUATION                 | E            | 2016           | -            | -            |                  |
| 2               | 15141     | AUDIT FEES                     | E            | 2016           | -            | -            |                  |
| 2               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | -            | -            |                  |
| 2               | 15145     | POSTAGE                        | E            | 2016           | -            | -            |                  |
| 2               | 15146     | PROGRAMMING                    | E            | 2016           | -            | 74,700.00    | (74,700.00)      |
| 2               | 15150     | LEGAL EXPENSES                 | E            | 2016           | -            | -            |                  |
| 2               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 169,274.53   | 208,000.00   | (38,725.47)      |
| 2               | 15154     | MSIG EXPENDITURE WDM           | E            | 2016           | -            | -            |                  |
| 2               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -            | -            |                  |
| 2               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 47,118.78    | 53,600.00    | (6,481.22)       |
| 2               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 4,590.00     | 37,000.00    | (32,410.00)      |
| 2               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -            | -            |                  |
| 2               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -            | -            |                  |
| 2               | 15170     | SECURITY                       | E            | 2016           | -            | -            |                  |
| 2               | 15171     | LONG SERVICE AWARDS            | E            | 2016           | -            | -            |                  |
| 2               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 338,926.46   | 400,000.00   | (61,073.54)      |
| 2               | 15180     | DEPRECIATION                   | E            | 2016           | 30,878.77    | 35,700.00    | (4,821.23)       |
| 2               | 15197     | ANNUAL REPORT                  | E            | 2016           | 92,500.00    | 243,500.00   | (151,000.00)     |
| 2               | 15209     | AMMORTISATION                  | E            | 2016           | -            | 43,000.00    | (43,000.00)      |
| 2               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 23,183.00    | 15,600.00    | 7,583.00         |
| 2               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 8,391.00     | 5,700.00     | 2,691.00         |
| 2               | 15212     | ACTUAREAL GAIN/LOST - LSA      | E            | 2016           | (42,462.00)  | -            | (42,462.00)      |
| 2               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (52,619.00)  | 20,000.00    | (72,619.00)      |
| 2               | 15214     | AVAILABLE                      | E            | 2016           | -            | -            |                  |
| 2               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 74,759.00    | 56,700.00    | 18,059.00        |
| 2               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 60,408.00    | 34,400.00    | 26,008.00        |
| 2               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            |                  |
| 2               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            |                  |
| 2               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 4,408.13     | 6,700.00     | (2,291.87)       |
| 2               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -            | 2,500.00     | (2,500.00)       |
| 3               | 10305     | INTERNAL TRANSFERS             | E            | 2016           | -            | -            |                  |
| 3               | 10306     | L G SETA - SDL                 | I            | 2016           | -            | -            |                  |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|--------------|--------------|------------------|
| 3               | 10307     | RECOVERY                       | E            | 2016           | -            | -            | -                |
| 3               | 10308     | MISCELLANEOUS INCOME           | I            | 2016           | -            | -            | -                |
| 3               | 10309     | GAIN ON DISPOSAL OF PPE        | E            | 2016           | -            | -            | -                |
| 3               | 10311     | REVERSAL OF IMPAIRMENT LOSS    | E            | 2016           | -            | -            | -                |
| 3               | 10312     | INSURANCE CLAIMS               | E            | 2016           | -            | -            | -                |
| 3               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -            | -            | -                |
| 3               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -            | -            | -                |
| 3               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -            | -            | -                |
| 3               | 10406     | LOCAL GOVERN SETA - GRANT      | I            | 2016           | -            | (120,000.00) | 120,000.00       |
| 3               | 10421     | MSIG GRANT                     | I            | 2016           | -            | -            | -                |
| 3               | 10428     | IT MSP GRANT                   | E            | 2016           | -            | -            | -                |
| 3               | 15001     | SALARIES                       | E            | 2016           | 6,530,092.90 | 6,375,700.00 | 154,392.90       |
| 3               | 15002     | WAGES - TEMP WORKERS           | E            | 2016           | 24,600.00    | 25,000.00    | (400.00)         |
| 3               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 1,234,221.95 | 1,288,800.00 | (54,578.05)      |
| 3               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 493,612.20   | 570,200.00   | (76,587.80)      |
| 3               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 36,989.68    | 22,900.00    | 14,089.68        |
| 3               | 15007     | PROVIDENT FUND                 | E            | 2016           | 94,184.85    | 81,300.00    | 12,884.85        |
| 3               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 108,000.00   | 396,000.00   | (288,000.00)     |
| 3               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 549,241.70   | 518,300.00   | 30,941.70        |
| 3               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | 12,918.56    | 80,600.00    | (67,681.44)      |
| 3               | 15012     | PROTECTIVE CLOTHING            | E            | 2016           | -            | -            | -                |
| 3               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 1,943.00     | 1,900.00     | 43.00            |
| 3               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 39,224.36    | 81,400.00    | (42,175.64)      |
| 3               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           | -            | -            | -                |
| 3               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 372,136.53   | 280,000.00   | 92,136.53        |
| 3               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 74,076.91    | 70,600.00    | 3,476.91         |
| 3               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 38,400.00    | 44,400.00    | (6,000.00)       |
| 3               | 15101     | ADVERTISING                    | E            | 2016           | 87,048.17    | 124,100.00   | (37,051.83)      |
| 3               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 120,334.15   | 228,600.00   | (108,265.85)     |
| 3               | 15103     | ADMIN. COSTS                   | E            | 2016           | -            | -            | -                |
| 3               | 15104     | DELEGATION EXPENSES            | E            | 2016           | 39,226.83    | 44,000.00    | (4,773.17)       |
| 3               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | 1,633.08     | 10,000.00    | (8,366.92)       |
| 3               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -            | -            | -                |
| 3               | 15112     | AUDIT COMMITTEE EXP.           | E            | 2016           | -            | -            | -                |
| 3               | 15115     | donations                      | E            | 2016           | -            | -            | -                |
| 3               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 4,267.66     | 8,200.00     | (3,932.34)       |
| 3               | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           | 299,121.63   | 399,300.00   | (100,178.37)     |
| 3               | 15123     | AUCTION COST                   | E            | 2016           | -            | 11,700.00    | (11,700.00)      |
| 3               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 263,795.29   | 330,000.00   | (66,204.71)      |
| 3               | 15128     | MEMBERSHIP FEES                | E            | 2016           | -            | 2,600.00     | (2,600.00)       |
| 3               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 75,924.08    | 67,700.00    | 8,224.08         |
| 3               | 15132     | FURNITURE REMOVAL/RESETTLEMENT | E            | 2016           | -            | 19,200.00    | (19,200.00)      |
| 3               | 15135     | ENTERTAINMENT - MAYOR          | E            | 2016           | -            | -            | -                |
| 3               | 15136     | ENTERTAINMENT - MEETINGS       | E            | 2016           | -            | -            | -                |
| 3               | 15139     | TRAINING                       | E            | 2016           | 281,470.26   | 419,200.00   | (137,729.74)     |
| 3               | 15140     | JOB EVALUATION                 | E            | 2016           | -            | -            | -                |
| 3               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 5,786.54     | 8,000.00     | (2,213.46)       |
| 3               | 15144     | ENTERTAINMENT - OFFICES        | E            | 2016           | 48,378.27    | 44,300.00    | 4,078.27         |
| 3               | 15145     | POSTAGE                        | E            | 2016           | 1,315.79     | 5,800.00     | (4,484.21)       |
| 3               | 15146     | PROGRAMMING                    | E            | 2016           | 179,604.27   | 220,000.00   | (40,395.73)      |
| 3               | 15148     | IT SERVICES                    | E            | 2016           | -            | -            | -                |
| 3               | 15149     | S & T SPEAKER                  | E            | 2016           | -            | -            | -                |
| 3               | 15150     | LEGAL EXPENSES                 | E            | 2016           | 34,327.36    | 250,000.00   | (215,672.64)     |
| 3               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 233,814.62   | 242,000.00   | (8,185.38)       |
| 3               | 15154     | MSIG EXPENDITURE WDM           | E            | 2016           | -            | -            | -                |
| 3               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -            | 6,600.00     | (6,600.00)       |
| 3               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 75,356.45    | 69,800.00    | 5,556.45         |
| 3               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 30,435.00    | 71,000.00    | (40,565.00)      |
| 3               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -            | 20,000.00    | (20,000.00)      |
| 3               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -            | -            | -                |
| 3               | 15167     | INSURANCE - EXCESS PAYMENT     | E            | 2016           | 4,602.88     | 40,000.00    | (35,397.12)      |
| 3               | 15168     | INSURANCE PREMIUMS             | E            | 2016           | 732,857.39   | 1,000,000.00 | (267,142.61)     |
| 3               | 15169     | VEHICLE COSTS                  | E            | 2016           | 153,005.34   | 212,000.00   | (58,994.66)      |
| 3               | 15170     | SECURITY                       | E            | 2016           | 468,481.32   | 501,200.00   | (32,718.68)      |
| 3               | 15171     | LONG SERVICE AWARDS            | E            | 2016           | -            | -            | -                |
| 3               | 15172     | MEAT INSPECTION                | E            | 2016           | -            | -            | -                |
| 3               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 6,327.26     | 296,000.00   | (289,672.74)     |
| 3               | 15178     | BURSARIES                      | E            | 2016           | 73,112.00    | 154,900.00   | (81,788.00)      |
| 3               | 15179     | CONSUMABLES                    | E            | 2016           | -            | -            | -                |
| 3               | 15180     | DEPRECIATION                   | E            | 2016           | 826,629.66   | 970,000.00   | (143,370.34)     |
| 3               | 15199     | EMPLOYEE ASSISTANCE PROGRAM    | E            | 2016           | 189,315.00   | 220,000.00   | (30,685.00)      |
| 3               | 15200     | MAYORAL AWARDS                 | E            | 2016           | -            | -            | -                |
| 3               | 15201     | STATE OF DISTRICT ADRESS       | E            | 2016           | -            | -            | -                |
| 3               | 15203     | SECURITY ABATTOIR              | E            | 2016           | 468,481.32   | 501,200.00   | (32,718.68)      |
| 3               | 15205     | EX MAYOR'S GOLF CHALLENGE      | E            | 2016           | -            | -            | -                |
| 3               | 15209     | AMMORTISATION                  | E            | 2016           | 121,836.51   | 170,000.00   | (48,163.49)      |
| 3               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 51,329.00    | 39,000.00    | 12,329.00        |
| 3               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 32,352.00    | 17,500.00    | 14,852.00        |
| 3               | 15212     | ACTUAREAL GAIN/LOST - LSA      | E            | 2016           | 8,211.00     | 20,000.00    | (11,789.00)      |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|--------------|--------------|------------------|
| 3               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (34,894.00)  | 150,000.00   | (184,894.00)     |
| 3               | 15214     | AVAILABLE                      | E            | 2016           | -            | -            | -                |
| 3               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 205,083.00   | 128,900.00   | 76,183.00        |
| 3               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 133,955.00   | 57,600.00    | 76,355.00        |
| 3               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            | -                |
| 3               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            | -                |
| 3               | 16201     | BUILDINGS                      | E            | 2016           | -            | -            | -                |
| 3               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 47,993.38    | 54,100.00    | (6,106.62)       |
| 3               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -            | 11,800.00    | (11,800.00)      |
| 3               | 16215     | COMPUTER EQUIPMENT             | E            | 2016           | 18,617.49    | 37,600.00    | (18,982.51)      |
| 3               | 16220     | CELLPHONES                     | E            | 2016           | -            | -            | -                |
| 3               | 16225     | TELEPHONES                     | E            | 2016           | -            | 23,500.00    | (23,500.00)      |
| 3               | 16230     | VEHICLES                       | E            | 2016           | 14,760.10    | 89,100.00    | (74,339.90)      |
| 3               | 16232     | CUTLERY                        | E            | 2016           | 403.36       | 2,400.00     | (1,996.64)       |
| 4               | 10303     | DONATIONS/SPONSORS             | E            | 2016           | (293,339.77) | -            | (293,339.77)     |
| 4               | 10305     | INTERNAL TRANSFERS             | E            | 2016           | -            | -            | -                |
| 4               | 10307     | RECOVERY                       | I            | 2016           | (4,961.03)   | -            | (4,961.03)       |
| 4               | 10308     | MISCELLANEOUS INCOME           | E            | 2016           | -            | -            | -                |
| 4               | 10313     | ADMINISTRATION FEES            | I            | 2016           | -            | -            | -                |
| 4               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -            | -            | -                |
| 4               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -            | -            | -                |
| 4               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -            | -            | -                |
| 4               | 10405     | VUNA AWARD 05/06               | E            | 2016           | -            | -            | -                |
| 4               | 10410     | WILD LIFE CENTRE/VW BEAUTIFICA | E            | 2016           | -            | -            | -                |
| 4               | 10425     | INTEGRATED TRANSPORT PLAN      | E            | 2016           | -            | -            | -                |
| 4               | 10427     | MOKAMOLE AGR FARM              | E            | 2016           | -            | -            | -                |
| 4               | 10429     | LIBSA-LEPH AGR CORIDOR         | E            | 2016           | -            | -            | -                |
| 4               | 10433     | LEDET Grant - Biosphere        | I            | 2016           | (151,621.69) | -            | (151,621.69)     |
| 4               | 15001     | SALARIES                       | E            | 2016           | 3,130,762.33 | 3,144,000.00 | (13,237.67)      |
| 4               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 586,011.24   | 673,300.00   | (87,288.76)      |
| 4               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 169,424.00   | 197,800.00   | (28,376.00)      |
| 4               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 12,492.48    | 14,000.00    | (1,507.52)       |
| 4               | 15007     | PROVIDENT FUND                 | E            | 2016           | 27,084.48    | 36,300.00    | (9,215.52)       |
| 4               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 72,000.00    | 135,000.00   | (63,000.00)      |
| 4               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 590,863.82   | 672,700.00   | (81,836.18)      |
| 4               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 609.00       | 600.00       | 9.00             |
| 4               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 22,880.88    | 46,700.00    | (23,819.12)      |
| 4               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           | -            | -            | -                |
| 4               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 56,259.36    | 190,000.00   | (133,740.64)     |
| 4               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 38,360.22    | 40,700.00    | (2,339.78)       |
| 4               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 38,400.00    | 48,000.00    | (9,600.00)       |
| 4               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 27,263.90    | 37,400.00    | (10,136.10)      |
| 4               | 15104     | DELEGATION EXPENSES            | E            | 2016           | -            | 173,700.00   | (173,700.00)     |
| 4               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | -            | 2,300.00     | (2,300.00)       |
| 4               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -            | -            | -                |
| 4               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 600.00       | 2,900.00     | (2,300.00)       |
| 4               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 24,604.25    | 33,000.00    | (8,395.75)       |
| 4               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 4,422.00     | 5,600.00     | (1,178.00)       |
| 4               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | -            | 8,900.00     | (8,900.00)       |
| 4               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 3,376.28     | 8,000.00     | (4,623.72)       |
| 4               | 15149     | S & T SPEAKER                  | E            | 2016           | -            | -            | -                |
| 4               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 172,408.21   | 205,000.00   | (32,591.79)      |
| 4               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -            | -            | -                |
| 4               | 15158     | LEDET BIOSPHERE                | E            | 2016           | 151,621.69   | -            | 151,621.69       |
| 4               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 26,888.56    | 37,000.00    | (10,111.44)      |
| 4               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 77,383.64    | 105,900.00   | (28,516.36)      |
| 4               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -            | -            | -                |
| 4               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -            | -            | -                |
| 4               | 15169     | VEHICLE COSTS                  | E            | 2016           | -            | -            | -                |
| 4               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 1,082,923.35 | 3,346,334.00 | (2,263,410.65)   |
| 4               | 15180     | DEPRECIATION                   | E            | 2016           | 24,335.74    | 30,600.00    | (6,264.26)       |
| 4               | 15196     | WEDA - OPERATIONAL COST        | E            | 2016           | -            | -            | -                |
| 4               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 20,338.00    | 20,800.00    | (462.00)         |
| 4               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 15,696.00    | 11,400.00    | 4,296.00         |
| 4               | 15212     | ACTUAREAL GAIN/LOST - LSA      | E            | 2016           | 17,950.00    | 20,000.00    | (2,050.00)       |
| 4               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (2,335.00)   | 50,000.00    | (52,335.00)      |
| 4               | 15214     | TOURISM INDABA                 | E            | 2016           | 243,339.77   | -            | 243,339.77       |
| 4               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 42,893.00    | 22,600.00    | 20,293.00        |
| 4               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 44,476.00    | 15,500.00    | 28,976.00        |
| 4               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            | -                |
| 4               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            | -                |
| 4               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 1,924.71     | 3,600.00     | (1,675.29)       |
| 4               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -            | 600.00       | (600.00)         |
| 5               | 10307     | RECOVERY                       | E            | 2016           | -            | -            | -                |
| 5               | 10313     | ADMINISTRATION FEES            | I            | 2016           | -            | -            | -                |
| 5               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -            | -            | -                |
| 5               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -            | -            | -                |
| 5               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -            | -            | -                |
| 5               | 10402     | CPWP GRANT 02/04               | E            | 2016           | -            | -            | -                |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL           | BUDGET          | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|-----------------|-----------------|------------------|
| 5               | 10408     | DROUGHT RELIEF                 | E            | 2016           | -               | -               | -                |
| 5               | 10420     | MIG Grant                      | E            | 2016           | (12,006,823.82) | -               | (12,006,823.82)  |
| 5               | 10422     | MIG GRANT (PMU)                | E            | 2016           | (5,000,000.00)  | -               | (5,000,000.00)   |
| 5               | 10432     | EPWP INCENTIVE                 | I            | 2016           | (1,000,000.00)  | (1,000,000.00)  | -                |
| 5               | 10434     | RRAMS GRANT                    | I            | 2016           | (1,839,000.00)  | (1,839,000.00)  | -                |
| 5               | 10435     | MOOKGOPHONG LM                 | I            | 2016           | -               | -               | -                |
| 5               | 10436     | MWIG                           | I            | 2016           | (14,105,555.32) | (59,172,000.00) | 45,066,444.68    |
| 5               | 15001     | SALARIES                       | E            | 2016           | 1,850,766.21    | 1,879,600.00    | (28,833.79)      |
| 5               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 358,119.51      | 427,100.00      | (68,980.49)      |
| 5               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 117,300.60      | 148,200.00      | (30,899.40)      |
| 5               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 7,138.56        | 7,200.00        | (61.44)          |
| 5               | 15007     | PROVIDENT FUND                 | E            | 2016           | -               | 5,800.00        | (5,800.00)       |
| 5               | 15008     | HOUSING SUBSIDY                | E            | 2016           | -               | 72,000.00       | (72,000.00)      |
| 5               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 440,515.58      | 491,300.00      | (50,784.42)      |
| 5               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 348.00          | 400.00          | (52.00)          |
| 5               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 13,074.79       | 30,100.00       | (17,025.21)      |
| 5               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           | -               | -               | -                |
| 5               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 69,296.62       | 90,000.00       | (20,703.38)      |
| 5               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 23,190.09       | 26,300.00       | (3,109.91)       |
| 5               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 26,400.00       | 32,400.00       | (6,000.00)       |
| 5               | 15101     | ADVERTISING                    | E            | 2016           | -               | 10,500.00       | (10,500.00)      |
| 5               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 16,156.35       | 38,700.00       | (22,543.65)      |
| 5               | 15104     | DELEGATION EXPENSES            | E            | 2016           | 9,198.25        | 10,700.00       | (1,501.75)       |
| 5               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | 1,565.80        | 1,800.00        | (234.20)         |
| 5               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -               | -               | -                |
| 5               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | -               | 3,000.00        | (3,000.00)       |
| 5               | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           | -               | -               | -                |
| 5               | 15123     | AUCTION COST                   | E            | 2016           | -               | -               | -                |
| 5               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 24,604.25       | 33,000.00       | (8,395.75)       |
| 5               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 9,734.58        | 12,400.00       | (2,665.42)       |
| 5               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 7,341.25        | 8,900.00        | (1,558.75)       |
| 5               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 1,940.19        | 2,000.00        | (59.81)          |
| 5               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 82,196.88       | 111,400.00      | (29,203.12)      |
| 5               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -               | -               | -                |
| 5               | 15157     | TRADITIONAL LEADERS            | E            | 2016           | -               | -               | -                |
| 5               | 15159     | EPWP COORDINATION              | E            | 2016           | -               | -               | -                |
| 5               | 15160     | ELECTRICITY COORDINATION       | E            | 2016           | -               | -               | -                |
| 5               | 15161     | WATER & SANITATION COORD.      | E            | 2016           | -               | -               | -                |
| 5               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 11,578.17       | 23,200.00       | (11,621.83)      |
| 5               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 22,249.70       | 53,000.00       | (30,750.30)      |
| 5               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -               | -               | -                |
| 5               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -               | -               | -                |
| 5               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 31,204,142.68   | 84,285,671.00   | (53,081,528.32)  |
| 5               | 15179     | CONSUMABLES                    | E            | 2016           | 9,100.00        | -               | 9,100.00         |
| 5               | 15180     | DEPRECIATION                   | E            | 2016           | 20,178.35       | 30,600.00       | (10,421.65)      |
| 5               | 15195     | MIG PROJECT EXPENDITURE        | E            | 2016           | -               | -               | -                |
| 5               | 15209     | AMMORTISATION                  | E            | 2016           | -               | -               | -                |
| 5               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 9,754.00        | 6,500.00        | 3,254.00         |
| 5               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 7,534.00        | 5,100.00        | 2,434.00         |
| 5               | 15212     | ACTUARIAL GAIN/LOST - LSA      | E            | 2016           | 3,399.00        | 10,000.00       | (6,601.00)       |
| 5               | 15213     | ACTUARIAL GAIN/LOST - MSA      | E            | 2016           | (1,831.00)      | 50,000.00       | (51,831.00)      |
| 5               | 15214     | AVAILABLE                      | E            | 2016           | -               | -               | -                |
| 5               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 42,601.00       | 30,600.00       | 12,001.00        |
| 5               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 39,906.00       | 18,100.00       | 21,806.00        |
| 5               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -               | -               | -                |
| 5               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -               | -               | -                |
| 5               | 16201     | BUILDINGS                      | E            | 2016           | 827,121.77      | 990,800.00      | (163,678.23)     |
| 5               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 6,450.14        | 7,200.00        | (749.86)         |
| 5               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -               | 2,600.00        | (2,600.00)       |
| 6               | 10101     | SERVICES LEVIES - PRE VAT      | E            | 2016           | -               | -               | -                |
| 6               | 10102     | SERVICES LEVIES - POST VAT     | E            | 2016           | -               | -               | -                |
| 6               | 10104     | ESTABLISHMENT LEVIES -POST VAT | E            | 2016           | -               | -               | -                |
| 6               | 10106     | INTEREST ON LEVIES             | E            | 2016           | -               | -               | -                |
| 6               | 10201     | INTEREST - CURRENT ACCOUNT     | I            | 2016           | -               | -               | -                |
| 6               | 10202     | INTEREST -EXTERNAL INVESTMENTS | I            | 2016           | -               | -               | -                |
| 6               | 10205     | INTEREST - SARS                | I            | 2016           | -               | -               | -                |
| 6               | 10206     | INTEREST- DEPOSITS             | E            | 2016           | -               | -               | -                |
| 6               | 10303     | DONATIONS/SPONSORS             | E            | 2016           | (45,550.23)     | -               | (45,550.23)      |
| 6               | 10304     | MAYOR'S BURSARY FUND           | E            | 2016           | -               | -               | -                |
| 6               | 10305     | INTERNAL TRANSFERS             | E            | 2016           | -               | -               | -                |
| 6               | 10306     | L G SETA - SDL                 | E            | 2016           | -               | -               | -                |
| 6               | 10307     | RECOVERY                       | E            | 2016           | -               | -               | -                |
| 6               | 10308     | MISCELLANEOUS INCOME           | I            | 2016           | -               | -               | -                |
| 6               | 10309     | GAIN ON DISPOSAL OF PPE        | E            | 2016           | -               | -               | -                |
| 6               | 10316     | TENDER DOCUMENT PAYMENTS       | I            | 2016           | -               | -               | -                |
| 6               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -               | -               | -                |
| 6               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -               | -               | -                |
| 6               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -               | -               | -                |
| 6               | 10400     | GRANT INCOME                   | I            | 2016           | -               | -               | -                |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|--------------|--------------|------------------|
| 6               | 10416     | DBSA GRANT                     | E            | 2016           |              |              |                  |
| 6               | 10417     | EQUITABLE SHARE                | I            | 2016           |              |              |                  |
| 6               | 10421     | MSIG GRANT (PIMMS)             | E            | 2016           |              |              |                  |
| 6               | 10424     | MUN. FINANCE GRANT             | I            | 2016           |              |              |                  |
| 6               | 10426     | UMSOBOMVU YOUTH GRANT          | E            | 2016           |              |              |                  |
| 6               | 10431     | MAYOR BURSARY GRANT            | E            | 2016           |              |              |                  |
| 6               | 15001     | SALARIES                       | E            | 2016           | 5,174,900.67 | 5,271,000.00 | (96,099.33)      |
| 6               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 931,619.41   | 1,031,500.00 | (99,880.59)      |
| 6               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 266,304.00   | 295,300.00   | (28,996.00)      |
| 6               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 22,426.25    | 22,000.00    | 426.25           |
| 6               | 15007     | PROVIDENT FUND                 | E            | 2016           | 47,730.23    | 51,500.00    | (3,769.77)       |
| 6               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 54,000.00    | 234,000.00   | (180,000.00)     |
| 6               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 767,184.12   | 805,600.00   | (38,415.88)      |
| 6               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | (0.02)       | 29,700.00    | (29,700.02)      |
| 6               | 15014     | CONT. MEMBERS MUNIMED          | E            | 2016           |              |              |                  |
| 6               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 1,094.75     | 1,100.00     | (5.25)           |
| 6               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 32,686.96    | 70,500.00    | (37,813.04)      |
| 6               | 15020     | PROV FOR PERFORMANCE BONUS     | E            | 2016           |              |              |                  |
| 6               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 203,136.40   | 500,000.00   | (296,863.60)     |
| 6               | 15022     | SKILLS DEVELOPMENT LEVY        | L            | 2016           | 60,955.39    | 61,500.00    | (544.61)         |
| 6               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 58,930.00    | 70,100.00    | (11,170.00)      |
| 6               | 15031     | SALARIES: MAYOR & SPEAKER      | E            | 2016           | 2,429,776.80 | 2,408,000.00 | 21,776.80        |
| 6               | 15032     | PEN.FUND CONTR MAYOR & SPEAKER | E            | 2016           | 302,110.24   | 304,300.00   | (2,189.76)       |
| 6               | 15033     | MED.AID CONTR. MAYOR & SPEAKER | E            | 2016           | 98,119.25    | 71,400.00    | 26,719.25        |
| 6               | 15034     | TRAVEL. ALLOW. MAYOR & SPEAKER | E            | 2016           | 733,946.67   | 798,100.00   | (64,153.33)      |
| 6               | 15035     | CELL ALLOW MAYOR & SPEAKER     | E            | 2016           | 114,774.00   | 121,700.00   | (6,926.00)       |
| 6               | 15036     | HOUSING SUB. MAYOR & SPEAKER   | E            | 2016           |              |              |                  |
| 6               | 15037     | SALARIES : COUNCILLORS         | E            | 2016           | 1,883,161.44 | 1,902,800.00 | (19,638.56)      |
| 6               | 15038     | PEN.FUND CONTR. COUNCILLORS    | E            | 2016           | 217,418.60   | 217,300.00   | 118.60           |
| 6               | 15039     | MED.AID.CONTR. COUNCILLORS     | E            | 2016           | 23,435.88    | 25,100.00    | (1,664.12)       |
| 6               | 15040     | TRAVEL ALLOW. COUNCILLORS      | E            | 2016           | 622,745.68   | 621,800.00   | 945.68           |
| 6               | 15042     | SKILLS DEV MAYOR & SPEAKER     | E            | 2016           | 34,341.33    | 33,300.00    | 1,041.33         |
| 6               | 15043     | SKILLS DEV COUNCILLORS         | E            | 2016           | 30,339.45    | 27,200.00    | 3,139.45         |
| 6               | 15044     | CELLPHONE ALLOWANCE COUNCILLOR | E            | 2016           | 187,812.00   | 199,100.00   | (11,288.00)      |
| 6               | 15045     | UIF MAYOR & SPEAKER            | E            | 2016           |              |              |                  |
| 6               | 15047     | WORKMENS COMPENSATION          | E            | 2016           | 39,224.33    | 77,400.00    | (38,175.67)      |
| 6               | 15101     | ADVERTISING                    | E            | 2016           | 14,195.16    | 27,700.00    | (13,504.84)      |
| 6               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 53,459.20    | 55,400.00    | (1,940.80)       |
| 6               | 15103     | ADMIN. COSTS                   | E            | 2016           |              |              |                  |
| 6               | 15104     | DELEGATION EXPENSES            | E            | 2016           | 6,377.19     | 11,600.00    | (5,222.81)       |
| 6               | 15105     | DELEGATION COUNCILLORS         | E            | 2016           | 29,732.46    | 37,000.00    | (7,267.54)       |
| 6               | 15106     | BID DOCUMENTS                  | E            | 2016           |              |              |                  |
| 6               | 15107     | IMPAIRMENT OF DEBTORS          | E            | 2016           |              |              |                  |
| 6               | 15108     | BANK CHARGES                   | E            | 2016           |              |              |                  |
| 6               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | 1,270.87     | 1,800.00     | (529.13)         |
| 6               | 15110     | CELLPHONE EXPENSES             | E            | 2016           |              |              |                  |
| 6               | 15113     | DEBTOR COLLECT. COMMISSION     | E            | 2016           |              |              |                  |
| 6               | 15115     | DONATIONS                      | E            | 2016           |              |              |                  |
| 6               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 28,653.75    | 2,600.00     | 26,053.75        |
| 6               | 15119     | UMSOBOMVU YOUTH EXPENDITURE.   | E            | 2016           |              |              |                  |
| 6               | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           |              |              |                  |
| 6               | 15121     | VEHICLE LOAN WRITTEN OFF       | E            | 2016           |              |              |                  |
| 6               | 15123     | AUCTION COST                   | E            | 2016           |              |              |                  |
| 6               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 24,604.25    | 33,000.00    | (8,395.75)       |
| 6               | 15126     | FINANCE GRANT GENERAL EXP      | E            | 2016           |              |              |                  |
| 6               | 15128     | MEMBERSHIP FEES                | E            | 2016           |              |              |                  |
| 6               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 8,586.00     | 8,900.00     | (314.00)         |
| 6               | 15133     | TRAINING COST COUNCILORS       | E            | 2016           |              |              |                  |
| 6               | 15135     | ENTERTAINMENT - MAYOR          | E            | 2016           | 55,643.50    | 55,700.00    | (56.50)          |
| 6               | 15136     | ENTERTAINMENT - MEETINGS       | E            | 2016           | 103,465.00   | 110,000.00   | (6,535.00)       |
| 6               | 15137     | ENTERTAINMENT - SPEAKER        | E            | 2016           | 16,622.00    | 16,700.00    | (78.00)          |
| 6               | 15138     | PROVISION FOR BAD DEBT         | E            | 2016           |              |              |                  |
| 6               | 15139     | TRAINING                       | E            | 2016           |              |              |                  |
| 6               | 15141     | AUDIT FEES                     | E            | 2016           |              |              |                  |
| 6               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 5,000.00     | 5,100.00     | (100.00)         |
| 6               | 15145     | POSTAGE                        | E            | 2016           |              |              |                  |
| 6               | 15146     | PROGRAMMING                    | E            | 2016           |              |              |                  |
| 6               | 15147     | ASSETS VERIFICATION            | E            | 2016           |              |              |                  |
| 6               | 15149     | S & T SPEAKER                  | E            | 2016           | 74,732.11    | 53,600.00    | 21,132.11        |
| 6               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 281,339.46   | 262,700.00   | 18,639.46        |
| 6               | 15152     | S & T - MAYOR                  | E            | 2016           | 283,439.17   | 242,600.00   | 40,839.17        |
| 6               | 15153     | S & T - COUNCIL MEMBERS/DC     | E            | 2016           | 1,498,526.81 | 1,648,500.00 | (149,973.19)     |
| 6               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           |              | 2,000.00     | (2,000.00)       |
| 6               | 15156     | S & T TRADITIONAL LEADERS      | E            | 2016           | 56,820.67    | 77,600.00    | (20,779.33)      |
| 6               | 15157     | TRADITIONAL LEADERS            | E            | 2016           |              |              |                  |
| 6               | 15158     | LEDET BIOSPHERE                | E            | 2016           |              |              |                  |
| 6               | 15159     | EPWP COORDINATION              | E            | 2016           |              |              |                  |
| 6               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 61,164.50    | 59,000.00    | 2,164.50         |
| 6               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 20,877.00    | 26,800.00    | (5,923.00)       |



| DEPARTMENT<br>CODE | ITEM CODE | VOTE NAME                      | ACCOUNT<br>TYPE | FINANCIAL<br>YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|--------------------|-----------|--------------------------------|-----------------|-------------------|--------------|--------------|------------------|
| 6                  | 15165     | LOSS ON DISPOSAL OF PPE        | E               | 2016              | -            | -            | -                |
| 6                  | 15166     | IMPAIRMENT OF PPE              | E               | 2016              | -            | -            | -                |
| 6                  | 15167     | INSURANCE - EXCESS PAYMENT     | E               | 2016              | -            | -            | -                |
| 6                  | 15168     | INSURANCE PREMIUMS             | E               | 2016              | -            | -            | -                |
| 6                  | 15169     | VEHICLE COSTS                  | E               | 2016              | 146,416.49   | 166,000.00   | (19,583.51)      |
| 6                  | 15171     | LONG SERVICE AWARDS            | E               | 2016              | -            | -            | -                |
| 6                  | 15174     | PROJECT EXPENDITURE            | E               | 2016              | 1,946,737.03 | 2,160,000.00 | (213,262.97)     |
| 6                  | 15178     | BURSARIES                      | E               | 2016              | -            | -            | -                |
| 6                  | 15180     | DEPRECIATION                   | E               | 2016              | 364,663.53   | 420,000.00   | (55,336.47)      |
| 6                  | 15183     | YOUTH DEVELOPMENT              | E               | 2016              | -            | -            | -                |
| 6                  | 15184     | GENDER                         | E               | 2016              | -            | -            | -                |
| 6                  | 15185     | HIV/AIDS                       | E               | 2016              | -            | -            | -                |
| 6                  | 15186     | SPORT ART & CULTURE            | E               | 2016              | -            | -            | -                |
| 6                  | 15187     | DISABLE                        | E               | 2016              | -            | -            | -                |
| 6                  | 15188     | COMMUNITY PARTICIPATION        | E               | 2016              | -            | -            | -                |
| 6                  | 15189     | DISCRETIONARY BURSARY FUND     | E               | 2016              | 100,000.00   | 100,000.00   | -                |
| 6                  | 15190     | RELIEF OF SOCIAL DISTRESS      | E               | 2016              | -            | -            | -                |
| 6                  | 15191     | DISTR. LEARNING NETWORK COST   | E               | 2016              | -            | -            | -                |
| 6                  | 15192     | MARKETING & PROMOTION          | E               | 2016              | -            | -            | -                |
| 6                  | 15198     | TWINNING AGREEMENTS - INTERNAT | E               | 2016              | -            | -            | -                |
| 6                  | 15201     | STATE OF DISTRICT ADDRESS      | E               | 2016              | 172,088.89   | 172,100.00   | (11.11)          |
| 6                  | 15205     | EX MAYOR'S GOLF CHALLENGE      | E               | 2016              | -            | -            | -                |
| 6                  | 15209     | AMMORTISATION                  | E               | 2016              | -            | -            | -                |
| 6                  | 15210     | CURRENT SERVICE COST-LSA       | E               | 2016              | 34,750.00    | 36,400.00    | (1,650.00)       |
| 6                  | 15211     | INTEREST LSA LIABILITY         | E               | 2016              | 19,785.00    | 10,800.00    | 8,985.00         |
| 6                  | 15212     | ACTUAREAL GAIN/LOST - LSA      | E               | 2016              | (20,371.00)  | 20,000.00    | (40,371.00)      |
| 6                  | 15213     | ACTUAREAL GAIN/LOST - MSA      | E               | 2016              | (118,581.00) | 100,000.00   | (218,581.00)     |
| 6                  | 15214     | AVAILABLE                      | E               | 2016              | -            | -            | -                |
| 6                  | 15220     | CURRENT SERVICE COST-MED       | E               | 2016              | 146,961.00   | 83,600.00    | 63,361.00        |
| 6                  | 15221     | INTEREST MED LIABILITY         | E               | 2016              | 98,179.00    | 37,300.00    | 60,879.00        |
| 6                  | 15230     | AGR. WORKING GROUP             | E               | 2016              | -            | -            | -                |
| 6                  | 15250     | LOST ON DISPOSAL OF IA         | E               | 2016              | -            | -            | -                |
| 6                  | 15251     | IMPAIRMENT OF IA               | E               | 2016              | -            | -            | -                |
| 6                  | 16205     | OFFICE EQUIPMENT               | E               | 2016              | 5,081.91     | 9,600.00     | (4,518.09)       |
| 6                  | 16210     | FURNITURE & ACCESSORIES        | E               | 2016              | -            | 700.00       | (700.00)         |
| 6                  | 16215     | COMPUTER EQUIPMENT             | E               | 2016              | -            | -            | -                |
| 6                  | 16230     | VEHICLES                       | E               | 2016              | 57,286.60    | 83,600.00    | (26,313.40)      |
| 7                  | 10317     | ACTUARIAL GAIN-LSA             | E               | 2016              | -            | -            | -                |
| 7                  | 10318     | ACTUARIAL GAIN - MED           | E               | 2016              | -            | -            | -                |
| 7                  | 10319     | GAIN ON DISPOSAL OF IA         | E               | 2016              | -            | -            | -                |
| 7                  | 15001     | SALARIES                       | E               | 2016              | 1,730,487.13 | 1,756,300.00 | (25,812.87)      |
| 7                  | 15003     | PENSION FUND CONTRIBUTIONS     | E               | 2016              | 183,577.20   | 194,900.00   | (11,322.80)      |
| 7                  | 15004     | MEDICAL AID CONTRIBUTIONS      | E               | 2016              | 49,885.20    | 45,100.00    | 4,785.20         |
| 7                  | 15005     | UNEMPLOYMENT INSURANCE FUND    | E               | 2016              | 7,138.56     | 7,200.00     | (61.44)          |
| 7                  | 15007     | PROVIDENT FUND                 | E               | 2016              | 4,937.04     | 17,700.00    | (12,762.96)      |
| 7                  | 15008     | HOUSING SUBSIDY                | E               | 2016              | 18,000.00    | 72,000.00    | (54,000.00)      |
| 7                  | 15009     | TRAVELING ALLOWANCES           | E               | 2016              | 352,140.89   | 323,700.00   | 28,440.89        |
| 7                  | 15011     | OVERTIME ALLOWANCES            | E               | 2016              | -            | -            | -                |
| 7                  | 15012     | PROTECTIVE CLOTHING            | E               | 2016              | -            | -            | -                |
| 7                  | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E               | 2016              | 348.00       | 300.00       | 48.00            |
| 7                  | 15017     | WORKMENS COMPENSATION          | E               | 2016              | 9,806.09     | 23,500.00    | (13,693.91)      |
| 7                  | 15020     | PROV FOR PERFORMANCE BONUS     | E               | 2016              | -            | 8,900.00     | (8,900.00)       |
| 7                  | 15021     | PROVISION FOR LEAVE            | E               | 2016              | 119,257.36   | 80,000.00    | 39,257.36        |
| 7                  | 15022     | SKILLS DEVELOPMENT LEVY        | E               | 2016              | 21,299.37    | 20,500.00    | 799.37           |
| 7                  | 15023     | CELLPHONE ALLOWANCES           | E               | 2016              | 21,600.00    | 21,600.00    | -                |
| 7                  | 15101     | ADVERTISING                    | E               | 2016              | -            | -            | -                |
| 7                  | 15102     | PRINTING & STATIONARY          | E               | 2016              | 40.00        | 17,500.00    | (17,460.00)      |
| 7                  | 15104     | DELEGATION EXPENSES            | E               | 2016              | 9,736.84     | 26,900.00    | (17,163.16)      |
| 7                  | 15110     | CELLPHONE EXPENSES             | E               | 2016              | -            | -            | -                |
| 7                  | 15116     | MISCELLANEOUS EXPENDITURE      | E               | 2016              | 245.00       | 1,800.00     | (1,555.00)       |
| 7                  | 15124     | RENTAL - EQUIPMENT             | E               | 2016              | 24,604.25    | 33,000.00    | (8,395.75)       |
| 7                  | 15126     | FINANCE GRANT GENERAL EXP      | E               | 2016              | -            | -            | -                |
| 7                  | 15128     | MEMBERSHIP FEES                | E               | 2016              | 2,306.00     | 2,400.00     | (94.00)          |
| 7                  | 15130     | CLEANSING AND MATERIAL         | E               | 2016              | -            | 8,900.00     | (8,900.00)       |
| 7                  | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E               | 2016              | 8,487.97     | 12,000.00    | (3,512.03)       |
| 7                  | 15151     | S & T - OFFICIALS/DC           | E               | 2016              | 97,812.49    | 165,200.00   | (67,387.51)      |
| 7                  | 15155     | PROTECTIVE CLOTHING            | E               | 2016              | -            | -            | -                |
| 7                  | 15162     | TELEPHONE EXPENSES             | E               | 2016              | 14,156.67    | 31,700.00    | (17,543.33)      |
| 7                  | 15163     | COORDINATING COMMITTEES        | E               | 2016              | -            | 10,500.00    | (10,500.00)      |
| 7                  | 15165     | LOSS ON DISPOSAL OF PPE        | E               | 2016              | -            | -            | -                |
| 7                  | 15166     | IMPAIRMENT OF PPE              | E               | 2016              | -            | -            | -                |
| 7                  | 15174     | PROJECT EXPENDITURE            | E               | 2016              | -            | -            | -                |
| 7                  | 15176     | SAMPLING & TESTING             | E               | 2016              | -            | -            | -                |
| 7                  | 15180     | DEPRECIATION                   | E               | 2016              | 65,339.03    | 77,500.00    | (12,160.97)      |
| 7                  | 15181     | DISASTER MANAGEMENT            | E               | 2016              | -            | -            | -                |
| 7                  | 15190     | RELIEF OF SOCIAL DISTRESS      | E               | 2016              | -            | 100,000.00   | (100,000.00)     |
| 7                  | 15210     | CURRENT SERVICE COST-LSA       | E               | 2016              | 10,231.00    | 5,200.00     | 5,031.00         |
| 7                  | 15211     | INTEREST LSA LIABILITY         | E               | 2016              | 7,382.00     | 2,900.00     | 4,482.00         |
| 7                  | 15212     | ACTUAREAL GAIN/LOST - LSA      | E               | 2016              | 8,792.00     | 20,000.00    | (11,208.00)      |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|--------------|--------------|------------------|
| 7               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (4,410.00)   | 50,000.00    | (54,410.00)      |
| 7               | 15214     | AVAILABLE                      | E            | 2016           | -            | -            | -                |
| 7               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 16,783.00    | 11,900.00    | 4,883.00         |
| 7               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 12,183.00    | 5,700.00     | 6,483.00         |
| 7               | 15237     | PAUPER BURIALS                 | E            | 2016           | -            | -            | -                |
| 7               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            | -                |
| 7               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            | -                |
| 7               | 16205     | OFFICE EQUIPMENT               | E            | 2016           | 3,925.02     | 4,200.00     | (274.98)         |
| 7               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -            | 1,400.00     | (1,400.00)       |
| 7               | 17341     | DISASTER SUPPLIES/MANAGEMENT   | E            | 2016           | -            | -            | -                |
| 8               | 10310     | PUBL CONTR/DONATED PPE         | E            | 2016           | -            | -            | -                |
| 8               | 10311     | REVERSAL OF IMPAIRMENT LOSS    | E            | 2016           | -            | -            | -                |
| 8               | 10312     | INSURANCE CLAIMS               | I            | 2016           | -            | -            | -                |
| 8               | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -            | -            | -                |
| 8               | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -            | -            | -                |
| 8               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -            | -            | -                |
| 8               | 10403     | DISASTER GRANT                 | I            | 2016           | -            | -            | -                |
| 8               | 10411     | FIRE FIGHTING GRAND            | E            | 2016           | -            | -            | -                |
| 8               | 10511     | LEPHALALE - FIRE INCOME        | I            | 2016           | (49,971.62)  | -            | (49,971.62)      |
| 8               | 10531     | MOGALAKWENA - FIRE INCOME      | E            | 2016           | -            | -            | -                |
| 8               | 10541     | MOOKGOPHONG - FIRE INCOME      | I            | 2016           | -            | -            | -                |
| 8               | 10551     | THABAZIMBI - FIRE INCOME       | I            | 2016           | (10,352.36)  | -            | (10,352.36)      |
| 8               | 15001     | SALARIES                       | E            | 2016           | 3,453,071.09 | 3,491,300.00 | (38,228.91)      |
| 8               | 15002     | WAGES - TEMPARY WORKERS        | E            | 2016           | -            | -            | -                |
| 8               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 654,737.56   | 712,300.00   | (57,562.44)      |
| 8               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 382,496.40   | 428,100.00   | (45,603.60)      |
| 8               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 19,333.60    | 12,000.00    | 7,333.60         |
| 8               | 15007     | PROVIDENT FUND                 | E            | 2016           | 60,419.24    | 64,800.00    | (4,380.76)       |
| 8               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 33,000.00    | 198,000.00   | (165,000.00)     |
| 8               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 566,157.50   | 520,100.00   | 46,057.50        |
| 8               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | 122,890.34   | 319,739.58   | (196,849.24)     |
| 8               | 15012     | PROTECTIVE CLOTHING            | E            | 2016           | -            | -            | -                |
| 8               | 15013     | OPERATIONAL ALLOWANCE          | E            | 2016           | 435,000.00   | 477,000.00   | (42,000.00)      |
| 8               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 942.50       | 1,100.00     | (157.50)         |
| 8               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 26,149.57    | 52,600.00    | (26,450.43)      |
| 8               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 199,534.98   | 220,000.00   | (20,465.02)      |
| 8               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 49,865.71    | 45,600.00    | 4,265.71         |
| 8               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 31,700.00    | 31,800.00    | (100.00)         |
| 8               | 15024     | VOLUNTEERS-STIPEND             | E            | 2016           | 6,030.00     | 33,000.00    | (26,970.00)      |
| 8               | 15101     | ADVERTISING                    | E            | 2016           | -            | -            | -                |
| 8               | 15102     | PRINTING & STATIONARY          | E            | 2016           | -            | 36,200.00    | (36,200.00)      |
| 8               | 15104     | DELEGATION EXPENSES            | E            | 2016           | -            | 44,075.00    | (44,075.00)      |
| 8               | 15107     | IMPAIRMENT OF DEBTORS          | E            | 2016           | -            | -            | -                |
| 8               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | -            | 31,025.00    | (31,025.00)      |
| 8               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -            | -            | -                |
| 8               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | -            | 1,800.00     | (1,800.00)       |
| 8               | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           | 421,415.71   | 410,400.00   | 11,015.71        |
| 8               | 15124     | RENTAL - EQUIPMENT             | E            | 2016           | 60,714.38    | 66,000.00    | (5,285.62)       |
| 8               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 5,941.00     | 80,000.00    | (74,059.00)      |
| 8               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 41,975.50    | 44,300.00    | (2,324.50)       |
| 8               | 15138     | PROVISION FOR BAD DEBT         | E            | 2016           | -            | -            | -                |
| 8               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | -            | -            | -                |
| 8               | 15144     | ENTERTAINMENT - OFFICES        | E            | 2016           | -            | -            | -                |
| 8               | 15146     | PROGRAMMING                    | E            | 2016           | -            | -            | -                |
| 8               | 15150     | LEGAL EXPENSES                 | E            | 2016           | -            | -            | -                |
| 8               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 249,955.15   | 323,460.42   | (73,505.27)      |
| 8               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | -            | 125,400.00   | (125,400.00)     |
| 8               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 122,576.05   | 134,900.00   | (12,323.95)      |
| 8               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 5,650.00     | 29,400.00    | (23,750.00)      |
| 8               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -            | -            | -                |
| 8               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -            | -            | -                |
| 8               | 15169     | VEHICLE COSTS                  | E            | 2016           | 37,152.39    | 46,700.00    | (9,547.61)       |
| 8               | 15170     | SECURITY                       | E            | 2016           | 936,962.64   | 1,019,400.00 | (82,437.36)      |
| 8               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | 14,601.60    | 4,891,367.00 | (4,876,765.40)   |
| 8               | 15176     | SAMPLING & TESTING             | E            | 2016           | -            | -            | -                |
| 8               | 15179     | CONSUMABLES                    | E            | 2016           | 11,574.00    | -            | 11,574.00        |
| 8               | 15180     | DEPRECIATION                   | E            | 2016           | 4,036,636.45 | 5,040,000.00 | (1,003,363.55)   |
| 8               | 15181     | DISASTER MANAGEMENT            | E            | 2016           | 277,500.00   | 555,000.00   | (277,500.00)     |
| 8               | 15206     | DISASTER MNG CENTRE-MODIMOLLE  | E            | 2016           | -            | -            | -                |
| 8               | 15209     | AMMORTISATION                  | E            | 2016           | 16,160.00    | 16,000.00    | 160.00           |
| 8               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 29,075.00    | 44,200.00    | (15,125.00)      |
| 8               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 16,119.00    | 7,300.00     | 8,819.00         |
| 8               | 15212     | ACTUAREAL GAIN/LOST - LSA      | E            | 2016           | (5,733.00)   | 20,000.00    | (25,733.00)      |
| 8               | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (100,750.00) | 50,000.00    | (150,750.00)     |
| 8               | 15214     | AVAILABLE                      | E            | 2016           | -            | -            | -                |
| 8               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 138,750.00   | 60,700.00    | 78,050.00        |
| 8               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 61,163.00    | 12,100.00    | 49,063.00        |
| 8               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -            | -            | -                |
| 8               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -            | -            | -                |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                    | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL        | BUDGET       | Actual vs Budget |
|-----------------|-----------|------------------------------|--------------|----------------|--------------|--------------|------------------|
|                 | 16201     | BUILDINGS                    | E            | 2016           | -            | -            | -                |
|                 | 16205     | OFFICE EQUIPMENT             | E            | 2016           | 1,887.86     | 30,100.00    | (28,212.14)      |
|                 | 16210     | FURNITURE & ACCESSORIES      | E            | 2016           | -            | 11,800.00    | (11,800.00)      |
|                 | 16215     | COMPUTER EQUIPMENT           | E            | 2016           | -            | 17,600.00    | (17,600.00)      |
|                 | 16230     | VEHICLES                     | E            | 2016           | 109,572.03   | 192,000.00   | (82,427.97)      |
|                 | 17101     | BELA-BELA:SALARIES           | E            | 2016           | 260,318.31   | 355,000.00   | (94,681.69)      |
|                 | 17104     | PENS. FUND                   | E            | 2016           | 21,147.21    | 75,900.00    | (54,752.79)      |
|                 | 17105     | UIF                          | E            | 2016           | 1,338.48     | 2,000.00     | (661.52)         |
|                 | 17106     | CONTRIBUTIONS COUNCIL        | E            | 2016           | 13,591.80    | 59,600.00    | (46,008.20)      |
|                 | 17111     | OVERTIME/STANDBY             | E            | 2016           | 216,968.47   | 335,700.00   | (118,731.53)     |
|                 | 17112     | PROTECTIVE CLOTHING          | E            | 2016           | -            | -            | -                |
|                 | 17131     | FIRE EXTINGUISH              | E            | 2016           | -            | -            | -                |
|                 | 17133     | ADMINISTRATION               | E            | 2016           | -            | -            | -                |
|                 | 17136     | MISCELLANEOUS                | E            | 2016           | -            | 2,000.00     | (2,000.00)       |
|                 | 17139     | TRAINING                     | E            | 2016           | -            | 10,000.00    | (10,000.00)      |
|                 | 17140     | CLEANING MATERIAL            | E            | 2016           | -            | 4,600.00     | (4,600.00)       |
|                 | 17151     | TRAVEL/ S & T                | E            | 2016           | -            | 24,200.00    | (24,200.00)      |
|                 | 17162     | TELEPHONE                    | E            | 2016           | -            | 6,200.00     | (6,200.00)       |
|                 | 17169     | TRAVEL/VEH EXPENSES          | E            | 2016           | -            | 30,000.00    | (30,000.00)      |
|                 | 17179     | CONSUMABLES                  | E            | 2016           | -            | 38,000.00    | (38,000.00)      |
|                 | 17180     | VEHICLES REPAIR              | E            | 2016           | 138,042.03   | 180,000.00   | (41,957.97)      |
|                 | 17181     | MACHINERY - REPAIR           | E            | 2016           | -            | -            | -                |
|                 | 17201     | LEPHALALE: SALARIES/FIRE     | E            | 2016           | 2,379,831.79 | 1,447,700.00 | 932,131.79       |
|                 | 17202     | BONUS                        | E            | 2016           | -            | 500.00       | (500.00)         |
|                 | 17203     | PENS. FUND                   | E            | 2016           | 344,248.31   | 318,500.00   | 25,748.31        |
|                 | 17204     | MEDICAL AID                  | E            | 2016           | -            | 81,900.00    | (81,900.00)      |
|                 | 17205     | UIF                          | E            | 2016           | 6,058.20     | 9,000.00     | (2,941.80)       |
|                 | 17207     | PROVIDENT FUND               | E            | 2016           | 24,405.57    | 29,000.00    | (4,594.43)       |
|                 | 17211     | OVERTIME/STANDBY             | E            | 2016           | -            | 700.00       | (700.00)         |
|                 | 17212     | PROTECTIVE CLOTHING          | E            | 2016           | 72,736.61    | 60,000.00    | 12,736.61        |
|                 | 17213     | OTHER ALLOWANCE              | E            | 2016           | 84,983.88    | 99,500.00    | (14,516.12)      |
|                 | 17232     | PRINTING                     | E            | 2016           | -            | 5,000.00     | (5,000.00)       |
|                 | 17233     | ADMINISTRATION/KUMBA         | E            | 2016           | 2,575.00     | 20,000.00    | (17,425.00)      |
|                 | 17234     | FOAM                         | E            | 2016           | -            | -            | -                |
|                 | 17236     | MISCELLANEOUS                | E            | 2016           | 5,057.55     | 5,200.00     | (142.45)         |
|                 | 17249     | TRAINING                     | E            | 2016           | -            | -            | -                |
|                 | 17251     | S & T                        | E            | 2016           | 60,000.00    | 60,000.00    | -                |
|                 | 17262     | TELEPHONE                    | E            | 2016           | 13,728.47    | 14,000.00    | (271.53)         |
|                 | 17268     | INSURANCE                    | E            | 2016           | -            | -            | -                |
|                 | 17269     | TRAVEL/VEH EXPENSES          | E            | 2016           | 98,717.10    | 76,900.00    | 21,817.10        |
|                 | 17279     | CONSUMABLES                  | E            | 2016           | 59,387.64    | 73,700.00    | (14,312.36)      |
|                 | 17280     | VEHICLES - REPAIR            | E            | 2016           | 354,612.89   | 200,000.00   | 154,612.89       |
|                 | 17281     | MACHINERY - REPAIR           | E            | 2016           | -            | -            | -                |
|                 | 17282     | BUILDINGS - REPAIRS          | E            | 2016           | -            | -            | -                |
|                 | 17283     | EQUIPMENT - MAINTENANCE      | E            | 2016           | 18,154.71    | 25,000.00    | (6,845.29)       |
|                 | 17301     | MODIMOLLE: SALARIES          | E            | 2016           | 1,068,052.44 | 951,800.00   | 116,252.44       |
|                 | 17303     | PENSION FUND                 | E            | 2016           | 240,824.71   | 254,200.00   | (13,375.29)      |
|                 | 17304     | MEDICAL AID                  | E            | 2016           | 128,754.69   | 143,400.00   | (14,645.31)      |
|                 | 17305     | UIF                          | E            | 2016           | 8,950.34     | 16,400.00    | (7,449.66)       |
|                 | 17307     | PROVIDENT FUND               | E            | 2016           | -            | 1,100.00     | (1,100.00)       |
|                 | 17308     | HOUSING SUBSIDY              | E            | 2016           | 758.00       | 1,200.00     | (442.00)         |
|                 | 17309     | TRAVELLING ALLOWANCES        | E            | 2016           | 23,567.60    | 34,100.00    | (10,532.40)      |
|                 | 17311     | OVERTIME/STANDBY             | E            | 2016           | 407,455.27   | 370,600.00   | 36,855.27        |
|                 | 17312     | PROTECTIVE CLOTHING          | E            | 2016           | 68,900.00    | 68,900.00    | -                |
|                 | 17322     | SKILLS DEVELOPMENT LEVY      | E            | 2016           | 14,679.29    | 17,000.00    | (2,320.71)       |
|                 | 17332     | PRINTING & STATIONERY        | E            | 2016           | -            | 4,200.00     | (4,200.00)       |
|                 | 17333     | ADMINISTRATION               | E            | 2016           | -            | -            | -                |
|                 | 17334     | CHEMICALS                    | E            | 2016           | -            | 15,400.00    | (15,400.00)      |
|                 | 17336     | MISCELLANEOUS                | E            | 2016           | -            | -            | -                |
|                 | 17341     | DISASTER SUPPLIES/MANAGEMENT | E            | 2016           | 45,196.91    | 68,900.00    | (23,703.09)      |
|                 | 17349     | TRAINING                     | E            | 2016           | -            | -            | -                |
|                 | 17351     | S & T                        | E            | 2016           | 1,628.24     | 12,700.00    | (11,071.76)      |
|                 | 17362     | TELEPHONE                    | E            | 2016           | -            | 12,700.00    | (12,700.00)      |
|                 | 17369     | TRAVEL/VEH EXPENSES          | E            | 2016           | 84,733.56    | 84,800.00    | (66.44)          |
|                 | 17379     | CONSUMABLES                  | E            | 2016           | 1,274.20     | 10,600.00    | (9,325.80)       |
|                 | 17380     | VEHICLES - REPAIR            | E            | 2016           | -            | -            | -                |
|                 | 17381     | MACHINERY - REPAIR           | E            | 2016           | -            | 13,400.00    | (13,400.00)      |
|                 | 17383     | EQUIPMENT - MAINTENANCE      | E            | 2016           | 112,179.46   | 127,200.00   | (15,020.54)      |
|                 | 17401     | MOGALAKWENA: SALARIES        | E            | 2016           | 2,675,750.02 | 2,032,400.00 | 643,350.02       |
|                 | 17403     | PENSION FUND                 | E            | 2016           | 456,430.80   | 412,700.00   | 43,730.80        |
|                 | 17404     | MEDICAL AID                  | E            | 2016           | 282,249.17   | 259,500.00   | 22,749.17        |
|                 | 17405     | UIF                          | E            | 2016           | 11,553.34    | 10,000.00    | 1,553.34         |
|                 | 17406     | CONTRIBUTIONS COUNCIL        | E            | 2016           | 46,343.32    | 67,400.00    | (21,056.68)      |
|                 | 17407     | PROVIDENT FUND               | E            | 2016           | 26,921.16    | 37,500.00    | (10,578.84)      |
|                 | 17408     | HOUSING SUBSIDY              | E            | 2016           | -            | -            | -                |
|                 | 17409     | TRAVELLING ALLOWANCES        | E            | 2016           | 264,341.44   | 234,800.00   | 29,541.44        |
|                 | 17411     | OVERTIME/STANDBY             | E            | 2016           | 2,134,026.75 | 1,555,600.00 | 578,426.75       |
|                 | 17412     | PROTECTIVE CLOTHING          | E            | 2016           | 33,925.00    | 34,000.00    | (75.00)          |
|                 | 17418     | TELEPHONE ALLOWANCES         | E            | 2016           | 149,406.17   | 127,200.00   | 22,206.17        |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME               | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL      | BUDGET     | Actual vs Budget |
|-----------------|-----------|-------------------------|--------------|----------------|------------|------------|------------------|
| 8               | 17422     | SKILLS DEVELOPMENT LEVY | E            | 2016           | 38,900.00  | 38,900.00  | -                |
| 8               | 17430     | MUNICIPAL SERVICE       | E            | 2016           | -          | -          | -                |
| 8               | 17431     | FIRE HYDRANTS           | E            | 2016           | -          | 4,700.00   | (4,700.00)       |
| 8               | 17432     | PRINTING                | E            | 2016           | 31,314.41  | 34,400.00  | (3,085.59)       |
| 8               | 17433     | ADMINISTRATION          | E            | 2016           | 326,838.26 | 287,800.00 | 39,038.26        |
| 8               | 17434     | FOAM                    | E            | 2016           | -          | 17,900.00  | (17,900.00)      |
| 8               | 17435     | MEDICAL SUPPLIES        | E            | 2016           | -          | -          | -                |
| 8               | 17436     | MISCELLANEOUS           | E            | 2016           | -          | -          | -                |
| 8               | 17438     | MEMBERSHIP FEES         | E            | 2016           | 3,966.00   | 5,700.00   | (1,734.00)       |
| 8               | 17440     | CLEANING MATERIAL       | E            | 2016           | 9,448.00   | 16,200.00  | (6,752.00)       |
| 8               | 17449     | TRAINING                | E            | 2016           | 27,080.00  | 27,800.00  | (720.00)         |
| 8               | 17451     | S & T                   | E            | 2016           | 87,373.43  | 99,200.00  | (11,826.57)      |
| 8               | 17462     | TELEPHONE               | E            | 2016           | 52,949.39  | 34,700.00  | 18,249.39        |
| 8               | 17468     | INSURANCE               | E            | 2016           | -          | -          | -                |
| 8               | 17469     | TRAVEL/VEH EXPENSES     | E            | 2016           | 401,092.89 | 387,000.00 | 14,092.89        |
| 8               | 17479     | CONSUMABLES             | E            | 2016           | 2,747.78   | 13,100.00  | (10,352.22)      |
| 8               | 17480     | VEHICLES - REPAIR       | E            | 2016           | 280,531.03 | 300,000.00 | (19,468.97)      |
| 8               | 17481     | MACHINERY - REPAIR      | E            | 2016           | 57,047.62  | 48,600.00  | 8,447.62         |
| 8               | 17482     | BUILDINGS - REPAIRS     | E            | 2016           | 44,400.00  | 44,400.00  | -                |
| 8               | 17501     | MOOKGOPHONG: SALARIES   | E            | 2016           | 349,379.87 | 349,400.00 | (20.13)          |
| 8               | 17503     | PENS. FUND              | E            | 2016           | -          | 60,800.00  | (60,800.00)      |
| 8               | 17504     | MEDICAL AID             | E            | 2016           | -          | -          | -                |
| 8               | 17505     | UIF                     | E            | 2016           | -          | 2,000.00   | (2,000.00)       |
| 8               | 17506     | CONTRIBUTIONS COUNCIL   | E            | 2016           | 2,916.11   | 4,600.00   | (1,683.89)       |
| 8               | 17507     | PROVIDENT FUND          | E            | 2016           | -          | 5,500.00   | (5,500.00)       |
| 8               | 17508     | HOUSING SUB             | E            | 2016           | -          | -          | -                |
| 8               | 17511     | OVERTIME/STANDBY        | E            | 2016           | 146,140.56 | 146,200.00 | (59.44)          |
| 8               | 17512     | PROTECTIVE CLOTHING     | E            | 2016           | -          | 3,200.00   | (3,200.00)       |
| 8               | 17518     | TELEPHONE ALLOWANCES    | E            | 2016           | -          | -          | -                |
| 8               | 17532     | PRINTING & STATIONERY   | E            | 2016           | -          | 10,000.00  | (10,000.00)      |
| 8               | 17533     | ADMINISTRATION          | E            | 2016           | -          | -          | -                |
| 8               | 17536     | MISCELLANEOUS           | E            | 2016           | -          | 4,000.00   | (4,000.00)       |
| 8               | 17538     | MEMBERSHIP FEES         | E            | 2016           | -          | 1,100.00   | (1,100.00)       |
| 8               | 17549     | TRAINING                | E            | 2016           | -          | 6,800.00   | (6,800.00)       |
| 8               | 17551     | S & T                   | E            | 2016           | -          | 19,200.00  | (19,200.00)      |
| 8               | 17568     | INSURANCE               | E            | 2016           | -          | -          | -                |
| 8               | 17569     | TRAVEL/VEH EXPENSES     | E            | 2016           | 193,267.64 | 233,000.00 | (39,732.36)      |
| 8               | 17579     | CONSUMABLES             | E            | 2016           | -          | -          | -                |
| 8               | 17580     | VEHICLES REPAIR         | E            | 2016           | 249,934.14 | 250,000.00 | (65.86)          |
| 8               | 17581     | MACHINERY - REPAIR      | E            | 2016           | -          | 34,600.00  | (34,600.00)      |
| 8               | 17583     | EQUIPMENT - MAINTENANCE | E            | 2016           | -          | 25,700.00  | (25,700.00)      |
| 8               | 17601     | THABAZIMBI: SALARIES    | E            | 2016           | 367,279.29 | 393,300.00 | (26,020.71)      |
| 8               | 17603     | PENS. FUND              | E            | 2016           | 83,678.14  | 79,900.00  | 3,778.14         |
| 8               | 17606     | CONTR. COUNCIL          | E            | 2016           | 79,411.29  | 76,700.00  | 2,711.29         |
| 8               | 17607     | PROVIDENT FUND          | E            | 2016           | 7,607.08   | 7,300.00   | 307.08           |
| 8               | 17611     | OVERTIME/STANDBY        | E            | 2016           | 149,250.86 | 132,700.00 | 16,550.86        |
| 8               | 17612     | PROTECTIVE CLOTHING     | E            | 2016           | -          | 20,000.00  | (20,000.00)      |
| 8               | 17617     | WORKMENS COMPENSATION   | E            | 2016           | -          | -          | -                |
| 8               | 17618     | TELEPHONE ALLOWANCES    | E            | 2016           | 24,720.41  | 25,000.00  | (279.59)         |
| 8               | 17632     | PRINTING                | E            | 2016           | -          | 9,300.00   | (9,300.00)       |
| 8               | 17633     | ADMINISTRATION          | E            | 2016           | -          | -          | -                |
| 8               | 17634     | FOAM                    | E            | 2016           | -          | -          | -                |
| 8               | 17636     | MISCELLANEOUS           | E            | 2016           | 18,710.05  | 20,000.00  | (1,289.95)       |
| 8               | 17640     | CLEANING MATERIAL       | E            | 2016           | -          | 4,600.00   | (4,600.00)       |
| 8               | 17649     | TRAINING                | E            | 2016           | 43,292.16  | 55,300.00  | (12,007.84)      |
| 8               | 17651     | S & T                   | E            | 2016           | 759.20     | 24,400.00  | (23,640.80)      |
| 8               | 17662     | TELEPHONE               | E            | 2016           | -          | -          | -                |
| 8               | 17668     | INSURANCE               | E            | 2016           | -          | 5,900.00   | (5,900.00)       |
| 8               | 17669     | TRAVEL/VEH EXPENSES     | E            | 2016           | 34,009.56  | 166,000.00 | (131,990.44)     |
| 8               | 17679     | CONSUMABLES             | E            | 2016           | -          | 20,000.00  | (20,000.00)      |
| 8               | 17680     | VEHICLES - REPAIR       | E            | 2016           | 125,239.31 | 250,000.00 | (124,760.69)     |
| 8               | 17682     | BUILDING REPAIRS        | E            | 2016           | -          | 30,000.00  | (30,000.00)      |
| 8               | 17701     | PRINTIN & STATIONERY    | E            | 2016           | -          | -          | -                |
| 8               | 17720     | MUNICIPAL SERVICES      | E            | 2016           | -          | -          | -                |
| 8               | 17751     | S & T OFFICIALS         | E            | 2016           | -          | -          | -                |
| 8               | 17762     | TELEPHONE               | E            | 2016           | -          | -          | -                |
| 8               | 17770     | SECURITY                | E            | 2016           | -          | -          | -                |
| 8               | 17801     | STATIONERY              | E            | 2016           | -          | -          | -                |
| 8               | 17810     | CELLPHONE EXPENSES      | E            | 2016           | -          | -          | -                |
| 8               | 17820     | MUNICIPAL SERVICES      | E            | 2016           | -          | -          | -                |
| 8               | 17824     | RENTAL EQUIPMENT        | E            | 2016           | -          | -          | -                |
| 8               | 17830     | CLEANING MATERIAL       | E            | 2016           | -          | -          | -                |
| 8               | 17851     | S & T - OFFICIALS       | E            | 2016           | -          | -          | -                |
| 8               | 17862     | TELEPHONE               | E            | 2016           | -          | -          | -                |
| 8               | 17870     | SECURITY                | E            | 2016           | -          | -          | -                |
| 9               | 10309     | GAIN ON DISPOSAL OF PPE | E            | 2016           | -          | -          | -                |
| 9               | 10310     | PUBL CONTR/DONATED PPE  | E            | 2016           | -          | -          | -                |
| 9               | 10317     | ACTUARIAL GAIN-LSA      | E            | 2016           | -          | -          | -                |
| 9               | 10318     | ACTUARIAL GAIN - MED    | E            | 2016           | -          | -          | -                |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL          | BUDGET         | Actual vs Budget |
|-----------------|-----------|--------------------------------|--------------|----------------|----------------|----------------|------------------|
| 9               | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -              | -              | -                |
| 9               | 10409     | HEALTH GRANT PROV              | I            | 2016           | -              | -              | -                |
| 9               | 15001     | SALARIES                       | E            | 2016           | 7,351,693.70   | 9,125,700.00   | (1,774,006.30)   |
| 9               | 15002     | WAGES - TEMP WORKERS           | E            | 2016           | -              | -              | -                |
| 9               | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 1,709,155.56   | 1,754,100.00   | (44,944.44)      |
| 9               | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 690,101.60     | 714,500.00     | (24,398.40)      |
| 9               | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 50,267.36      | 50,000.00      | 267.36           |
| 9               | 15007     | PROVIDENT FUND                 | E            | 2016           | 96,906.52      | 100,800.00     | (3,893.48)       |
| 9               | 15008     | HOUSING SUBSIDY                | E            | 2016           | 1,736,592.00   | 504,000.00     | 1,232,592.00     |
| 9               | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 2,373,994.40   | 2,468,200.00   | (94,205.60)      |
| 9               | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | -              | -              | -                |
| 9               | 15012     | PROTECTIVE CLOTHING            | E            | 2016           | -              | -              | -                |
| 9               | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 2,450.50       | 2,600.00       | (149.50)         |
| 9               | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 65,373.93      | 134,300.00     | (68,926.07)      |
| 9               | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 548,481.03     | 500,000.00     | 48,481.03        |
| 9               | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 121,353.30     | 117,400.00     | 3,953.30         |
| 9               | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 111,478.00     | 156,700.00     | (45,222.00)      |
| 9               | 15024     | VOLUNTEERS-STIPEND             | E            | 2016           | -              | 30,000.00      | (30,000.00)      |
| 9               | 15101     | ADVERTISING                    | E            | 2016           | -              | -              | -                |
| 9               | 15102     | PRINTING & STATIONARY          | E            | 2016           | 68,963.61      | 85,400.00      | (16,436.39)      |
| 9               | 15104     | DELEGATION EXPENSES            | E            | 2016           | -              | 29,900.00      | (29,900.00)      |
| 9               | 15109     | BOOKS & SUBSCRIPTION FEES      | E            | 2016           | -              | 1,100.00       | (1,100.00)       |
| 9               | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -              | -              | -                |
| 9               | 15115     | DONATIONS                      | E            | 2016           | -              | -              | -                |
| 9               | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | 74.04          | 2,200.00       | (2,125.96)       |
| 9               | 15120     | MUNICIPAL ACCOUNTS             | E            | 2016           | 49,587.28      | 63,400.00      | (13,812.72)      |
| 9               | 15123     | AUCTION COST                   | E            | 2016           | -              | -              | -                |
| 9               | 15124     | RENAL - EQUIPMENT              | E            | 2016           | 24,604.25      | 33,000.00      | (8,395.75)       |
| 9               | 15125     | RENTAL - BUILDINGS/OFFICES     | E            | 2016           | 508,851.50     | 540,100.00     | (31,248.50)      |
| 9               | 15127     | SUMMIT                         | E            | 2016           | 224,400.00     | 173,000.00     | 51,400.00        |
| 9               | 15128     | MEMBERSHIP FEES                | E            | 2016           | 32,284.00      | 33,200.00      | (916.00)         |
| 9               | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 49,599.31      | 60,400.00      | (10,800.69)      |
| 9               | 15131     | TOOLS & KITS                   | E            | 2016           | -              | 69,900.00      | (69,900.00)      |
| 9               | 15139     | TRAINING                       | E            | 2016           | -              | -              | -                |
| 9               | 15141     | AUDIT FEES                     | E            | 2016           | -              | -              | -                |
| 9               | 15142     | ENTERTAINMENT - HEADS OF DEPTS | E            | 2016           | 239.70         | -              | 239.70           |
| 9               | 15145     | POSTAGE                        | E            | 2016           | -              | -              | -                |
| 9               | 15150     | LEGAL EXPENSES                 | E            | 2016           | -              | -              | -                |
| 9               | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 726,428.38     | 1,000,000.00   | (273,571.62)     |
| 9               | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | 7,105.00       | 30,000.00      | (22,895.00)      |
| 9               | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 48,824.61      | 80,000.00      | (31,175.39)      |
| 9               | 15163     | COORDINATING COMMITTEES        | E            | 2016           | 37,317.00      | 65,800.00      | (28,483.00)      |
| 9               | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -              | -              | -                |
| 9               | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -              | -              | -                |
| 9               | 15169     | VEHICLE COSTS                  | E            | 2016           | -              | -              | -                |
| 9               | 15171     | LONG SERVICE AWARDS            | E            | 2016           | -              | -              | -                |
| 9               | 15174     | PROJECT EXPENDITURE            | E            | 2016           | -              | -              | -                |
| 9               | 15176     | SAMPLING & TESTING             | E            | 2016           | 28,486.00      | 141,800.00     | (113,314.00)     |
| 9               | 15180     | DEPRECIATION                   | E            | 2016           | 61,994.63      | 78,500.00      | (16,505.37)      |
| 9               | 15190     | RELIEF OF SOCIAL DISTRESS      | E            | 2016           | -              | -              | -                |
| 9               | 15192     | MARKETING & PROMOTION          | E            | 2016           | -              | -              | -                |
| 9               | 15202     | VECTOR CONTROL                 | E            | 2016           | -              | 12,000.00      | (12,000.00)      |
| 9               | 15208     | HEALTH & HYGIENE EDUCATION     | E            | 2016           | 26,400.00      | 126,800.00     | (100,400.00)     |
| 9               | 15209     | AMMORTISATION                  | E            | 2016           | 9,576.30       | 10,000.00      | (423.70)         |
| 9               | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 78,297.00      | 100,100.00     | (21,803.00)      |
| 9               | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 59,509.00      | 39,300.00      | 20,209.00        |
| 9               | 15212     | ACTUARIAL GAIN/LOST - LSA      | E            | 2016           | 39,889.00      | 20,000.00      | 19,889.00        |
| 9               | 15213     | ACTUARIAL GAIN/LOST - MSA      | E            | 2016           | (447,772.00)   | 100,000.00     | (547,772.00)     |
| 9               | 15214     | AVAILABLE                      | E            | 2016           | -              | -              | -                |
| 9               | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 177,720.00     | 112,000.00     | 65,720.00        |
| 9               | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 289,572.00     | 167,500.00     | 122,072.00       |
| 9               | 15237     | PAUPER BURIALS                 | E            | 2016           | -              | -              | -                |
| 9               | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -              | -              | -                |
| 9               | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -              | -              | -                |
| 9               | 16210     | FURNITURE & ACCESSORIES        | E            | 2016           | -              | 11,800.00      | (11,800.00)      |
| 9               | 16230     | VEHICLES                       | E            | 2016           | -              | -              | -                |
| 20              | 10309     | GAIN ON DISPOSAL OF PPE        | E            | 2016           | -              | -              | -                |
| 20              | 10317     | ACTUARIAL GAIN-LSA             | E            | 2016           | -              | -              | -                |
| 20              | 10318     | ACTUARIAL GAIN - MED           | E            | 2016           | -              | -              | -                |
| 20              | 10319     | GAIN ON DISPOSAL OF IA         | I            | 2016           | -              | -              | -                |
| 20              | 10801     | SLAUGHTERING FEE               | I            | 2016           | (1,242,809.69) | (1,700,000.00) | 457,190.31       |
| 20              | 10803     | FREEZING                       | I            | 2016           | (6,575.80)     | (10,000.00)    | 3,424.20         |
| 20              | 10804     | COOLING                        | I            | 2016           | -              | (2,500.00)     | 2,500.00         |
| 20              | 10805     | TRIPE AND TROTTERS - SERVICE   | I            | 2016           | -              | (3,000.00)     | 3,000.00         |
| 20              | 10806     | INSPECTION & RE-INSPECTION FEE | I            | 2016           | -              | (1,000.00)     | 1,000.00         |
| 20              | 10808     | PIG CASINGS - OPERATING ACCOUN | E            | 2016           | -              | -              | -                |
| 20              | 10810     | TRIPE - COMMISSION             | I            | 2016           | (2,955.00)     | (10,000.00)    | 7,045.00         |
| 20              | 10812     | PAWS - SALES                   | I            | 2016           | (624.00)       | (2,000.00)     | 1,376.00         |
| 20              | 10813     | RENTALS                        | I            | 2016           | -              | -              | -                |

| DEPARTMENT CODE | ITEM CODE | VOTE NAME                      | ACCOUNT TYPE | FINANCIAL YEAR | TOTAL                 | BUDGET               | Actual vs Budget       |
|-----------------|-----------|--------------------------------|--------------|----------------|-----------------------|----------------------|------------------------|
| 20              | 10814     | INTEREST DEBTORS               | I            | 2016           | (202.21)              | (100.00)             | (102.21)               |
| 20              | 10815     | RED MEAT LEVIES                | I            | 2016           | (2,639.71)            | (5,000.00)           | 2,360.29               |
| 20              | 15001     | SALARIES                       | E            | 2016           | 2,824,004.62          | 2,823,600.00         | 404.62                 |
| 20              | 15002     | WAGES - TEMP WORKERS           | E            | 2016           | 13,500.00             | 72,000.00            | (58,500.00)            |
| 20              | 15003     | PENSION FUND CONTRIBUTIONS     | E            | 2016           | 484,217.12            | 519,400.00           | (35,182.88)            |
| 20              | 15004     | MEDICAL AID CONTRIBUTIONS      | E            | 2016           | 273,457.80            | 297,100.00           | (23,642.20)            |
| 20              | 15005     | UNEMPLOYMENT INSURANCE FUND    | E            | 2016           | 26,589.11             | 19,000.00            | 7,589.11               |
| 20              | 15007     | PROVIDENT FUND                 | E            | 2016           | 38,568.92             | 51,800.00            | (13,231.08)            |
| 20              | 15008     | HOUSING SUBSIDY                | E            | 2016           | 36,000.00             | 295,500.00           | (259,500.00)           |
| 20              | 15009     | TRAVELING ALLOWANCES           | E            | 2016           | 120,397.50            | 119,000.00           | 1,397.50               |
| 20              | 15011     | OVERTIME ALLOWANCES            | E            | 2016           | 31,296.32             | 57,800.00            | (26,503.68)            |
| 20              | 15012     | PROTECTIVE CLOTHING            | E            | 2016           | -                     | -                    | -                      |
| 20              | 15016     | SALGBC (INDUST. COUNCIL CONTR) | E            | 2016           | 1,421.00              | 1,600.00             | (179.00)               |
| 20              | 15017     | WORKMENS COMPENSATION          | E            | 2016           | 16,343.49             | 34,700.00            | (18,356.51)            |
| 20              | 15021     | PROVISION FOR LEAVE            | E            | 2016           | 136,138.63            | 400,000.00           | (263,861.37)           |
| 20              | 15022     | SKILLS DEVELOPMENT LEVY        | E            | 2016           | 31,534.46             | 30,000.00            | 1,534.46               |
| 20              | 15023     | CELLPHONE ALLOWANCES           | E            | 2016           | 8,400.00              | 8,400.00             | -                      |
| 20              | 15101     | ADVERTISING                    | E            | 2016           | -                     | -                    | -                      |
| 20              | 15102     | PRINTING & STATIONARY          | E            | 2016           | 16,978.95             | 21,000.00            | (4,021.05)             |
| 20              | 15103     | ADMIN. COSTS                   | E            | 2016           | -                     | -                    | -                      |
| 20              | 15110     | CELLPHONE EXPENSES             | E            | 2016           | -                     | -                    | -                      |
| 20              | 15116     | MISCELLANEOUS EXPENDITURE      | E            | 2016           | -                     | -                    | -                      |
| 20              | 15120     | MUNICIPAL ACCOUNT              | E            | 2016           | 876,320.41            | 930,000.00           | (53,679.59)            |
| 20              | 15123     | AUCTION COST                   | E            | 2016           | -                     | -                    | -                      |
| 20              | 15128     | MEMBERSHIP FEES                | E            | 2016           | 50,805.36             | 55,700.00            | (4,894.64)             |
| 20              | 15130     | CLEANSING AND MATERIAL         | E            | 2016           | 22,739.95             | 52,000.00            | (29,260.05)            |
| 20              | 15138     | PROVISION FOR BAD DEBT         | E            | 2016           | -                     | -                    | -                      |
| 20              | 15142     | ENTERTAINMENT HOD              | E            | 2016           | -                     | -                    | -                      |
| 20              | 15151     | S & T - OFFICIALS/DC           | E            | 2016           | 3,531.40              | 4,900.00             | (1,368.60)             |
| 20              | 15155     | PROTECTIVE CLOTHING            | E            | 2016           | 44,746.28             | 45,000.00            | (253.72)               |
| 20              | 15162     | TELEPHONE EXPENSES             | E            | 2016           | 4,772.07              | 11,100.00            | (6,327.93)             |
| 20              | 15165     | LOSS ON DISPOSAL OF PPE        | E            | 2016           | -                     | -                    | -                      |
| 20              | 15166     | IMPAIRMENT OF PPE              | E            | 2016           | -                     | -                    | -                      |
| 20              | 15169     | VEHICLE COSTS                  | E            | 2016           | -                     | -                    | -                      |
| 20              | 15170     | SECURITY                       | E            | 2016           | -                     | -                    | -                      |
| 20              | 15172     | MEAT INSPECTION                | E            | 2016           | 198,000.00            | 198,600.00           | (600.00)               |
| 20              | 15173     | REINSPECTION                   | E            | 2016           | -                     | 700.00               | (700.00)               |
| 20              | 15179     | CONSUMABLES                    | E            | 2016           | 122,501.25            | 135,000.00           | (12,498.75)            |
| 20              | 15180     | DEPRECIATION                   | E            | 2016           | 322,578.37            | 415,800.00           | (93,221.63)            |
| 20              | 15193     | DAMAGED MEAT CLAIMS            | E            | 2016           | 4,103.68              | 5,000.00             | (896.32)               |
| 20              | 15210     | CURRENT SERVICE COST-LSA       | E            | 2016           | 19,190.00             | 32,500.00            | (13,310.00)            |
| 20              | 15211     | INTEREST LSA LIABILITY         | E            | 2016           | 12,321.00             | 9,200.00             | 3,121.00               |
| 20              | 15212     | ACTUAREAL GAIN/LOST - LSA      | E            | 2016           | 31,762.00             | -                    | 31,762.00              |
| 20              | 15213     | ACTUAREAL GAIN/LOST - MSA      | E            | 2016           | (492,024.00)          | 100,000.00           | (592,024.00)           |
| 20              | 15214     | AVAILABLE                      | E            | 2016           | -                     | -                    | -                      |
| 20              | 15220     | CURRENT SERVICE COST-MED       | E            | 2016           | 332,026.00            | 148,200.00           | 183,826.00             |
| 20              | 15221     | INTEREST MED LIABILITY         | E            | 2016           | 232,445.00            | 117,500.00           | 114,945.00             |
| 20              | 15250     | LOST ON DISPOSAL OF IA         | E            | 2016           | -                     | -                    | -                      |
| 20              | 15251     | IMPAIRMENT OF IA               | E            | 2016           | -                     | -                    | -                      |
| 20              | 16201     | BUILDINGS                      | E            | 2016           | -                     | -                    | -                      |
| 20              | 16211     | NETWORK - WATER & ELECTRICITY  | E            | 2016           | 11,800.00             | 11,800.00            | -                      |
| 20              | 16231     | MACHINES/PUMPS/SEWERAGE SYSTEM | E            | 2016           | 307,718.64            | 346,100.00           | (38,381.36)            |
| 20              | 70102     | ABATTOIR                       | A            | 2016           | -                     | -                    | -                      |
|                 |           |                                |              |                | <b>(7,783,279.40)</b> | <b>43,421,872.00</b> | <b>(51,205,151.40)</b> |