



MALUTI-A-PHOFUNG MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the period ended

30 June 2007

I am responsible for the preparation of these annual financial statements, which are set out on pages 5 to 38, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

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

N MOKHESI
Acting Municipal Manager

Date

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GENERAL INFORMATION

MEMBERS OF THE MAYORAL COMMITTEE

Executive Mayor Dr B E Mzangwa

Speaker Me. M M Motloung

Members of the Mayoral Committee

M M Chabangu	Chairperson: Corporate Services Portfolio
P A Motloung	Chairperson: Financial Services Portfolio
T P Mkhonza	Chairperson: Community Services Portfolio
Me M C Mositi	Chairperson: Municipal Infrastructure Portfolio
Me. M J Khoetha	Chairperson: Local Economic Development and Tourism Portfolio
J T Tshabalala	Chairperson: Public Safety and Transport Portfolio
Me. M L Mokitlane	Chairperson: Housing Portfolio
J D Khumalo	Chairperson: Parks, Sports and Recreation Portfolio
Me. RNH Molefe-Zwane	Chairperson: Spatial Development and Planning Portfolio
T R Mohlekwa	Without Portfolio

Chief Whip F S Radebe

MEMBERS OF THE MALUTI-A-PHOFUNG COUNCIL

1	M J Tsotetsi	24	Me. T C Zimu	47	Me. N J Finger
2	S J Motaung	25	K S Sehloho	48	Me. P M Motaung
3	J D Khumalo	26	A Ramochela	49	M M Chabangu
4	J T Tshabalala	27	I M Majake	50	T P Mokhonza
5	B A Tshabalala	28	Me. A P Mokoena	51	Me. M J Khoetha
6	Me. E N Gamede	29	Me. M E Tolofi	52	M E Mokoena
7	M L Mohlabi	30	T A Ramakarane	53	Me. M E Mohoaladi
8	J M Mokoena	31	T G Mokotso	54	Me. RNH Molefe-Zwane
9	Me. M A Masole	32	Me M M Mosia	55	Me. N N Ndaba
10	I T Mkhwanazi	33	M A Mahlaba	56	T J Mosikidi
11	Me. A N Radebe	34	T R Mohlekwa	57	L J Mofokeng
12	Me. L A Moseme	35	Dr. B E Mzangwa	58	C J van Reenen
13	Me. M C Leeu	36	Me. M M Motloung	59	M J Lebesa
14	Me. K M Sehlako	37	T S Moloi	60	P J Lebesana
15	Me M A Khambule	38	Me. M V Norman	61	T E Molaba
16	M A Nhlapo	39	L A Masithela	62	Me. M A Mphonyo
17	M J Seobi	40	Q W Lefora	63	D J Mokoena
18	Me. A M Nthedi	41	Me. M S Mopeli	64	Me. B M Lebesa
19	F S Radebe	42	Me. M L Mokitlane	65	J M Mokoenihi
20	J M Mbongo	43	Me. S L Radebe	66	T P Kalake
21	E Thebele	44	Dr. F Y Lakhi	67	M D Tsotetsi
22	Me L M Kleynhans	45	Me. M C Mositi	68	P A Motloung
23	S M Mosikili	46	M T Mavuso		

GENERAL INFORMATION

continues

GRADING OF MUNICIPALITY

Grade 9

AUDITORS

Office of the Auditor-General

BANKERS

First National Bank

REGISTERED OFFICE

Municipal Building
Setsing
PHUTHADITJHABA

Private Bag X805
WITSIESHOEK
9870

Telephone: 058 718 3700
Fax: 058 718 3777

ACTING MUNICIPAL MANAGER

N Mokhesi

Chief Financial Officer

N Mokhesi

APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 5 to 38 were approved by the Municipal Manager

on _____

N Mokhesi
Acting Municipal Manager
B Com; B Compt; Hons B Com; M Com

N Mokhesi
Chief Financial Officer
B Com; B Compt; Hons B Com; M Com

REPORT OF THE OFFICE OF THE AUDITOR GENERAL

MALUTI-A-PHOFUNG MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2007

	Note	MUNICIPALITY	
		2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		847 873 748	760 443 289
Housing development fund	1	1 163 468	56 787
Capital replacement reserve		34 540 849	24 592 849
Government grant reserve		453 801 709	418 021 784
Accumulated surplus / (deficit)		358 367 722	317 771 869
Non-current liabilities		22 326 750	24 277 157
Long-term liabilities	2	13 662 597	15 723 777
Non-current provisions	3	4 850 946	4 850 947
Consumer deposits	4	3 813 207	3 702 433
Current liabilities		62 179 272	45 941 531
Provisions	5	6 804 170	2 949 075
Creditors	7	26 306 351	22 901 078
Unspent conditional grants and receipts	6	3 110 801	1 186 288
Bank overdraft	17	24 131 251	13 612 627
Vat Payable		-	-
Current portion of long-term loans	2	1 826 699	5 292 463
Total Net Assets and Liabilities		932 379 770	830 661 977
ASSETS			
Non-current assets		710 486 206	657 795 499
Property, plant and equipment	9	629 207 727	591 563 778
Investments	11	81 254 791	65 915 653
Long-term receivables	12	23 688	316 068
Current assets		221 893 564	172 866 478
Inventory	13	1 652 330	1 455 077
Consumer debtors	14	201 565 773	140 863 248
Other debtors	15	15 691 161	10 341 033
Current portion of long-term debtors	12	132 382	290 202
Vat receivable	8	2 851 918	19 890 469
Bank balances and cash	17	-	26 449
Total Assets		932 379 770	830 661 977

MALUTI-A-PHOFUNG MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2007

	Note	MUNICIPALITY	
		2007 R	2006 R
REVENUE			
Property rates	16	128 296 872	97 152 966
Service charges	17	134 810 630	82 353 211
- Electricity		77 668 931	64 079 672
- Water		31 570 775	9 267 441
- Refuse Removal		13 618 197	1 534 786
- Sewerage		11 952 727	7 471 312
Interest earned - external investments		18 215 056	14 335 110
Interest earned - outstanding debtors		13 048 225	4 819 195
LED Income		6 589	6 741 714
Project Income Other		-	22 567 841
Government grants and subsidies	18	198 464 949	177 096 385
Other income	19	3 869 877	22 843 380
Gains on disposal of property, plant and equipment		-	-
Total Revenue		496 712 199	427 909 802
EXPENDITURE			
Employee related costs	20	84 848 339	79 593 507
Remuneration of Councillors	21	15 392 173	10 402 852
Bad debts		51 291 055	26 338 000
Contributions to capital expenses		8 927 152	-
Contributions		2 492 262	6 838 153
Depreciation		46 099 405	42 618 904
Repairs and maintenance		14 806 376	18 933 261
Interest paid	22	2 556 991	4 904 522
Bulk purchases	23	64 881 425	66 859 370
Grants and subsidies paid	24	28 900 553	37 010 134
General expenses		107 092 469	73 417 956
200 RDP Houses		4 012 696	-
MIG Operational expenses		1 085 095	7 920 193
Community Projects		2 562 379	6 496 742
Loss on disposal of property, plant and equipment		-	-
Total Expenditure		434 948 368	381 333 594
SURPLUS / (DEFICIT) FOR THE YEAR		61 763 831	46 576 208

MALUTI-A-PHOFUNG MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR PERIOD ENDED 30 JUNE 2007

	Note	MUNICIPALITY	
		2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		416 276 996	329 417 809
Cash paid to suppliers and employees		(326 986 791)	(290 658 377)
Cash generated from/(utilised in) operations	25	89 290 205	38 759 432
Interest received - external investments		18 215 056	14 335 110
Interest received - other		13 048 225	4 819 195
Interest paid		(2 556 991)	(4 904 522)
NET CASH FROM OPERATING ACTIVITIES		117 996 495	53 009 215
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(83 743 354)	(119 688 152)
Proceeds on disposal of property, plant and equipment			
(Increase) / decrease in non-current receivables		292 380	290 202
(Increase) / decrease in non-current investments		613 179	88 359 728
NET CASH FROM INVESTING ACTIVITIES		(82 837 795)	(31 038 222)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		(5 432 353)	(3 776 897)
Increase / (decrease) in consumer deposits		110 774	30 811
Increase / (decrease) in provisions		(40 382 194)	(7 449 414)
NET CASH FROM FINANCING ACTIVITIES		(45 703 773)	(11 195 500)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(10 545 072)	10 775 493
Cash and cash equivalents at the beginning of the year		(13 586 178)	(2 810 685)
Cash and cash equivalents at the end of the year	35	(24 131 251)	(13 586 178)

MALUTI-A-PHOFUNG MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30 JUNE 2007

	NOTES	Housing Develop. Fund R	Capital Replacement Reserve R	Capitalisation Reserve R	Government Grant Reserve R	Donations & Public Contribution Reserve R	Self- Insurance Reserve R	Revaluation Reserve R	Accumulated Surplus/ (Deficit) R	Total R
2006										
Balance at 01 July 2005	32	53 578	18 331 739		339 458 115	-	-	-	351 847 896	709 691 328
Change in accounting policy		-	-	-	-	-	-	-	-	-
Restated balance		53 578	18 331 739	-	339 458 115	-	-	-	351 847 896	709 691 328
Surplus / (deficit) for the year		-	-	-	-	-	-	-	46 576 208	46 576 208
Prior year adjustments		-	-	-	-	-	-	-	4 175 753	4 175 753
Transfer to CRR		-	6 261 110	-	-	-	-	-	(6 261 110)	-
PPE purchased		-	-	-	-	-	-	-	-	-
Capital grants used to purchase PPE		-	-		112 210 080	-	-	-	(112 210 080)	-
Donated / contributed PPE		-	-	-	-	-	-	-	-	-
Contribution to Insurance Reserve		-	-	-	-	-	-	-	-	-
Insurance claims processed		-	-	-	-	-	-	-	-	-
Transfer to Housing Development Fund		3 209	-	-	-	-	-	-	(3 209)	-
Asset disposals		-	-	-	-	-	-	-	-	-
Offsetting of depreciation					(33 646 410)				33 646 410	-
Balance at 30 June 2006		56 787	24 592 849	-	418 021 785	-	-	-	317 771 868	760 443 289
2007										
Balance at 01 July 2006	32	56 787	24 592 849	-	418 021 785	-	-	-	317 771 868	760 443 289
Change in accounting policy		-	-	-	-	-	-	-	-	-
Restated balance		56 787	24 592 849	-	418 021 785	-	-	-	317 771 868	760 443 289
Surplus / (deficit) for the year		-	-	-	-	-	-	-	61 763 831	61 763 831
Prior year adjustments		-	-	-	-	-	-	-	34 507 948	34 507 948
Transfer to CRR		-	9 948 000	-	-	-	-	-	(9 948 000)	-
PPE purchased via Income		-	-	-	-	-	-	-	(9 948 000)	(9 948 000)
Capital grants used to purchase PPE		-	-	-	73 903 154	-	-	-	(73 903 154)	-
Donated / contributed PPE		-	-	-	-	-	-	-	-	-
Contribution to Insurance Reserve		-	-	-	-	-	-	-	-	-
Insurance claims processed		-	-	-	-	-	-	-	-	-
Transfer to Housing Development Fund		1 106 681	-	-	-	-	-	-	-	-
Offsetting of depreciation		-	-	-	(38 123 230)	-	-	-	38 123 230	-
Balance at 30 June 2007		1 163 468	34 540 849	-	453 801 709	-	-	-	358 367 722	846 767 067

ACCOUNTING POLICIES**1 BASIS OF PRESENTATION**

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land and buildings, which are carried at fair value.

In accordance with section 122(3) of the Municipal Finance Management Act (Act No. 56 of 2003), the Municipality has adopted Standards of GAMAP and GRAP issued by the Accounting Standards Board during the financial year.

Comparative amounts have been restated retrospectively to the extent possible. The effect of the change in accounting policy arising from the implementation of GAMAP and GRAP is set out in Note 30.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

- Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP or GRAP.

- Income is accrued when collectable and measurable.

- Certain direct income is accrued when it is received, such as traffic fines and certain licenses

- Expenditure is accrued in the year it is incurred.

2 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4 HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

5 RESERVES*5.1 Capital Replacement Reserve (CRR)*

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of a Council resolution. A corresponding amount is transferred to a designated CRR bank or investment account. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

MALUTI-A-PHOFUNG MUNICIPALITY

ACCOUNTING POLICIES

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

5.2 Capitalisation Reserve

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury. The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

5.3 Government Grant Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfers from this reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

5.4 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Donations and Public Contributions Reserve relating to such item is transferred to the accumulated surplus/(deficit).

5.5 Self-Insurance Reserve

The Municipality shall have a Self-Insurance Reserve set aside amounts to offset potential losses caused by lightning. The excess on this claims are large sums of monies. The balance of the self-insurance fund is invested in short-term cash investments.

MALUTI-A-PHOFUNG MUNICIPALITY

ACCOUNTING POLICIES

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

5.6 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, is stated at cost, less accumulated depreciation, except land and buildings, which are revalued as indicated below. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated owing to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met.

Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:-

	<u>Years</u>	<u>Other</u>	<u>Years</u>
Infrastructure			
Roads and Paving	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
		Bins and containers	5
Community		Specialised plant and equipment	10-15
Buildings	30	Other items of plant and equipment	2-5
Recreational Facilities	20-30	Landfill sites	15
Security	5		

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The Municipality has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the Municipality's accounting policy on non-current provisions – see Accounting Policy 15 on Provisions.

ACCOUNTING POLICIES

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

7 REVALUATION OF LAND AND BUILDINGS

Land and buildings are stated at revalued amounts, being the fair value at the date of revaluation less subsequent accumulated depreciation in respect of buildings.

8 INVESTMENTS*8.1 Financial Instruments*

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at the lower of cost or market value.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

9 INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost, determined on the weighted average and net realisable value.

10 ACCOUNTS RECEIVABLE

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

11 TRADE CREDITORS

Trade creditors are stated at their nominal value.

12 REVENUE RECOGNITION*12.1 Revenue from Exchange Transactions*

Service charges relating to electricity and water are based on consumption. Meters are read on a quarterly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

MALUTI-A-PHOFUNG MUNICIPALITY

ACCOUNTING POLICIES

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time proportion basis.

Dividends are recognised in the separate financial statements of the Municipality on the date that the Municipality becomes entitled to receive the dividend.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licenses and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Finance income from the sale of housing by way of installment sales agreements or finance leases is recognised on a time proportion basis.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions 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 is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised

12.2 Revenue from non-exchange transactions

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

13 CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Economic entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

ACCOUNTING POLICIES**14 PROVISIONS**

Provisions are recognised when the Economic entity has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Economic entity.

15 CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

16 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

17 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), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policies. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

18 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

19 FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the prevailing exchange rate on the dates of the transactions.

ACCOUNTING POLICIES**20 COMPARATIVE INFORMATION***20.1 Current year comparatives:*

Budgeted amounts have been included in the annual financial statements for the current financial year only.

20.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

21 INVESTMENT PROPERTY

Investment property, which is property held to earn rental revenue or for capital appreciation, is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on cost, using the straight-line method over the useful life of the property, which is 50 years.

22 INVESTMENTS

Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

Investments in securities are recognised on a trade date basis and are initially measured at cost.

23 LEASES*The Municipality as the Lessee*

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due.

The Municipality as Lessor

Amounts due from lessees under finance leases or installment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or installment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or installment sale agreements.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

24 RETIREMENT BENEFITS

The Municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

25 BORROWING COSTS

Borrowing costs are recognised as an expense in the Statement of Financial Performance.

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
1 HOUSING DEVELOPMENT FUND		
Housing Development Fund	1 163 468	56 787
Unappropriated Surplus	1 163 468	56 787
Loans extinguished by Government	-	-
Total Housing Development Fund Assets and Liabilities	1 163 468	56 787
2 LONG-TERM LIABILITIES		
Annuity Loans	13 393 472	14 451 546
Capitalised Lease Liability	2 096 343	3 087 045
Government Loans : Other	-	3 477 648
Sub-total	15 489 815	21 016 239
Less : Current portion transferred to current liabilities	1 826 699	5 292 463
Annuity Loans	821 031	929 348
Capitalised Lease Liability	1 005 667	885 467
Government Loans : Other	-	3 477 648
Total External Loans	13 663 116	15 723 776
Refer to Appendix A for more detail on long-term liabilities		
The capitalised lease liability is secured over the item motor vehicles leased under the finance lease.		
3 NON-CURRENT PROVISIONS		
Opening Balance	4 850 946	4 850 946
Contributions during the year	813 006	2 386 159
Expenditure during the year	(813 006)	(2 386 159)
Provisions for valuations	4 850 946	4 850 946
4 CONSUMER DEPOSITS		
Electricity and Water	3 813 207	3 702 433
Interest paid	-	-
Total Consumer Deposits	3 813 207	3 702 433
Guarantees held in lieu of Electricity and Water Deposits	-	-
5 PROVISIONS		
Leave provision	1 568 140	2 681 833
Audit provision	2 682 144	267 242
Provision for outstanding orders	2 553 887	-
Provisions other	-	-
Total Provisions	6 804 170	2 949 075

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
6 CREDITORS		
Trade creditors	14 349 733	3 251 276
Payments received in advance	3 420 445	2 627 168
Other creditors	198 833	294 529
Unidentified direct deposits	8 337 340	16 728 108
Total Creditors	26 306 351	22 901 081
7 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
<i>7.1 Conditional Grants from other spheres of Government</i>	3 110 801	1 186 288
MIG Grants	-	1 186 288
RDP Houses	3 110 801	-
<i>7.2 Other Conditional Receipts</i>	-	-
Developers Contributions – Electricity	-	-
Public contributions	-	-
Total Conditional Grants and Receipts	3 110 801	1 186 288
8 VAT		
VAT receivable (payable)	2 851 918	19 890 469
VAT is payable on the receipts basis. Only once payment is received from debtors, VAT is paid over to SARS.		
9 PROPERTY, PLANT AND EQUIPMENT		
Cost		
Opening balance	741 133 539	621 445 387
Additions / (disposals)	83 743 354	119 688 152
Closing balance	824 876 893	741 133 539
Accumulated Depreciation		
Opening balance	149 569 761	106 950 857
Additions / (disposals)	46 099 405	42 618 904
Closing balance	195 669 166	149 569 761
Property, Plant and Equipment at Book Value	629 207 727	591 563 778
Also see Appendix B for more details		
Land and buildings were not revalued during the financial year.		
Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.		

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

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

10 INVESTMENTS

Listed

Shares (Sanlam)

77 329

77 329

Unlisted

Long-term Deposits

81 028 785

64 638 484

Other deposits

148 677

1 199 840

Total Unlisted

81 177 462

65 838 324

Total Investments

81 254 791

65 915 653

Market Value of listed Investments and management's valuation of unlisted investments

Market valuation of listed investments

Listed Investments

77 329

77 329

Council's valuation of unlisted investments

Unlisted Investments

81 177 462

65 838 324

81 254 791

65 915 653

11 LONG-TERM RECEIVABLES

Car loans

156 070

576 331

Study Loans

-

29 938

156 070

606 269

Less : Current portion transferred to current receivables

132 382

290 202

Car loans

132 382

290 202

Study Loans

-

-

-

-

Total Receivables

23 688

316 067

CAR LOANS

Senior staff members were entitled to car loans which attract interest at 8% per annum and which are repayable over a maximum period of 5 years. These loans are repayable in the year 2009. No new loans were issued during the year in terms of the provisions of the MFMA.

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
12 INVENTORY		
Inventories	1 652 330	1 455 077
Total Inventory	1 652 330	1 455 077
Inventory is valued at the lower of cost and net realisable value.		
13 CONSUMER DEBTORS		
AGE ANALYSIS		
<u>Water</u>		
30 Days	2 719 296	1 769 765
60 Days	1 657 273	1 078 582
90 Days	1 438 271	936 052
120 Days	978 779	637 007
+120 Days	11 318 169	7 366 063
Total	18 111 788	11 787 469
<u>Electricity</u>		
30 Days	2 787 867	1 814 393
60 Days	1 093 158	711 446
90 Days	820 854	534 226
120 Days	883 147	574 768
+120 Days	13 876 856	9 031 301
Total	19 461 882	12 666 133
<u>Sewerage</u>		
30 Days	1 285 511	836 633
60 Days	722 946	470 506
90 Days	778 034	506 358
120 Days	690 487	449 381
+120 Days	8 940 559	5 818 672
Total	12 417 537	8 081 550
<u>Refuse</u>		
30 Days	1 260 108	820 100
60 Days	1 161 266	755 772
90 Days	1 118 452	727 908
120 Days	990 693	644 760
+120 Days	26 945 148	17 536 374
Total	31 475 667	20 484 915
<u>Rates and Taxes</u>		
30 Days	11 501 079	7 485 104
60 Days	5 505 832	3 583 292
90 Days	5 673 590	3 692 472
120 Days	5 041 583	3 281 150
+120 Days	138 377 690	90 058 623
Total	166 099 774	108 100 641

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
<u>Other Debtors</u>		
30 Days	12 916 110	796 492
60 Days	7 559 581	3 554 359
90 Days	6 459 814	2 234 163
120 Days	5 325 579	4 011 148
+120 Days	40 903 064	37 020 346
Total	73 164 149	47 616 509
30th June 2006		
30 Days	32 469 971	13 522 487
60 Days	17 700 056	10 153 958
90 Days	16 289 015	8 631 179
120 Days	13 910 268	9 598 214
+120 Days	240 361 486	166 831 379
Sub-total	320 730 797	208 737 217
Less: Provision for bad debts	(119 165 024)	(67 873 969)
Total debtors by customer classification	201 565 773	140 863 248
14 OTHER DEBTORS		
Other Debtors	15 691 162	10 341 033
Unauthorized expenditure (see Note 29.1)	-	-
Fruitless and wasteful expenditure (see Note 29.2)	-	-
Government subsidies	-	-
Total Other Debtors	15 691 162	10 341 033
15 BANK, CASH AND OVERDRAFT BALANCES		
<i>The Municipality has the following bank accounts:</i>		
<u>Current Account (Primary Bank Account)</u>		
First National Bank - Phuthaditjhaba.		
Account Number : 62026153221		
Cash Book Balance at beginning of year	(13 612 627)	(2 837 054)
Cash Book Balance at end of year	(24 131 251)	(13 612 627)
Bank statement balance at beginning of year	4 139 452	2 495 033
Bank statement balance at end of year	(9 460 437)	4 139 452
<u>Savings Account</u>		
First National Bank - Phuthaditjhaba.		
Account Number : 62045863009		
Bank statement balance at beginning of year	2 655 128	170 673
Bank statement balance at end of year	(18 919 221)	2 655 128

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

		MUNICIPALITY	
		2007 R	2006 R
<u>Taf Account</u>			
First National Bank - Phuthaditjhaba.			
Account Number : 62051344829			
Bank statement balance at beginning of year		37 412	25 264
Bank statement balance at end of year		(30)	37 412
<u>Current Account (Old Phuthaditjhaba Account)</u>			
First National Bank - Phuthaditjhaba.			
Account Number : 28-2000-0121			
Bank statement balance at beginning of year			168 883
Bank statement balance at end of year			-
16 PROPERTY RATES			
<u>Actual</u>			
Residential		-	-
Commercial		-	-
State		-	-
Total Assessment Rates		-	-
Residential		-	-
Commercial		-	-
State		-	-
Municipal		-	-
Total Property Valuations		-	-
17 SERVICE CHARGES			
Sale of electricity		77 668 931	64 079 672
Sale of water		31 570 775	9 267 441
Refuse removal		13 618 197	1 534 786
Sewerage and sanitation charges		11 952 727	7 471 312
Total Service Charges		134 810 630	82 353 211
18 GOVERNMENT GRANTS AND SUBSIDIES			
Equitable share		109 268 164	100 044 120
Department of Mineral and Energy		-	17 262 767
Department of Water Affairs and Forestry		23 448 571	16 499 787
Financial Management Grant		500 000	2 000 000
Municipal Systems Improvement Grant		949 018	-
RDP Houses		4 012 878	-
TMDM Electricity Awareness Programme		889 474	-
Municipal Infrastructure Grant		59 396 845	41 289 711
Total Government Grant and Subsidies		198 464 949	177 096 385
18.1 Equitable Share			
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All consumers receive a monthly subsidy of 6kl of water and 50kw electricity, which is funded from this grant.			

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
18.2 MIG Grant		
Balance unspent at beginning of year	1 186 287	-
Current year receipts	59 396 845	42 475 998
Conditions met - transferred to revenue	-	41 289 711
Conditions still to be met - transferred to liabilities (see note 7)	59 396 845	1 186 287
This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B). No funds have been withheld.		
18.3 200 RDP Houses		
Balance unspent at beginning of year	-	
Current year receipts	7 123 679	
Conditions met - transferred to revenue	4 012 878	
Conditions still to be met - transferred to liabilities (see note 7)	3 110 801	-
18.4 Changes in levels of government grants		
Based on the allocations set out in the Division of Revenue Act, no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.		
19 OTHER INCOME		
Sale of housing	-	-
Other income	3 869 877	22 843 380
Total Other Income	3 869 877	22 843 380
20 EMPLOYEE RELATED COSTS		
Employee related costs - Salaries and Wages	68 556 077	62 504 707
Employee related costs –Social Contributions	5 289 346	4 365 482
Travel, motor car, accommodation, subsistence and allowances	5 802 774	4 155 816
Housing benefits and allowances	409 794	805 356
Overtime payments	4 790 349	7 762 146
Other	-	-
Total Employee Related Costs	84 848 339	79 593 507
Municipal Manager		
Annual Remuneration	504 450	283 071
Performance Bonuses	-	25 445
Car Allowance	96 000	75 428
Medical and Pension Funds	10 894	-
Other	-	132 895
Total	611 344	516 839

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
Chief Financial Officer		
Annual Remuneration	565 463	361 367
Performance Bonuses	-	-
Car Allowance	48 000	-
Medical and Pension Funds	-	-
Other	-	-
Total	613 463	361 367
Director: Municipal Infrastructure		
Annual Remuneration	276 138	260 974
Performance Bonuses	-	21 536
Car Allowance	99 652	103 397
Medical and Pension Funds	42 762	35 166
Other	-	32 103
Total	418 552	453 176
Director: Community Services		
Annual Remuneration	277 393	249 320
Performance Bonuses	-	20 920
Car Allowance	93 338	105 183
Medical and Pension Funds	46 163	42 923
Other	-	66 244
Total	416 894	484 590
Director: Development Planning and Housing		
Annual Remuneration	234 858	236 887
Performance Bonuses	-	19 877
Car Allowance	75 922	75 692
Medical and Pension Funds	23 796	26 124
Other	-	64 948
Total	334 576	423 528
Director: Public Safety		
Annual Remuneration	246 342	219 988
Performance Bonuses	-	18 459
Car Allowance	78 350	70 972
Medical and Pension Funds	53 880	50 525
Other	-	56 767
Total	378 572	416 712
Director: Parks, Sport, Recreation, Arts and Culture		
Annual Remuneration	281 711	267 023
Performance Bonuses	-	44 201
Car Allowance	71 520	76 352
Medical and Pension Funds	10 757	10 596
Other	-	66 274
Total	363 988	464 444

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
Director: Corporate Services		
Annual Remuneration	189 185	259 182
Performance Bonuses	-	20 920
Car Allowance	64 000	155 274
Medical and Pension Funds	-	-
Other	809	29 392
Total	253 995	464 768
Director: Spatial Development and Planning		
Annual Remuneration	246 345	-
Performance Bonuses	-	-
Car Allowance	93 185	-
Medical and Pension Funds	16 045	-
Other	-	-
Total	355 575	-
Strategic Manager		
Annual Remuneration	174 578	213 968
Performance Bonuses	-	23 260
Car Allowance	53 658	99 243
Medical and Pension Funds	8 262	9 995
Other	-	10 112
Total	236 498	356 579
Director: Local Economic Development and Tourism		
Annual Remuneration	252 276	201 990
Performance Bonuses	-	-
Car Allowance	53 658	28 850
Medical and Pension Funds	8 262	8 485
Other	-	-
Total	314 196	239 325
21 REMUNERATION OF COUNCILLORS		
Executive Mayor's Allowance	531 847	491 021
Speaker's Allowance	428 530	390 809
Mayoral Committee Members	4 044 432	2 976 569
Council Members' Allowances	9 036 853	5 857 031
Councillors Pension Contributions	1 350 511	687 422
	15 392 173	10 402 852

In-kind Benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
22 INTEREST PAID		
Long-term liabilities	2 556 991	4 904 522
Consumer deposits	-	-
Finance leases	-	-
Bank overdrafts	-	-
Total Interest on External Borrowings	2 556 991	4 904 522
23 BULK PURCHASES		
Electricity	64 881 425	66 757 205
Water	-	102 165
Total Bulk Purchases	64 881 425	66 859 370
24 GRANTS AND SUBSIDIES PAID		
Grant paid to Maluti-a-Phofung Water	28 900 553	37 010 134
Total Grants and Subsidies	28 900 553	37 010 134
25 CASH GENERATED BY OPERATIONS		
Surplus for the year	61 763 831	46 576 208
Adjustment for:-		
Depreciation	46 099 405	42 618 904
Loss / (Gain) on disposal of property, plant and equipment		-
Contribution to provisions - non-current		-
Contribution to provisions – current	2 492 262	6 838 153
Bad debts	51 291 055	26 338 000
Equity accounted share of associate's surplus		-
Outside shareholder's interest		-
Dividends received		-
Investment income	(18 215 056)	(14 335 110)
Interest earned other	(13 048 225)	(4 819 195)
Interest paid	2 556 991	4 904 522
Operating surplus before working capital changes:	132 940 263	108 121 482
(Increase) / decrease in inventories	(197 253)	959 409
(Increase) / decrease in debtors	(60 860 344)	(102 786 034)
(Increase) / decrease in other debtors	(5 350 128)	35 305 718
(Decrease) / increase in conditional grants and receipts	1 924 513	(7 758 915)
Increase / (decrease) in creditors	(60 491)	21 939 482
Increase / (decrease) in provisions	3 855 095	(5 164 337)
(Increase) / decrease in VAT	17 038 551	(11 857 373)
Cash generated by/(utilised in) operations	89 290 205	38 759 432

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

	MUNICIPALITY	
	2007 R	2006 R
- CASH RECEIVED FROM CUSTOMERS AND GOVERNMENT		
Total Revenue	496 712 199	427 909 802
Adjusted for non-cash items		-
- Gains on disposal of Property Plant and Equipment		-
Adjusted for items presented separately		-
- Dividends Received		-
- Interest received on investments	(18 215 056)	(14 335 110)
- Interest received other	(13 048 225)	(4 819 195)
Adjusted for changes in working capital		-
- (Increase) / decrease in consumer debtors	(60 860 344)	(102 786 034)
- (Increase) / decrease in other debtors	(5 350 128)	35 338 838
- (Increase) / decrease in VAT receivable	17 038 551	(11 857 373)
	416 276 996	329 450 928
- CASH PAID TO SUPPLIERS AND EMPLOYEES		
Total expenditure	434 948 368	381 333 593
Adjusted for non-cash items		-
- Depreciation	(46 099 405)	(42 618 904)
- Contributions	(2 492 262)	(6 838 153)
- Bad debts	(51 291 055)	(26 338 000)
Adjusted for items presented separately		-
- Interest paid	(2 556 991)	(4 904 522)
Adjusted for changes in working capital		-
- (Increase) / decrease in creditors	60 491	(21 939 482)
- (Increase) / decrease in unspent conditional grants	(1 924 513)	7 758 915
- (Increase) / decrease in provisions	(3 855 095)	5 164 337
- Increase / (decrease) in inventory	197 253	(959 409)
	326 986 791	290 658 375
26 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balances and cash	-	26 449
Bank overdraft	(24 131 251)	(13 612 627)
Total cash and cash equivalents	(24 131 251)	(13 586 178)
27 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
Long-term liabilities (see Note 2)	15 489 815	21 016 239
Used to finance property, plant and equipment – at cost		
Sub- total		
Cash set aside for the repayment of long-term liabilities	15 489 815	21 016 239
Cash invested for repayment of long-term liabilities (see note 18)	15 489 815	21 016 239

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

28 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

28.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure
Opening balance
Unauthorised expenditure current year
Approved by Council or condoned
Transfer to receivables for recovery (note 17)
Unauthorised expenditure awaiting authorisation

MUNICIPALITY	
2007 R	2006 R

-	-
-	-
-	-
-	-
-	-
-	-

Incident	Disciplinary steps/criminal proceedings
None	N/A

28.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure
Opening balance
Fruitless and wasteful expenditure current year
Condoned or written off by Council
To be recovered – contingent asset (see note 42)
Fruitless and wasteful expenditure awaiting condonement

-	-
-	-
-	-
-	-
-	-
-	-

Incident	Disciplinary steps/criminal proceedings
None	N/A

28.3 Irregular expenditure

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

-	-
-	-
-	-
-	-
-	-
-	-

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

Incident	Disciplinary steps/criminal proceedings
None	N/A

29 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

29.1 Contributions to organized local government

Opening balance	-	
Council subscriptions	711 903	
Amount paid - current year	711 903	196 983
Amount paid - previous years	-	431 980
Balance unpaid (included in creditors)	-	-

29.2 Audit fees

Opening balance		439 386
Current year audit fee		1 378 160
Amount paid - current year	2 458 762	1 550 304
Amount paid - previous years		1 092 508
Balance unpaid (included in creditors)	-	-

29.3 VAT

VAT inputs receivables and VAT outputs receivables are shown in note 8. All VAT returns have been submitted by the due date throughout the year.

29.4 PAYE and UIF

Opening balance		
Current year payroll deductions		11 224 528
Amount paid - current year		11 224 528
Amount paid - previous years		-
Balance unpaid (included in creditors)	-	-

The balance represents PAYE and UIF deducted from the June 2006 payroll. These amounts were paid during July 2006.

MUNICIPALITY	
2007 R	2006 R

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

29.5 Pension and Medical Aid Deductions

Opening balance
Current year payroll deductions and Council Contributions
Amount paid - current year
Amount paid - previous years
Balance unpaid (included in creditors)

MUNICIPALITY	
2007 R	2006 R
	-
	16 484 536
	16 484 536
	-
-	-

The balance represents pension and medical aid contributions deducted from employees in the June 2006 payroll as well as Council's contributions to pension and medical aid funds. These amounts were paid during July 2006.

30 RETIREMENT BENEFIT INFORMATION

All Councillors and employees belong to 3 defined benefit retirement funds administered by the Provincial Pension Fund. These funds are subject to a triennial actuarial valuation. The last valuation was performed in 2003. These valuations indicate that the funds are in a sound financial position. The estimated liability of the funds is R200,7 million which is adequately financed by assets of R255,4 million.

An amount of R2,3 million (2005 : R1,9 million) was contributed by Council in respect of Councillor and employees retirement funding. These contributions have been expensed.

31 CONTINGENT LIABILITY

NONE

32 CONTINGENT ASSET

NONE

33 IN-KIND DONATIONS AND ASSISTANCE

NONE

34 PRIVATE PUBLIC PARTNERSHIPS

NONE

35 EVENTS AFTER THE REPORTING DATE

NONE

36 COMPARISON WITH THE BUDGET

The comparison of the Municipality's and Economic entity's actual financial performance with that budgeted is set out in Annexures E

MALUTI-A-PHOFUNG MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2007

MUNICIPALITY

2007
R

2006
R

MALUTI-A-PHOFUNG MUNICIPALITY
APPENDIX A 1
SCHEDULE OF EXTERNAL LOANS FOR THE PERIOD ENDED 30 JUNE 2007

EXTERNAL LOANS	Loan No	Issued	Interest Rate	Redeemable	Balance at 01/07/06	Interest paid	Received during the year	Redeemed or written off during the year	Balance at 31/12/06
					R		R	R	R
ANNUITY LOANS									
Free State Municipal Pension Fund	25006	1985	11.500%	30/06/2007	109 618	9 571	-	109 618	-
Development Bank of South Africa	11018.103	1997	15.000%	30/09/2012	2 054 942	301 181	-	205 034	1 849 909
Development Bank of South Africa	11019.105	1997	15.000%	31/12/2015	1 343 876	199 205	-	70 919	1 272 957
Development Bank of South Africa	11021.102	1998	15.000%	31/12/2015	348 738	51 694	-	18 404	330 334
Development Bank of South Africa	11076.103	2000	15.000%	30/06/2018	1 478 921	220 241	-	49 338	1 429 583
Development Bank of South Africa	11076.202	2000	15.000%	30/06/2018	1 522 940	226 797	-	50 806	1 472 134
Development Bank of South Africa	11084.103	1998	15.000%	31/12/2015	3 305 925	490 042	-	174 461	3 131 464
Development Bank of South Africa	11827.102	1989	16.000%	31/12/2008	200 691	29 447	-	71 169	129 522
Development Bank of South Africa	13768.102	2001	15,632%	31/12/2020	1 256 902	195 659	-	26 029	1 230 873
Development Bank of South Africa	13768.202	2001	15,632%	31/12/2020	1 098 333	170 975	-	22 745	1 075 588
Development Bank of South Africa	13768.302	2002	15,632%	31/12/2021	1 438 800	224 145	-	25 201	1 413 599
Free State Development Corporation	6009010335	2005	Flexible	03/12/2009	291 860	19 929	-	234 351	57 508
									-
					14 451 546	2 138 886	-	1 058 074	13 393 472
OTHER LOANS									
ABSA bank		1999	Flexible	01/07/2006	2 500 000	-	-	2 500 000	-
Future Bank Corporation	1997	1998	Flexible	31/03/2007	977 648	96 540		977 648	-
					3 477 648	96 540	-	3 477 648	-

MALUTI-A-PHOFUNG MUNICIPALITY
APPENDIX A 1
SCHEDULE OF EXTERNAL LOANS FOR THE PERIOD ENDED 30 JUNE 2007

EXTERNAL LOANS	Loan No	Issued	Interest Rate	Redeemable	Balance at 01/07/06	Interest paid	Received during the year	Redeemed or written off during the year	Balance at 31/12/06
LEASES									
ABSA	61377420	2003	15.734%	06/2008	28 257	2 698	-	13 275	14 982
ABSA	61379741	2003	15.500%	06/2008	73 784	6 145	-	34 938	38 846
ABSA	61379733	2003	14.222%	06/2008	66 749	5 586	-	31 599	35 150
ABSA	61866898	2003	15.734%	06/2008	208 660	22 131	-	88 988	119 672
ABSA	61866901	2003	15.734%	06/2008	208 660	22 131	-	88 988	119 672
ABSA	61866910	2003	15.734%	06/2008	208 660	22 131	-	88 988	119 672
ABSA	61868394	2003	15.500%	06/2008	290 003	30 188	-	123 860	166 144
ABSA	63122802	2003	15.500%	01/2009	341 931	35 723	-	119 588	222 344
Ford Credit	62689892	2003	18.338%	11/2008	54 076	5 458	-	20 472	33 604
Ford Credit	62689906	2003	18.338%	11/2008	54 076	5 458	-	20 472	33 604
ABSA	69307901	2006	14.496%	08/2011	160 674	18 373	-	27 758	132 916
ABSA	69307910	2006	14.475%	01/2011	158 720	18 159	-	27 417	131 303
ABSA	69307928	2006	14.475%	01/2011	158 720	18 159	-	27 417	131 303
ABSA	68643746	2005	11.371%	10/2010	158 491	17 859	-	29 504	128 987
ABSA	68643738	2005	11.641%	10/2010	90 455	10 422	-	16 756	73 699
ABSA	68643304	2005	11.640%	10/2010	90 486	10 424	-	16 762	73 724
ABSA	68643290	2005	11.640%	10/2010	90 486	10 424	-	16 762	73 724
ABSA	68648128	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
ABSA	68648110	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
ABSA	68648101	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
ABSA	68648098	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
ABSA	68648080	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
ABSA	68648071	2005	11.005%	10/2010	91 681	10 016	-	17 181	74 500
					2 992 974	321 565	-	896 630	2 096 343
					20 922 168	2 556 991	-	5 432 353	15 489 815

MALUTI-A-PHOFUNG MUNICIPALITY
APPENDIX A 2
SCHEDULE OF INVESTMENTS FOR THE PERIOD ENDED 30 JUNE 2007

INVESTMENTS	Investment No.	Balance at 01/07/06	Interest received	Investments made	Investments realised	Balance at 30 JUNE 2007
		R		R	R	R
Listed						
Sanlam	5333 shares	77 329	-	42 611	-	77 329
		77 329	-	42 611	-	77 329
UNLISTED						
Momentum	87756867	10 557 013	3 749 707	492 000	-	14 798 720
Momentum	87887109	5 279 465	1 396 312	228 000	-	6 903 777
Momentum	87887115	1 353 304	398 643	60 000	-	1 811 947
Momentum	87570447	6 277 979	2 095 623	330 558	-	8 704 160
Momentum	88126418	9 763 228	2 548 242	431 280	-	12 742 750
Momentum	89456260	10 823 333	3 455 436	510 735	-	14 789 504
Mutual	7560376	3 350 636	-	30 593	-	3 350 637
Mutual	7481893	1 772 407	117 294	-	-	1 889 701
Mutual	8010226	1 620 285	476 709	12 000	-	2 096 994
Mutual	8010223	1 347 637	-	-	-	1 347 637
Mutual	8010224	1 865 115	-	-	1 115 390	894 642
Mutual	7974326	2 228 589	658 214	70 967	-	2 886 803
Mutual	8477284	5 125 754	1 507 862	30 594	-	6 633 616
Sanlam	11690235X4	316 016	71 073	9 170	-	396 258
Sanlam	12547517X8	155 935	33 478	-	-	189 413
Sanlam - Money Market	50189057	848 349	63 649	-	-	911 998
Sanlam	11690236X2	210 030	27 277	720.00	-	237 847
Sanlam	12105250X0	98 238	-	-	-	(29 074)
Sanlam	12547516X0	1 442 016	262 389	22 523	1 726 929	296 210
ABSA Savings	9006721200	93 130	3 995	-	-	97 125
FNB Call Account	62027358292	40 552	-	-	-	148 677
ABSA Collateral - JP Botha	2054434522	24 600	2 558	-	-	27 158
ABSA Collateral - CE Barnard	2057955909	19 872	4 275	-	-	24 147
ABSA Collateral - D Hlongwane	2056895005	25 000	1 815	-	-	26 815
		64 638 484	16 874 552	2 229 139	2 842 318	81 177 462
		64 715 812	16 874 552	2 271 750	2 842 318	81 254 791

MALUTI-A-PHOFUNG MUNICIPALITY
APPENDIX A 2
SCHEDULE OF INVESTMENTS FOR THE PERIOD ENDED 30 JUNE 2007

INVESTMENTS	Investment No.	Balance at 01/07/06	Interest received	Investments made	Investments realised	Balance at 30 JUNE 2007

MALUTI-A-PHOFUNG MUNICIPALITY

APPENDIX B

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD ENDED 30 JUNE 2007

	Cost / Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Depreciation	Disposals	Closing Balance	
Land and Buildings										
Land	12 801 700	3 041 134	-	-	15 842 834	-	-	-	-	15 842 834
Buildings	16 071 201	458 520	-	-	16 529 721	1 111 218	1 001 861	-	2 113 079	14 416 642
	28 872 901	3 499 654	-	-	32 372 555	1 111 218	1 001 861	-	2 113 079	30 259 476
Infrastructure										
Drains	5 882 167	-	-	-	5 882 167	1 470 145	199 785	-	1 669 930	4 212 237
Roads	61 687 923	13 671 319	-	-	75 359 242	21 230 180	4 428 723	-	25 658 903	49 700 339
Sewerage Mains & Purification	125 213 698	19 959 889	-	-	145 173 587	27 573 328	6 369 334	-	33 942 662	111 230 925
Electricity Mains	319 831 475	13 420 878	-	-	333 252 353	58 272 554	21 920 355	-	80 192 909	253 059 444
Electricity Peak Load Equipment	70 663 680	-	-	-	70 663 680	6 807 550	3 179 484	-	9 987 034	60 676 646
Water Mains & Purification	4 358 820	6 251 520	-	-	10 610 340	1 855 813	258 685	-	2 114 498	8 495 842
Reservoirs-Water	2 166 668	7 563 889	-	-	9 730 557	894 962	283 135	-	1 178 097	8 552 460
Water Meters	39 271 703	5 906 492	-	-	45 178 195	4 313 158	2 244 671	-	6 557 829	38 620 366
Water Mains	50 533 909	3 627 001	-	-	54 160 910	12 918 644	2 449 047	-	15 367 691	38 793 219
Pedestrian Malls	110 619	849 210	-	-	959 828	96 346	11 124	-	107 470	852 358
Security Measures	2 619 708	809 247	-	-	3 428 955	1 193 397	689 217	-	1 882 614	1 546 341
	682 340 370	72 059 444	-	-	754 399 815	136 626 077	42 033 560	-	178 659 637	575 740 178
Community Assets										
Parks & Gardens	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Recreation Grounds	8 525 905	222 847	-	-	8 748 752	563 182	161 982	-	725 164	8 023 588
Civic Buildings	184 738	3 288 935	-	-	3 473 673	116 403	51 861	-	168 264	3 305 409
	8 710 643	3 511 782	-	-	12 222 425	679 585	213 843	-	893 428	11 328 997
Heritage Assets										
Historical Buildings	-	-	-	-	-	-	-	-	-	-
Painting & Art Galleries	884	-	-	-	884	713	-	-	713	171
	884	-	-	-	884	713	-	-	713	171
Total carried forward										

MALUTI-A-PHOFUNG MUNICIPALITY

APPENDIX B

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD ENDED 30 JUNE 2007

	Cost / Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Depreciation	Disposals	Closing Balance	
Housing Rental Stock										
Housing Rental 1	-	-	-	-	-	-	-	-	-	-
Housing Rental 2	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Leased Assets (Infrastructure)										
Sewerage Mains & Purify	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Other Assets										
Landfill sites	950 979	399 501	-	-	1 350 480	229 639	33 830	-	263 469	1 087 011
Office Equipment	1 049 772	11 921	-	-	1 061 693	1 002 412	94 759	-	1 097 171	(35 478)
Furniture & Fittings	1 370 674	517 007	-	-	1 887 681	473 845	225 719	-	699 564	1 188 117
Bins and Containers	2 250	-	-	-	2 250	769	450	-	1 219	1 031
Emergency Equipment	170 810	-	-	-	170 810	341 713	-	-	341 713	(170 903)
Motor vehicles	10 052 205	849 702	-	-	10 901 907	4 901 154	1 486 301	-	6 387 455	4 514 452
Fire engines	16 251	2 130 000	-	-	2 146 251	3 301	1 369	-	4 670	2 141 581
Refuse tankers	-	-	-	-	-	-	-	-	-	-
Computer equipment	6 518 886	740 396	-	-	7 259 282	2 706 412	929 390	-	3 635 802	3 623 480
Computer Software	137 448	23 948	-	-	161 396	126 007	32 079	-	158 086	3 310
Councillors Regalia	-	-	-	-	-	-	-	-	-	-
Conservancy tankers	-	-	-	-	-	-	-	-	-	-
Watercraft	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	939 467	-	-	-	939 467	1 366 915	46 243	-	1 413 158	(473 691)
	21 208 742	4 672 475	-	-	25 881 216	11 152 167	2 850 140	-	14 002 307	11 878 909
Total	741 133 540	83 743 355	-	-	824 876 895	149 569 760	46 099 404	-	195 669 164	629 207 731

MALUTI-A-PHOFUNG MUNICIPALITY

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT FOR THE PERIOD ENDED 30 JUNE 2007

	Cost / Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive & Council	171 476	973 462			1 144 938	44 070	131 000		175 069	969 869
Finance & Admin	7 764 682	677 574			8 442 256	3 499 648	869 414		4 369 063	4 073 194
Planning & Development	9 773 278	208 174			9 981 452	220 673	115 577		336 250	9 645 202
Health	79 407	-			79 407	158 858	-		158 858	(79 451)
Community & Social Services	1 458 216	98 616			1 556 833	121 944	119 938		241 882	1 314 951
Housing	7 752	3 505 324			3 513 076	5 127	20 908		26 035	3 487 040
Public Safety	1 691 010	2 178 355			3 869 365	1 898 090	103 359		2 001 450	1 867 916
Sports & Recreation	9 751 014	4 385 235			14 136 249	993 127	378 751		1 371 878	12 764 371
Environmental Protection	-	399 501			399 501	-	2 131		2 131	397 370
Waste Management	950 979	-			950 979	232 069	31 699		263 769	687 210
Waste Water Management	136 121 922	19 744 289			155 866 211	27 822 621	7 147 575		34 970 196	120 896 015
Road & Transport	81 668 776	14 567 128			96 235 904	27 871 041	6 034 115		33 905 156	62 330 748
Water	96 451 388	23 564 501			120 015 889	19 992 112	5 243 557		25 235 669	94 780 220
Electricity	395 103 464	13 441 194			408 544 658	66 610 210	25 895 468		92 505 678	316 038 980
Other	140 176	-			140 176	100 170	5 911		106 081	34 095
					-					
TOTAL	741 133 540	83 743 355	-	-	824 876 894	149 569 760	46 099 404	-	195 669 163	629 207 731

MALUTI-A-PHOFUNG MUNICIPALITY

APPENDIX D

SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD 30 JUNE 2007

	2007 Actual Income	2007 Actual Expenditure	2007 Surplus / (Deficit)
	R	R	R
Community and Social Services	8 782 469	6 364 403	2 418 066
Electricity	94 512 526	104 530 706	(10 018 180)
Executive and Council	4 510 039	30 197 691	(25 687 651)
Finance and Administration	193 065 413	176 505 499	16 559 914
Health	2 466	143 101	(140 635)
Housing	-	945 790	(945 790)
Planning and Development	105 188 497	36 232 570	68 955 927
Public Safety	3 807 346	19 784 748	(15 977 402)
Roads Transport	14 524 709	10 553 205	3 971 504
Sport and Recreation	11 365 190	10 657 863	707 328
Waste Management	27 723 213	16 764 105	10 959 108
Waste Water Management	1 924 210	166 414	1 757 796
Water	31 619 993	22 416 145	9 203 848
TOTAL	497 026 071	435 262 240	61 763 831

MALUTI-A-PHOFUNG MUNICIPALITY					
APPENDIX E 1					
ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE PERIOD ENDED 30 JUNE 2007					
REVENUE	2007 Actual	2007 Budget	2007 Variance	2007 Variance (%)	Reasons for variances
REVENUE					
Property rates	128 296 872	102 312 355	25 984 517	25%	
Service charges	134 810 630	142 233 699	(7 423 069)	-5%	
Interest earned - external investments	18 215 056	5 200 000	13 015 056	250%	
Interest earned - outstanding debtors	13 048 225	7 652 748	5 395 477	71%	
LED Income	6 589	6 589	-	0%	
Government grants and subsidies	198 464 949	201 314 540	(2 849 591)	-1%	
Other income	3 869 877	9 872 779	(6 002 902)	-61%	
Gains on disposal of property, plant and equipment	-	-	-		
Total Revenue	496 712 199	610 826 409			
EXPENDITURE					
Employee related costs	84 848 339	120 660 670	(35 812 331)	-30%	
Remuneration of Councillors	15 392 173	12 817 574	2 574 599	20%	
Bad debts	51 291 055	17 800 000	33 491 055	188%	
Contributions to capital expenses	8 927 152	8 927 152	-	0%	
Contributions	2 492 262	17 557 768	(15 065 506)	-86%	
Depreciation	46 099 405	8 000 000	38 099 405	0%	
Repairs and maintenance	14 806 376	31 092 259	(16 285 883)	-52%	
Interest paid	2 556 991	3 661 662	(1 104 671)	-30%	
Bulk purchases	64 881 425	68 000 000	(3 118 575)	-5%	
Grants and subsidies paid	28 900 553	28 900 553	-	0%	
General expenses	107 092 469	205 795 849	(98 703 380)	-48%	
200 RDP Houses	4 012 696	4 012 696	-	0%	
MIG Operational expenses	1 085 095	1 085 095	-	0%	
Community Projects	2 562 379	2 562 379	-	0%	
Loss on disposal of property, plant and equipment	-	-	-		
Total Expenditure	434 948 368	530 873 656			
NET SURPLUS/(DEFICIT) FOR THE YEAR	61 763 831	79 952 753			

MALUTI-A-PHOFUNG MUNICIPALITY

APPENDIX F

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

Name of Grants	Name Organ of State or Municipal entity	Quarterly Receipts				Quarterly Expenditure				Grants and Subsidies delayed / withheld				Reasons for delay / withholding of funds	Compliance with conditions (Y/N)	Reasons for non-compliance
		September	December	March	June	September	December	March	June	September	December	March	June			
Equitable Share	National Government	36 429 933	27 316 987	45 521 026	-	36 429 933	27 316 987	45 521 026	-	-	-	-	-	N/A	Y	N/A
MIG	DPLG	4 585 147	27 525 953	12 211 989	13 887 469	8 948 291	8 277 383	12 350 287	17 536 276	-	-	-	-	N/A	Y	N/A
MSIG	DPLG	367 000	-	367 000	-	-	494 000	218 500	21 500	-	-	-	-	N/A	Y	N/A
MSIG	TMDM	155 000	-	-	60 000	-	155 000	-	60 000	-	-	-	-	N/A	Y	N/A
Electricity Awareness	TMDM	-	889 473	-	-	-	-	889 473	-	-	-	-	-	N/A	Y	N/A
PMS	DBSA	-	288 000	-	505 261	402 483	3 570	6 720	2 880	-	-	-	-	N/A	Y	N/A
200 RDP Houses	DPLG & H	-	1 957 437	2 124 914	1 458 762	582 564	2 452 079	727 679	832 939	-	-	-	-	N/A	Y	N/A
DWA & F		8 667 678	4 511 303	4 579 590	5 690 000	7 225 138	7 225 138	7 225 138	7 225 138	-	-	-	-	N/A	Y	N/A
PMS	DBSA	288 000	-	505 261	-	402 483	3 571	6 720	26 880	-	-	-	-	N/A	Y	N/A