



**Breede River Winelands Municipality  
Annual Financial Statements**

**Annual Report**  
**CHAPTER 4**

People at the center  
of development

## INDEX

## Page

Other information	32
Statement of Financial Position	33
Statement of Financial Performance	34
Statement of Change in Net Assets	35
Accounting Policies	36 - 17
Notes to the Financial Statements	18 - 35
Cash Flow Statement	36
Appendix A: Schedule of External Loans	37
Appendix B: Analysis of Property, Plant and Equipment	38 - 39
Appendix C: Segmental Analysis of Property, Plant and Equipment	40
Appendix D: Segmental Statement of Financial Performance	41
Appendix E(1): Actual versus Budget (Revenue and Expenditure)	42
Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment)	43
Appendix G: Implementation plan to comply with the requirements of General Recognised Accounting Practices	44 - 54
Accounting Officer's Report	
Report of the Auditor General	



## **BREEDE RIVER WINELANDS MUNICIPALITY ANNUAL FINANCIAL STATEMENTS**

for the year ended  
**'30 June 2008**

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 54, 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 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 Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

S A MOKWENI  
Municipal Manager

Date: August 2008



## Other Information

<b>Nature of Business</b>	Breede River Winelands Municipality is a local municipality performing the functions as set out in the Constitution.(Act no 105 of 1996).
<b>Country of Origin and Legal Form</b>	South African local municipality as defined by the Municipal Structures Act (Act no 117 of 1998)
<b>Directors</b>	S A Mokweni - Municipal Manager C F Hoffmann - Chief Financial Officer J de K Jooste - Director: Infrastructure Development M J Mhlom - Director: Community Services A W J Everson - Director: Corporate Services P R Esau - Director: Strategic Services and Economic Development
<b>Principal Bankers</b>	ABSA P O Box 4453 Tyger Valley 7536
<b>Auditors</b>	Office of the Auditor General P O Box 446 Pretoria 0001
<b>Attorneys</b>	Muller Baard du Toit Posbus 41 Robertson 6705  Van Zyl & Hofmeyr Posbus 8 Montagu 6720  Van Niekerk & Linde Posbus 49 Bonnievale 6730
<b>Registered Office</b>	28 Main Street Ashton 6715
<b>Relevant Legislation</b>	Municipal Finance Management Act (Act no 56 of 2003) Division of Revenue Act The Income Tax Act Value Added Tax Act Municipal Structures Act (Act no 117 of 1998) Municipal Systems Act (Act no 32 of 2000) Municipal Planning and Performance Management Regulations Water Services Act (Act no 108 of 1997) Housing Act (Act no 107 of 1997) Municipal Property Rates Act (Act no 6 of 2004) Electricity Act (Act no 41 of 1987) Skills Development Levies Act (Act no 9 of 1999) Employment Equity Act (Act no 55 of 1998) Unemployment Insurance Act (Act no 30 of 1966) Basic Conditions of Employment Act (Act no 75 of 1997) Supply Chain Management Regulations, 2005 Collective Agreements Infrastructure Grants SALBC Leave Regulations

## Financial Position

	Note	2008 R	2007 R
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>		353,473,442.85	341,163,389
Housing Development Fund	1	5,923,469	5,450,691
Capital replacement reserve	2	29,451,578	29,451,578
Capitalisation reserve	2	35,155,811	38,529,696
Government grant reserve	2	72,620,249.69	69,020,860
Revaluation reserve	2	0	-
Accumulated Surplus/(Deficit)		210,322,335	198,710,564
<b>Non-current liabilities</b>		31,638,423	31,909,382
Long-term liabilities	3	29,845,657	30,116,615
Non-current provisions	4	1,792,766	1,792,767
<b>Current liabilities</b>		35,737,357	36,365,311
Consumer deposits	5	4,336,523	3,978,788
Provisions	6	2,739,215	2,108,848
Trade payables	7	15,511,820	15,277,175
Unspent conditional grants and receipts	8	6,643,949	7,949,508
Taxes	9	4,868,622	4,017,520
Short-term loans	10	0	-
Cash and cash equivalents	21	0	-
Current portion of long-term liabilities	3	1,637,228	3,033,473
<b>Total Net Assets and Liabilities</b>		<b>420,849,223</b>	<b>409,438,082</b>
<b>ASSETS</b>			
<b>Non-current assets</b>		330,229,544	315,692,183
Property, plant and equipment	11	315,394,884	301,038,757
Non-current assets held for sale	12	0	-
Investment property	13	10,131,000	10,371,000
Intangible Assets	14	503,320	434,037
Biological Assets	15	0	-
Investments	16	5,908	5,908
Long-term receivables	17	4,194,433	3,842,482
<b>Current assets</b>		90,619,680	93,745,899
Inventory	18	10,249,158	7,942,453
Trade receivables from exchange transactions	19	8,643,129	7,162,300
Other receivables - Non exchange transactions	20	2,138,082	3,870,831
Unpaid conditional grants and receipts	8	963,236	418,628
Current portion of long-term debtors	17	130,943	130,943
Cash and cash equivalents	21	68,495,131	74,220,744
<b>Total Assets</b>		<b>420,849,224</b>	<b>409,438,082</b>

## Financial Performance

		Actual	
	Note	2008 R	2007 R
<b>REVENUE</b>			
Property rates	22	20,322,854	22,602,993
Property rates - penalties imposed and collection charges		254,894	164,182
Service charges	23	139,217,530	125,520,458
Rental of facilities and equipment		498,375	922,007
Interest earned - external investments		8,746,970	5,137,098
Interest earned - outstanding debtors		504,389	2,602,135
Dividends received		-	-
Fines		3,033,289	2,599,621
Licences and permits		1,358,722	501,012
Income for agency services		(242,672)	1,847,252
Government grants and subsidies	24	31,687,684	33,366,895
Other income	25	4,530,600	4,602,117
Property, plant and equipment adjustments	11	-	-
Changes in fair values	16	-	3,853
Gains on disposal of property, plant and equipment		-	3,280,139
<b>Total Revenue</b>		<b>209,912,633</b>	<b>203,149,761</b>
<b>EXPENDITURE</b>			
Employee related costs	26	66,127,402	60,008,828
Remuneration of Councillors	27	4,216,902	3,853,794
Bad debts		6,104,253	9,862,567
Collection costs		-	636,112
Depreciation	11	19,304,684	16,459,472
Amortisation - Intangible Assets	14	94,795	13,387
Repairs and maintenance		7,260,005	5,789,905
Interest paid	28	4,380,447	3,442,194
Bulk purchases	29	50,982,806	47,514,730
Contracted services		-	2,086,899
Grants and subsidies paid	30	-	5,387,319
Operating Grant Expenditure	App "F"	-	1,188,513
General expenses	31	36,037,436	19,981,302
Loss on disposal of property, plant and equipment		3,348,546	-
<b>Total Expenditure</b>		<b>197,857,276</b>	<b>176,225,024</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>12,055,358</b>	<b>26,924,737</b>
<b>Share of surplus/(deficit) of associate accounted for under the equity method</b>	32	-	-
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>12,055,358</b>	<b>26,924,737</b>

Refer to Appendix E(1) for explanation of variances

## Change in the Net Assets

	<u>Pre-GAMAP Reserves and Funds R</u>	<u>Housing Development Fund R</u>	<u>Capital Replacement Reserve R</u>	<u>Capitalisation Reserve R</u>	<u>Government Grant Reserve R</u>	<u>Revaluation Reserve R</u>	<u>Accumulated Surplus/ (Deficit) R</u>	<u>Total R</u>
<b>2007</b>								
Balance at 30 June 2006	42,625,405	4,188,071					47,076,843	93,890,319
2006								-
Correction of error	-	-	-	-	-	-	-	-
Change in accounting policy - See Note 33	(42,625,405)	-	37,898,554	55,919,886	66,546,826	-	102,608,472	220,348,333
Offsetting of Backlog Depreciation - Intangible Assets	-	-	-	-	(328)	-	328	-
Offsetting of Backlog Depreciation	-	-	-	(14,010,507)	(9,087,669)	-	23,098,176	-
<b>Restated balance</b>	<b>-</b>	<b>4,188,071</b>	<b>37,898,554</b>	<b>41,909,378</b>	<b>57,458,830</b>	<b>-</b>	<b>172,783,819</b>	<b>314,238,652</b>
Net surplus/(deficit) for the year	-	-	-	-	-	-	26,924,737	26,924,737
Transfer to/from CRR	-	-	4,040,356	-	-	-	(4,040,356)	-
Property, plant and equipment purchased	-	-	(12,487,332)	-	-	-	12,487,332	-
Capital grants used to purchase PPE	-	-	-	-	14,745,777	-	(14,745,777)	-
Capital grants used to purchase Intangible Assets	-	-	-	-	36,050	-	(36,050)	-
Transfer to Housing Development Fund	-	1,262,620	-	-	-	-	(1,262,620)	-
Change in funding sources	-	-	-	-	297,756	-	(297,756)	-
Asset disposals	-	-	-	-	-	-	-	-
Offsetting of depreciation	-	-	-	(3,379,682)	(3,516,580)	-	6,896,262	-
Offsetting of depreciation - Intangible Assets	-	-	-	-	(972)	-	972	-
<b>Balance at 30 June 2007</b>	<b>-</b>	<b>5,450,691</b>	<b>29,451,578</b>	<b>38,529,696</b>	<b>69,020,860</b>	<b>-</b>	<b>198,710,564</b>	<b>341,163,389</b>
<b>2008</b>								
Correction of error - Note 34	-	-	254,696	-	-	-	-	254,696
Additional contribution to bad debt	-	-	-	-	-	-	-	-
<b>Restated balance</b>	<b>-</b>	<b>5,450,691</b>	<b>29,706,274</b>	<b>38,529,696</b>	<b>69,020,860</b>	<b>-</b>	<b>198,710,564</b>	<b>341,418,085</b>
Net surplus/(deficit) for the year	-	-	-	-	-	-	12,055,358	12,055,358
Transfer to/from CRR	-	-	21,196,326	-	-	-	(21,196,326)	-
Property, plant and equipment purchased	-	-	(21,451,022)	-	-	-	21,451,022	-
Capital grants used to purchase PPE	-	-	-	-	7,844,985	-	(7,844,985)	-
Capital grants used to purchase Intangible Assets	-	-	-	-	-	-	-	-
Transfer to Housing Development Fund	-	472,778	-	-	-	-	(472,778)	-
Change in funding sources	-	-	-	-	-	-	-	-
Asset disposals	-	-	-	-	(8,426)	-	8,426	-
Offsetting of depreciation	-	-	-	(3,373,885)	(4,229,325)	-	7,603,210	-
Offsetting of depreciation - Intangible Assets	-	-	-	-	(7,843)	-	7,843	-
<b>Balance at 30 June 2008</b>	<b>-</b>	<b>5,923,469</b>	<b>29,451,578</b>	<b>35,155,811</b>	<b>72,620,250</b>	<b>-</b>	<b>210,322,335</b>	<b>353,473,443</b>



## Notes AFS

### 1 HOUSING DEVELOPMENT FUND

Housing Development Fund	5,923,469	5,450,691
Unappropriated Surplus	<u>5,923,469</u>	<u>5,450,691</u>

The above balances are represented by cash and is invested together with the other investments of the municipality (See Notes 16 and 21)

### 2 NETT ASSET RESERVES

RESERVES	137,227,639	137,002,134
Capital Replacement Reserve	<u>29,451,578</u>	<u>29,451,578</u>
Capitalisation Reserve	35,155,811	38,529,696
Government Grant Reserve	72,620,250	69,020,860
Revaluation Reserve	-	-
Sub-total	<u>137,227,639</u>	<u>137,002,134</u>
	-	-
<b>Total Nett Asset Reserve Assets and Liabilities</b>	<b><u>137,227,639</u></b>	<b><u>137,002,134</u></b>

### 3 LONG-TERM LIABILITIES

Annuity Loans - At amortised cost	31,434,789	32,784,200
Capitalised Lease Liability - At amortised cost	48,096	365,888
Sub-total	<u>31,482,885</u>	<u>33,150,088</u>
Less : Current portion transferred to current liabilities	-1,637,228	-3,033,473
Financial Lease	<u>-31,816</u>	<u>(341,961)</u>
Annuity Loans	<u>-1,605,413</u>	<u>(2,691,511)</u>
<b>Total External Loans - At amortised cost</b>	<b><u>29,845,657</u></b>	<b><u>30,116,615</u></b>

## Notes AFS

**Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the above-mentioned notice**

- Leases (AC 105) Recognising operating lease payments / receipts on a straight line basis if the amount is recognised on the basis of the cash flows in the lease agreement. [SAICA Circular 12/06 paragraphs 8-11 and

The obligations under finance leases are scheduled below:

	<b>Minimum lease payments</b>	
Amounts payable under finance leases:		
Payable within one year	35,247	365,773
Payable within two to five years	18,124	23,926
	<u>53,370</u>	<u>389,699</u>
Less: Future finance obligations	5,274	23,811
<b>Present value of lease obligations</b>	<u>48,096</u>	<u>365,888</u>
Less: Amounts due for settlement within 12 months	<u>-31,816</u>	<u>-341,961</u>
<b>Amount due for settlement after 12 months</b>	<u>16,280</u>	<u>23,926</u>

Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance leases.

Leases are secured by property, plant and equipment. - Note 11

A bond is registered on the Town Hall of Ashton in favour of the Development Bank of South Africa as security for the following loans:

1) Extension - Municipal Offices	288,000	288,000
2) Vehicle Testing Station	298,000	298,000
3) Paving	157,000	157,000
4) Electrification - Industrial Area	40,000	40,000
	<b>783,000</b>	<b>783,000</b>

Debtors to the value of R 2 500 000 is ceded to the Development Bank of South Africa as security for the following loans: (Loan WC 13452)

1) Bulk Water Supply	2,301,237	2,301,237
2) Moveable Assets	150,000	150,000
3) Infrastructure Development	3,065,550	3,065,550
	<b>5,516,787</b>	<b>5,516,787</b>

Debtors to the value of R 650 000 is ceded to the Development Bank of South Africa as security for the following loans: (Loan WC 13586)

1) Moveable Assets	390,000	390,000
2) Infrastructure Development	1,080,000	1,080,000
	<b>1,470,000</b>	<b>1,470,000</b>

## Notes AFS

### 4 Non-current provision liabilities

Medical Aid Contributions	-	-
Long Service Award	-	-
Rehabilitation of Landfill-sites	1,792,766	1,792,767
<b>Total</b>	<b>1,792,766</b>	<b>1,792,767</b>
	<b>2008</b>	<b>2008</b>
	<b>Medical Aid</b>	<b>Long Service</b>
Balance 1 July 2007	-	-
Contribution for the year	-	-
	<input type="text"/>	<input type="text"/>
Less: Transfer of current portion to current provisions - Note 6	-	-
<b>Balance 30 June 2008</b>	<b>-</b>	<b>-</b>

## Notes AFS

### Other defined benefit plan information

#### Provision for Post Employment Health Care Benefits

The Post Employment Health Care Benefit plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	-
Continuation members (e.g. retirees, widows)	-
<b>Total</b>	-

The liability in respect of past service has been estimated to be as follows:

In-service members	-	-
Continuation members	-	-
<b>Total</b>	-	-

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;  
Hosmed  
LA Health  
Munimed, and  
SAMWU Medical Aid

The Future-service Cost for the ensuing year is estimated to be R XXXXX, whereas the Interest- Cost for the next year is estimated to be R XXXX.

Present value of fund obligations	-	-
Fair value of plan assets	-	-
	<input type="text"/>	<input type="text"/>
Unrecognised past service cost -	-	-
Unrecognised actuarial gains / (losses) -	-	-
Present value of unfunded obligations	-	-
<b>Net liability / (asset)</b>	-	-

## Notes AFS

### Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	-	-
Current service cost		
Interest Cost		
Benefits Paid		
Total expenses	-	-
Actuarial (gains) / losses	-	-
Present value of fund obligation at the end of the year	-	-

### Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets -	-	-
Contributions : employer	-	-
Contributions : employee -	-	-
Past service costs -	-	-
Actuarial (gains) / losses -	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

### Key assumptions used:

Discount rate	8.0%	8.0%
Health Care Cost Inflation Rate	6.0%	6.0%
Net Effective Discount Rate	1.9%	1.9%

### Provision for Long Service Bonuses

The Long Service Bonus plans are defined benefit plans. As at year end, 303 employees were eligible for Long Service. The Future-service Cost for the ensuing year is estimated to be R XXXX, whereas the Interest- Cost for the next year is estimated to be R XXXXX.

## Notes AFS

### Present value of fund obligations

Fair value of plan assets -	-	-
Unrecognised past service cost -	-	-
Unrecognised actuarial gains / (losses) -	-	-
Present value of unfunded obligations	-	-
Net liability / (asset)	-	-

### Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year	-	-
Current service cost	-	-
Interest Cost	-	-
Benefits Paid	-	-
Total expenses	-	-
Actuarial (gains) / losses	-	-
Present value of fund obligation at the end of the year	-	-

### Non-current provision liabilities - Continued

#### Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets -	-	-
Contributions : employer	-	-
Contributions : employee	-	-
Past service costs	-	-
Actuarial (gains) / losses	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the year	-	-

#### Key assumptions used:

Discount rate	8.0%	8.0%
General Salary Inflation (long-term)	6.0%	6.0%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	1.9%	1.9%

### Provision for the rehabilitation of landfill-sites

Balance brought forward	1,792,766	2,244,306
Charged / (credited) to the income statement:	-	-451,540
- Additional provisions	-	-
- Contribution to provision - Change in Accounting Policy	-	-
Reversal of provision overstated	-	-451,540
Transfer to current portion	-	-
Balance 30 June	1,792,766	1,792,766

## Notes AFS

### 5 CONSUMER DEPOSITS

Electricity	4,336,523	3,978,788
<b>Total Consumer Deposits</b>	<b>4,336,523</b>	<b>3,978,788</b>

The fair value of consumer deposits approximate their carrying value.

### 6 PROVISIONS

Current portion of rehabilitation of landfill sites provision - Note 4	451,540	451,540
Current portion of medical/retirement fund provisions - Note 4	-	-
Current portion of long-service provision - Note 4	-	-
Long Service Bonusses	336,350	-
Bonusses	1,951,325	1,657,308
<b>Total Provisions</b>	<b>2,739,215</b>	<b>2,108,848</b>

The movement in current provisions are reconciled as

	<u>Current portion Landfill Site</u>	<u>Current portion Long-service</u>
<b>30-Jun-08</b>		
Balance at beginning of year	451,540	-
Transfer from non-current	-451,540	-
Contributions to provision	-	-
Expenditure incurred	-	-
<b>Balance at end of year</b>	<b>-</b>	<b>-</b>

## Notes AFS

### 30-Jun-07

Balance at beginning of year	-	1,657,308
Transfer from non-current	451,540	-1,657,308
Contributions to provision	-	-
Expenditure incurred	-	-
<b>Balance at end of year</b>	<b>451,540</b>	<b>-</b>

### 30-Jun-08

	<u>Annual Bonus</u>	<u>Total Provisions</u>
Balance at beginning of year	1,657,308	2,108,848
Transfer from non-current	-	-451,540
Contributions to provision	294,017	630,367
Expenditure incurred	-	-
<b>Balance at end of year</b>	<b>1,951,325</b>	<b>2,287,675</b>

### 30-Jun-07

Balance at beginning of year	-	451,540
Transfer from non-current	-	-
Contributions to provision	1,657,308	1,657,308
Expenditure incurred	-	-
<b>Balance at end of year</b>	<b>1,657,308</b>	<b>2,108,848</b>



## Notes AFS

### 7 TRADE PAYABLES

#### Sundry Payables

Trade payables	8,063,043	6,839,405
Payments received in advance	10	1,175,156
Insurance Claims	-	110,264
Suspense	49,184	135,550
Retentions and Guarentees	687,862	1,321,267

Deposits: Other	2,014,094	1,253,802
	<b>10,814,193</b>	<b>10,835,443</b>

#### Employee Benefit Liabilities

Staff Leave liability i.t.o. GAMAP 19.15(b)	4,697,627	4,441,732
---	-----------	-----------

#### **Total Creditors**

Payables being paid within 30 days are being recognised net of discounts.	<b>15,511,820</b>	<b>15,277,175</b>
---	-------------------	-------------------

### 8 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

#### **8 Conditional Grants from other spheres of Government**

Unspent Grants	6,643,949	7,949,508
Less: Unpaid Grants	963,236	418,628
<b>Total Conditional Grants and Receipts</b>	<b>5,680,713</b>	<b>7,530,880</b>

See appendix "F" for reconciliation of grants from other spheres of government. These amounts are invested in a ring-fenced investment until utilised and approximate its carrying value. The municipality complied with the conditions attached

## Notes AFS

### 9 TAXES

VAT payable	<u>4,868,622</u>	<u>4,017,520</u>
VAT receivable - Note 20	<u>(0)</u>	<u>1,195,671</u>

VAT is payable on the receipts basis. Only once payment is received from debtors

### 10 SHORT-TERM LOANS

The Municipality has no short term loans

### 12 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale at beginning of year - at book	0	
Additions for the year	<u>0</u>	<u>0</u>
Non-current assets sold/written off during the year		
Non-current assets held for sale at end of year - at book value	<u>0</u>	<u>0</u>

**Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the notice.**

- Non-current Assets Held for Sale and Discontinued Operations (AC142) Classification, measurement and disclosure of non-current assets held for sale. [paragraphs 6-14, 15-29 (in so far as it relates to non-current assets held for sale), 38-42]

## Notes AFS

### 13 INVESTMENT PROPERTY

Cost	10,131,000	10,371,000
Less: Accumulated Depreciation	-	-
Total Investment Properties	<u>10,131,000</u>	<u>10,371,000</u>

The Municipality only identified Investment Properties during the 2005/2006 financial year. The value of Investment Properties was included under Property, Plant and Equipment

Revenue to the amount of R xxxxx was earned from the

**Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the notice.**

- Investment Property (AC 135) The entire standard to the extent that property is accounted for in terms of GAMAP 17.
- Investment Property (AC 135) Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised investment property in terms of this standard. [Paragraphs 79(e)(i) – (iii)]

## Notes AFS

### 14 INTANGIBLE ASSETS

<b>Cost</b>	<b>612,421</b>	<b>448,343</b>
<b>Balance 1 July 2007</b>	448,343	10,968
Transferred from Property, Plant and Equipment - At cost -	-	-
Aquisitions for the year - At cost	164,078	437,375
<b>Less: Accumulated Amortisation</b>	<b>(109,101)</b>	<b>(14,306)</b>
<b>Balance 1 July 2007</b>	(14,306)	(919)
Transferred from Property, Plant and Equipment - At cost -		
Accumulated Amortisation for the year	(94,795)	(13,387)
<b>Total Intangible Assets</b>	<b>503,320</b>	<b>434,037</b>

The Municipality transferred Intangible Assets (Computer  
The cost and accumulated amortisation were restated for the

**Exemptions taken according to the exemptions gazetted in terms of Government Notice No.**

- Intangible Assets (AC 129) The entire standards except for the recognition, measurement and disclosure of the computer software and website costs (AC 432) and all other costs were expensed.

## Notes AFS

### 15 BIOLOGICAL ASSETS

Carrying value of game at the beginning of the year	-	-
Decrease due to sales of game	-	-
Purchases of game	-	-
	<u>-</u>	<u>-</u>
<b>Carrying value of game at the end of the year</b>	<u><b>-</b></u>	<u><b>-</b></u>

Game are valued at fair value.

### 16 INVESTMENTS

#### Financial Instruments

##### Listed

xxx Sanlam Shares held at fair value through profit and loss	5,908	5,908
Other Fixed Deposits - at fair value	<u>-</u>	<u>-</u>
<b>Total Investments</b>	<u><b>5,908</b></u>	<u><b>5,908</b></u>

The effective interest rate was 6.98% (2007: 6.3%).

Investments made to serve as collateral security for staff	28,847	25,532
--	--------	--------

An amount of R 29451577.94 is ringfenced in investments - Fixed and Call- Accounts- (note 21) in order to fund the

An amount of R 6643949.44 is ringfenced in investments - Fixed and Call- Accounts- (note 21) in order to fund the

## Notes AFS

### 17 LONG-TERM RECEIVABLES

Staff Car Loans - At amortised cost	66,523	197,466
Provincial Government Housing Loans - At amortised cost	3,275,532	3,014,518
Staff Study loans - At amortised cost	70,326	28,810
Services connections - At amortised cost	25,499	25,640
Land Sales - At amortised cost	887,496	706,991
	<u>4,325,376</u>	<u>3,973,425</u>
Less : Current portion transferred to current receivables	<u>130,943</u>	<u>130,943</u>
<b>Total</b>	<b><u>4,194,433</u></b>	<b><u>3,842,482</u></b>

#### **CAR LOANS**

Senior staff are entitled to car loans which attract interest at 8% per annum and which are repayable over a maximum period of 6 years. These loans are redeemed July 2009 or when the employee resigns.

The car loans are secured over the asset..

### 18 INVENTORY

Consumable Stores - Stationery and materials	10,249,158	7,942,453
Water - At cost		
Housing inventory held for transfer - At cost		
Land held for resale – at cost		
Medallions	-	-
<b>Total Inventory</b>	<b><u>10,249,158</u></b>	<b><u>7,942,453</u></b>

## Notes AFS

### 19 TRADE RECEIVABLES FROM EXCHANGE

Water	4,881,208	3,209,760
Electricity	5,862,573	6,806,490
Housing Rentals	1,684,659	1,243,028
Refuse	3,737,341	2,538,342
Sanitation	4,960,613	3,362,942
Other Arrears	7,112,012	2,187,165
<b>Total : Trade receivables from exchange transactions</b>	<b>28,238,406</b>	<b>19,347,727</b>
Less : Provision for bad debts	(19,595,277)	(12,185,426)
<b>Total</b>	<b>8,643,129</b>	<b>7,162,300</b>
Debtor accounts written off during the year:	<b>400,778</b>	<b>6,341,889</b>

The fair value of other receivables approximate their carrying value.

#### **(Electricity, Water, Refuse, Sanitation and Other): Ageing**

Current (0 – 30 days)	7,229,799	
31 - 60 Days	1,262,200	
61 - 90 Days	901,172	
+ 90 Days	18,845,236	
<b>Total</b>	<b>28,238,406</b>	<b>-</b>

#### **Other Debtors: Ageing (Sundry Debtors and VAT)**

Current (0 – 30 days)		
31 - 60 Days		
61 - 90 Days		
+ 90 Days		
<b>Total</b>	<b>-</b>	<b>-</b>

## Notes AFS

### Summary of Debtors by Customer Classification

**30-Jun-08**

Current (0 – 30 days)

31 - 60 Days

61 - 90 Days

+ 90 Days

Sub-total

Less: Provision for bad debts

**Total debtors by customer classification**

Industrial/

Commercial

R

5,304,499

363,206

172,004

2,110,532

7,950,240

-1,796,608

**6,153,632**

National and  
Provincial

Government

R

361,638

28,939

27,018

4,289,442

4,707,037

-4,216,267

**490,770**

### Summary of Debtors by Customer Classification

**30-Jun-07**

Current (0 – 30 days)

31 - 60 Days

61 - 90 Days

+ 90 Days

Sub-total

Less: Provision for bad debts

**Total debtors by customer classification**

Industrial/

Commercial

R

-

-

-

-

-

-

-

National and  
Provincial

Government

R

-

-

-

-

-

-

-

Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers. The municipality's historical experience in collection of trade receivables falls within recorded



## Notes AFS

### 20 OTHER RECEIVABLES FROM NON-EXCHANGE

Taxes - Rates	4,661,700	4,132,596
Miscellaneous	1,908,410	5,051,010
Other Debtors	415,327	
Taxes - VAT		1,201,861
<b>Other Debtors</b>	<b>6,985,437</b>	<b>10,385,466</b>
Less : Provision for bad debts	(4,847,355)	(6,514,636)
<b>Total</b>	<b>2,138,082</b>	<b>3,870,831</b>

#### **Rates: Ageing**

Current (0 – 30 days)	706,290	
31 - 60 Days	237,322	-
61 - 90 Days	175,784	-
+ 90 Days	3,542,304	-
<b>Total</b>	<b>4,661,700</b>	<b>-</b>

#### **Miscellaneous: Ageing**

Current (0 – 30 days)	98,556	
31 - 60 Days	64,173	-
61 - 90 Days	57,068	-
+ 90 Days	1,688,612	-
<b>Total</b>	<b>1,908,410</b>	<b>-</b>

Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers. The municipality's historical experience in collection of trade receivables falls within recorded

The fair value of other receivables approximate their carrying value.

## Notes AFS

### 21 CASH AND CASH EQUIVALENTS

#### Assets

Call Investment Deposits	51,082,923	50,988,710
Primary Bank Account	17,404,982	23,227,056
Cash Floats	7,227	4,977

#### **Total Cash and Cash Equivalants - Assets**

<b>68,495,131</b>	<b>74,220,744</b>
-------------------	-------------------

#### Liabilities

Primary Bank Account (Overdraft)	-	-
----------------------------------	---	---

#### **Total Cash and Cash Equivalants - Liabilities**

<b>-</b>	<b>-</b>
----------	----------

The effective interest rate was 6.98% (2007: 6.3%).

The Municipality has the following bank accounts: -

#### Current Account (Primary Bank Account)

ABSA - Account Number 1050000008 (Primary Account)	17,402,582	30,744,101
ABSA - Account Number 4062728351	2,400	176,914

<b>17,404,982</b>	<b>30,921,015</b>
-------------------	-------------------

Cash book balance at beginning of year	23,227,056	7,034,924
Cash book balance at end of year	17,404,982	23,227,056

Bank statement balance at beginning of year - (overdrawn)	30,921,015	9,903,467
Bank statement balance at end of year - (overdrawn)	17,404,982	30,921,015

## Notes AFS

### 22 PROPERTY RATES

#### Actual

Rateable Land and Buildings	39,816,051	37,799,147
Less: Income Foregone	(19,493,197)	-15,196,155
<b>Total Assessment Rates</b>	<b>20,322,854</b>	<b>22,602,993</b>

#### Valuations

	<u>1 July 2007</u>	<u>1 July 2006</u>
Taxable properties	2,473,502,196	2,473,502,196
<b>Total Property Valuations</b>	<b>2,473,502,196</b>	<b>2,473,502,196</b>

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2003. The basic rate was 1,67 c per Rand on land and buildings (2007 =

Rates are levied monthly and payable by the 7th of the following month. Interest is levied at the prime rate plus 1% on

## Notes AFS

### 23 SERVICE CHARGES

Sale of electricity	94,288,741	87,130,897
Sale of Water	19,900,210	18,266,572
Waste Management charges	14,492,529	20,089,372
Waste Water Management charges	10,536,050	
Private Works	0	33,618
<b>Total Service Charges</b>	<b>139,217,530</b>	<b>125,520,458</b>

#### Electricity

Units bought/generated	268,490,872	268,490,872
Units sold	257,828,048	257,828,048
Units lost in distribution	10,662,824	10,662,824
Units lost in distribution (%)	3.971%	3.971%
Cost per unit bought/generated (cents)	R 0.173	R 0.173
Loss in Distribution (at cost)	R 1,842,725	R 1,842,725

#### Water

Units bought/generated	6,546,443	6,546,443
Units sold	5,279,987	5,279,987
Units lost in distribution	1,266,456	1,266,456
Units lost in distribution (%)	19.346%	19.346%
Cost per unit sold (cents)	R 2.619	R 2.619
Loss in Distribution (at selling price)	R 3,316,546	R 3,316,546

*Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the notice*

- Revenue (GAMAP 9) Initial measurement of fair value discounting all future receipts using an imputed rate of interest. [SIACA Circular 09/06 and paragraph 12]

## Notes AFS

### 24 GOVERNMENT GRANTS AND SUBSIDIES

Equitable Share	20,085,293	16,919,084
Subsidy - Health		434,625
Subsidy - Main Roads	336,238	38,000
Subsidy - library	319,173	4,846
Finance Management Grant	481,906	475,027
Municipal Systems Improvement Grant		87,794
Bulk Services		103,538
Development Levy		34,545
Zolani Sportsfields	19,267	4,491
Municipal Systems Improvement Grant	438,624	237,794
Route 62 Projects BDM	-	53,392
Performance Management	11,734	3,101
Trenches Bridges Montagu Floods Aug'05		39,576
B/vale Informal Area Relocation	6,298	23,662
Scaife Houses Sanitation		166,329
28 Semi-Detached Houses	121,406	63,253
Housing Project	4,589,033	2,066,847
Toilets		39,729
Performance Management		4,241
Integrated Information System		198,614
Integrated Spatial Information System	23,940	317,124
Drought Relief		5,663,628
Flood Damage MIG		1,428,499
Robertson Sewerage Pump Stations		40,887
Transformation Funds		23,031
Spatial Development Framework		208,154
Pre-paid Watermeters		7,628
INEP Funding - Electrification	313,567	361,748
Netball Courts Montagu	7,567	
Stormwater Upgrade Ashton/Bvale	440,000	
MIG Projects	1,786,401	
Transport Grant - DORA R1,79m	2,259,996	
ABSA Grant - Fire Brigade	16,741	
Cleaning Recycling Project	20,500	
Masibambane Programme	300,000	
Investigation Grant	110,000	
<b>Total Government Grant and Subsidies</b>	<b>31,687,684</b>	<b>29,049,187</b>

#### # *Equitable Share*

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive 6kl free water and 50kwh free

(See Appendix "F" for a reconciliation of all grants).

## Notes AFS

### 25 OTHER INCOME

Other income represents sundry income such as certificates,	4,530,600	4,602,117
<b>Total Other Income</b>	<b>4,530,600</b>	<b>4,602,117</b>

### 26 EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	44,022,511	36,684,411
Employee related costs - Contributions for UIF, pensions and	10,402,614	10,171,574
Travel, motor car, accommodation, subsistence and other	3,847,095	4,687,645
Housing benefits and allowances	662,049	556,482
Overtime Payments	2,791,184	2,763,367
Bonus	3,718,842	3,341,496
Staff Leave	683,106	602,749
Contribution to provision - Bonus - Note 6		1,657,308
Contribution to provision -Long Service Awards - Note 4		
Contribution to provision - Post Retirement Medical - Note 4		
	<b>66,127,402</b>	<b>60,465,033</b>
Less: Employee Costs Capitalised		(456,205)
<b>Total Employee Related Costs</b>	<b>66,127,402</b>	<b>60,008,828</b>

The Municipality pays for the medical aid of retired officials. There are currently seven retired officials who qualify for this benefit. The contribution for the current year was R807 175 (2007: RXXX) and the contribution for the

## Notes AFS

### KEY MANAGEMENT PERSONNEL

Key management personnel are all appointed on 5-year fixed contracts. There are no post-employment or termination

### REMUNERATION OF KEY MANAGEMENT PERSONNEL

#### **MUNICIPAL MANAGER: S A MOKWENI**

From 5 April 2007

Salary	448,282	89,750
Travel Allowance	132,710	32,627
Risk Allowance	8,333	5,865
Performance Bonus	23,881	
Pension	78,905	16,155
Medical Aid	14,011	
Equipment Allowance	6,808	4,945
Housing Allowance	6,539	4,741
Office Allowance	24,000	5,756
U.I.F.	117	350
Entertainment Allowance	6,694	4,857
Sundry	28,997	
Compensating Allowance		
Travelling	9,542	1,229
Subsistence	1,977	
<b>Total</b>	<b>790,796</b>	<b>166,276</b>

#### **MUNICIPAL MANAGER: N NEL**

Until 31 March 2007

Salary	223,294
Travel Allowance	116,905
Risk Allowance	60,833
Performance Bonus	56,974
Pension	40,193
Leave Payout	73,865
Medical Contribution	18,247
Bonus	16,299
Equipment Allowance	6,750
Housing Allowance	5,094
Office Allowance	4,500
Group Life Insurance	1,153
U.I.F.	1,050
<b>Total</b>	<b>625,157</b>

## Notes AFS

### **CHIEF FINANCIAL OFFICER: C F HOFFMANN**

From 1 June 2007

Salary	375,000	25,000
Travel Allowance	133,133	9,971
Pension	67,763	4,518
Medical Contribution	20,012	1,500
Group Life Insurance		750
U.I.F.		117
Compensating Allowance		
Travelling	7,942	
Subsistence	5,644	
<b>Total</b>	<b>609,493</b>	<b>41,855</b>

### **CHIEF FINANCIAL OFFICER: S A MOKWENI**

Vanaf 1 February 2007 to 4 April 2007

Salary	59,833
Travel Allowance	18,000
Risk Allowance	1,667
Pension	10,770
Equipment Allowance	1,667
Housing Allowance	1,506
Office Allowance	1,500
U.I.F.	233
Entertainment Allowance	1,583
<b>Total</b>	<b>96,759</b>



## Notes AFS

### **CHIEF FINANCIAL OFFICER: J J VAN DER WESTHUIZEN**

To 30 November 2006

Salary		159,735
Travel Allowance		99,033
Risk Allowance		30,396
Equipment Allowance		5,873
Housing Allowance		14,975
Office Allowance		6,249
U.I.F.		933
Leave Payout		8,000
Entertainment Allowance		10,437
<b>Total</b>		<b>335,629</b>

### **DIRECTOR: INFRASTRUCTURE DEVELOPMENT: J DE K JOOSTE**

Salary	320,000	285,885
Travel Allowance	160,158	152,549
Performance Bonus	43,688	39,719
Pension	57,600	51,459
Medical Contribution	27,670	17,058
Leave Payout	29,582	15,602
U.I.F.		1,399
Entertainment Allowance	31,319	15,255
Compensating Allowance		
Travelling		
Subsistence	84	
<b>Total</b>	<b>670,101</b>	<b>578,928</b>

## Notes AFS

### REMUNERATION OF KEY MANAGEMENT PERSONNEL

#### ***DIRECTOR: COMMUNITY DEVELOPMENT : M J MHLOM***

From 1 February 2007

Salary	360,000	131,250
Travel Allowance	106,800	44,500
Housing Allowance	11,495	3,765
Performance Bonus	17,522	
Pension	64,800	23,625
Equipment Allowance	16,010	3,129
Office Allowance	14,400	3,542
Medical Contribution	12,024	5,010
U.I.F.		583
Entertainment Allowance	11,217	3,649
Sundry	15,153	
Compensating Allowance		
Travelling	9,770	
Subsistence	8,821	
<b>Total</b>	<b>648,012</b>	<b>219,053</b>

#### ***DIRECTOR: COMMUNITY DEVELOPMENT: J MARTHINUS***

To 30 November 2006

Salary	100,000
Travel Allowance	59,187
Pension	18,000
Leave Payout	47,257
Medical Contribution	7,578
U.I.F.	583
<b>Total</b>	<b>232,605</b>

## Notes AFS

### ***DIRECTOR: CORPORATE SERVICES: A W J EVERSON***

From 1 June 2007

Salary	380,000	26,083
Travel Allowance	123,345	9,500
Performance Bonus		
Pension	68,400	4,695
Medical Contribution	19,008	1,060
Equipment Allowance	5,994	66
Group Life Insurance		696
U.I.F.		117
Sundry	3	
Compensating Allowance		
Travelling	6,139	
Subsistence	2,206	
Telephone		
<b>Total</b>	<b>605,095</b>	<b>42,217</b>

### ***DIRECTOR: STRATEGIC SERVICES AND ECONOMIC DEVELOPMENT: P R ESAU***

From 1 October 2006

Salary	384,500	220,500
Bonus	27,728	
Travel Allowance	143,903	104,940
Performance Bonus	31,946	24,281
Pension	69,210	39,690
Medical Contribution	10,814	8,111
U.I.F.		1,050
<b>Total</b>	<b>668,101</b>	<b>398,572</b>

## Notes AFS

### 27 REMUNERATION OF COUNCILLORS

#### **EXECUTIVE MAYOR: S J NGONYAMA**

Allowance	350,472	368,976
Transport	116,824	127,524
Telephone/Cell phone	14,400	13,404
Pension fund		86,599
Sundry	11,218	
	<u>492,914</u>	<u>596,503</u>

#### **DEPUTY EXECUTIVE MAYOR: C J GROOTBOOM**

Allowance	280,377	94,015
Transport	93,459	31,221
Telephone/Cell phone	14,400	4,847
Pension fund		26,929
Medical aid		18,733
Sundry	1,440	
	<u>389,676</u>	<u>175,744</u>

#### **DEPUTY EXECUTIVE MAYOR: W P HORNE**

Until 27 February 2007		
Allowance		198,451
Transport		69,804
Housing		
Telephone/Cell phone		8,456
Pension fund		40,385
		<u>317,096</u>

#### **SPEAKER: M W H DU PREEZ**

Allowance	280,377	294,844
Transport	93,459	101,935
Telephone/Cell phone	14,400	13,404
Pension fund		19,278
Sundry	1,440	
	<u>389,676</u>	<u>429,461</u>

#### **MEMBER OF EXECUTIVE MAYORAL COMMITTEE: C O MATTHYS**

Until 31 July 2007		
Allowance	20,376	276,316
Transport	6,792	95,538
Telephone/Cell phone	1,117	13,404
Pension fund		64,950
Medical aid		2,668
Sundry	3,030	
	<u>31,315</u>	<u>452,876</u>

## Notes AFS

### **MEMBER OF EXECUTIVE MAYORAL COMMITTEE: O SIMPSON**

Allowance	262,854	85,467
Transport	87,618	28,488
Telephone/Cell phone	14,400	4,779
Pension fund		24,572
Medical aid		17,093
Sundry	2,503	
	<u>367,375</u>	<u>160,399</u>

### **MEMBER OF EXECUTIVE MAYORAL COMMITTEE: E J VOLLENHOVEN**

From 10 August 2007

Allowance	235,379
Transport	78,460
Telephone/Cell phone	12,919
Sundry	1,324
	<u>328,081</u>

### **MEMBER OF EXECUTIVE MAYORAL COMMITTEE: T M VAN DER MERWE**

Until 16 Februarie 2007

Allowance	185,948
Transport	65,423
Telephone/Cell phone	8,456
	<u>259,827</u>

### **OTHER COUNCILLORS**

Allowance	1,713,083	1,296,743
Transport	525,818	413,665
Telephone/Cell phone		125,589
Pension fund		(293,164)
Medical aid		(40,484)
	<u>2,238,901</u>	<u>1,502,349</u>

### **Total Councillors' Remuneration**

<u>4,237,938</u>	<u>3,894,255</u>
------------------	------------------

### ***In-kind Benefits***

The Executive Mayor, Deputy Executive Mayor, Mayoral Committee members and Speaker are full-time. Each is

## Notes AFS

### 28 INTEREST PAID

Long-term liabilities	4,380,447	3,442,194
Overdraft Facilities		
<b>Total Interest on External Borrowings</b>	<b><u>4,380,447</u></b>	<b><u>3,442,194</u></b>

### 29 BULK PURCHASES

Water	1,105,506	1,114,736
Electricity	49,877,300	46,399,994
<b>Total Bulk Purchases</b>	<b><u>50,982,806</u></b>	<b><u>47,514,730</u></b>

### 30 GRANTS AND SUBSIDIES PAID

Free Basic Services	-	5,387,319
<b>Total Grants and Subsidies</b>	<b><u>-</u></b>	<b><u>5,387,319</u></b>

### 31 GENERAL EXPENSES

General Expenses	<b><u>36,037,436</u></b>	<b><u>19,981,302</u></b>
------------------	--------------------------	--------------------------

General expenses contains administrative and technical expenses otherwise not

### 32 SURPLUS OF ASSOCIATE

The municipality has got no shares in associates	-	-
--	---	---

## Notes AFS

### 33 CHANGE IN ACCOUNTING POLICY IN TERMS OF GRAP 3 -

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GAMAP: -

#### # Statutory Funds

##### Balance previously reported: -

Revolving Fund

Loan Redemption Fund

**Total**

-

-

-

##### Implementation of GAMAP

Transferred to the Capital Replacement Reserve

Transferred to the Housing Development Fund

Transferred to the Capitalisation Reserve

**Transfer to Accumulated Surplus/deficit - See Note 33.8 below**

**Total**

-

-

-

-

-

#### # Loans Redeemed and Other Capital Receipts

##### Balance previously reported

##### Implementation of GAMAP

##### Redemption and depreciation periods differ

Internal Loans per Appendix B - IMFO

Internal Loans per asset register - Book value

**Transfer to Accumulated Surplus/deficit - See Note 33.8 below**

Outstanding Internal Loans Transfer to Capitalisation Reserve

Transfer from Property Plant and Equipment - Note 33.6

Transferred to Government Grant Reserve

Transferred to Government Grant Reserve - Intangible Assets

Transferred to Donations and Public Contribution Reserve

**Transfer to Accumulated Surplus/deficit - See Note 33.8 below**

**Total**

-

-

-

-

55,919,886

-

66,541,709

5,118

-

-122,466,712

-

#### # Provisions and Reserves

##### Balance previously reported

Staff Leave

Staff Bonuses

**Total**

4,441,732

-

4,441,732

##### Implementation of GAMAP

**Transfer to Trade Payables - Staff Leave - See Note 6 above**

**Transfer to Provisions - Staff Bonuses - See Note 5 above**

**Transfer to Accumulated Surplus/deficit - See Note 33.8 below**

4,441,732

-

4,441,732

#### # Long-term Liabilities

##### Balance previously reported

##### Implementation of GAMAP

**Transfer to Accumulated Surplus/deficit - See Note 33.8 below**

Leases previously not recognised - Note 3

**Total**

32,784,200

695,622

33,479,822

## Notes AFS

### CHANGE IN ACCOUNTING POLICY IN TERMS OF GRAP 3 -

#### # *Non-current provisions*

Balance previously reported

-

Implementation of GAMAP

Transfer from Accumulated Surplus/deficit - See Note 33.8 below

2,669,335

Post Employment Medical Benefit Fund

Long-service

Rehabilitation of Landfill-sites at cost (GAMAP 19). -

3,600,540

Rehabilitation of Landfill-sites - Expenditure already

-931,205

**Total**

**2,669,335**

#### # *Property, plant and equipment - GAMAP 17*

Balance previously reported

260,170,804

Implementation of GAMAP

Property, Plant and Equipment previously not

160,124,201

Property, Plant and Equipment previously not

3,600,540

Property, Plant and Equipment transferred to

-10,371,000

Property, Plant and Equipment transferred to Intangible

-434,037

Property, Plant and Equipment financed through leases

1,422,100

**Total**

**414,512,608**

#### # *Accumulated Depreciation - GAMAP 17*

Balance previously reported

-

Implementation of GAMAP

Backlog depreciation: Land and buildings

-128,521,242

Backlog depreciation: Infrastructure

-187,760,522

Backlog depreciation: Community

-70,248,182

Backlog depreciation: Leased assets

-1,422,100

Backlog depreciation: Other

-73,186,695

**Total (debited to Government Grant Reserve) (see SOCNA)**

Transfer to Accumulated Surplus/deficit - See Note 33.8 below

**-461,138,742**

#### # *Accumulated Surplus/(Deficit)*

Implementation of GAMAP

Excessive provisions and reserves no longer permitted - Note 33.3

0

Non-current provisions previously not recognised - Note 33.5

-2,669,335

Leased assets - Redemption previously recognised as expenditure - Note 3

726,478

Transferred from statutory funds - Note 33.1

0

Transferred from Loans Redeemed and Other Capital Receipts - Note 33.2

-122,466,712

Property, Plant and Equipment previously not

160,124,201

Property, Plant and Equipment previously not

3,600,540

Backlog depreciation - Note 33.7

461,138,742

**Total**

**500,453,913**



## Notes AFS

### 34 CORRECTION OF ERROR IN TERMS OF GRAP 3

#### Prior year adjustments

#### # Housing Controls Accounts

##### Balance previously reported

Adjustment debited to Accumulated Surplus due to a 5

##### Total

-	-
-	-

#### # VAT

Adjustments in Vat receivable - Prior Year Adjustment

##### Total (debited to Accumulated Surplus/(Deficit) - Note

-	-
-	-

#### # Accumulated Surplus/(Deficit)

Adjustment in housing controls accounts debited to

Accumulated Surplus - Note 34.1

Adjustments in Vat receivable debited to Accumulated

##### Total

-	-
-	-
-	-
-	-

#### # Post Retirement Benefits and long Service Awards

implemented the first time and valued at 30 June 2007 in

Medical Aid Contributions

Long Service Award

##### Total debited to Accumulated Surplus/deficit - See Note 4

-	-
-	-

### 35 CASH GENERATED BY OPERATIONS

Surplus for the year	12,055,358	26,924,737
Adjustment for:-		
Depreciation	19,304,684	16,459,472
Amortisation of Intangible Assets	94,795	13,387
Gain on disposal of property, plant and equipment	3,348,546	(3,280,139)
Asset written off	-	-
Contribution from provisions	-	(425,029)
Contribution to provisions – current	630,367	1,657,308
Contributed Property, Plant and Equipment	-	-
Investment income	(8,746,970)	(5,137,098)
Interest paid	4,380,447	3,442,194
<b>Operating surplus before working capital changes:</b>	<b>31,067,226</b>	<b>39,654,834</b>
(Increase)/Decrease in inventories	(2,306,704)	-
(Increase)/decrease in debtors	(1,480,829)	-
(Increase)/decrease in other debtors	1,732,748	-
(Decrease)/increase in unspent conditional grants and	(1,305,558)	-
Decrease/(increase) in unpaid conditional grants and receipts	(544,608)	-
Increase(decrease) in creditors	234,645	-
(Increase)/decrease in VAT	851,102	-
<b>Cash generated by/(utilised in) operations</b>	<b>28,248,021</b>	<b>39,654,834</b>

## Notes AFS

### 36 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow

Bank balances and cash	68,495,131	74,220,744
Bank overdraft	-	-
<b>Total cash and cash equivalents</b>	<b><u>68,495,131</u></b>	<b><u>74,220,744</u></b>

### 37 UTILISATION OF LONG-TERM LIABILITIES

Long-term liabilities - Note 3	31,482,885	33,150,088
Used to finance property, plant and equipment – at cost	<u>31,482,885</u>	<u>33,150,088</u>
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities	<u>260,390</u>	<u>260,390</u>
<b>Cash invested for repayment of long-term liabilities</b>	<b><u>260,390</u></b>	<b><u>260,390</u></b>

Long-term liabilities have been utilized in accordance with the

### 38 UNAUTHORISED, IRREGULAR, FRUITLESS AND

There were no unauthorised-, fruitless- or wasteful

## Notes AFS

### 39 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL

#### # Contributions to organized local government

Opening balance	-	-
Council subscriptions	229,948	186,508
Amount paid - current year	(229,948)	(186,508)
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

#### # Audit fees

Opening balance	-	-
Current year audit fee	1,243,510	368,452
Amount paid - current year	(1,243,510)	(368,452)
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

#### # VAT

Vat inputs receivables and Vat outputs payables are shown in  
All VAT returns have been submitted by the due date

#### # PAYE and UIF

Opening balance	-	-
Current year payroll deductions	-	-
Amount paid - current year	-	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

#### # Pension and Medical Aid Deductions

Opening balance	-	-
Current year payroll deductions and Council Contributions	9,585,781	8,121,781
Amount paid - current year	(9,585,781)	(8,121,781)
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

#### # Councillor's arrear consumer accounts

There were no Councillors who were in arrears for more than

#### # Non-Compliance with Chapter 11 of the Municipal

The following purchases were made during the year where

Commision on electricity sales paid to S & L Dienste where Councillor L H de Koker has an interest	20,880	20,880
Purchases from Berry Bright Trading & Investment/ Vinn	-	-
Investments Nr 17, where the spouse of the formar	4,580	6,525

## Notes AFS

### ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL MANAGEMENT ACT (continued)

#### 40 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

- Approved and contracted for

*Infrastructure*

*Other*

	-	-
	-	-

- Approved but not yet contracted for

*Infrastructure*

*Community*

*Other*

57,302,000	-
29,977,000	-
24,701,000	-
2,624,000	-

**Total**

<b>57,302,000</b>	-
-------------------	---

This expenditure will be financed from:

- External Loans

- Capital Replacement Reserve

- Government Grants

- Own resources

- District Council Grants

11,040,000	-
21,128,000	-
25,134,000	-
-	-
-	-
<b>57,302,000</b>	-

#### 41 RETIREMENT BENEFIT INFORMATION

Council employees contribute to the Cape Joint Municipal Pension Fund and SAMWU National Provident Fund which is defined contribution funds. Some employees contribute to the South African Local Authorities Pension Fund which is a defined benefit fund. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on

An amount of R 7 456 134.63 was contributed by Council in respect of Councillors' and employees' retirement funding.

## Property, Plant and Equipment

30 June 2008

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infrastructure</u>	<u>Community</u>	<u>Leased Assets</u>	<u>Other</u>	<u>Total</u>
	R	R	R		R	R
<b>Carrying values at 1 July 2007</b>	<b>84,408,711</b>	<b>140,352,836</b>	<b>33,974,626</b>	<b>300,035</b>	<b>42,002,549</b>	<b>301,038,757</b>
Cost	128,521,242	187,760,522	70,248,182	1,422,100	73,186,695	461,138,742
Change in accounting policy - Note 33	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Accumulated depreciation	(44,112,532)	(47,407,686)	(36,273,556)	(1,122,065)	(31,184,146)	(160,099,985)
- Cost	(44,112,532)	(47,407,686)	(36,273,556)	(1,122,065)	(31,184,146)	(160,099,985)
Change in accounting policy - Note 33						0
- Revaluation	0	0	0		0	0
Acquisitions	5,120,923	21,819,504	1,538,283	26,000	9,866,391	38,371,101
Donated vehicles and equipment - At cost					0	0
Transfers	0	0	0		0	0
At Cost	0	0	0		0	0
Accumulated Depreciation	0	0	0		0	0
Depreciation	(3,198,934)	(9,402,328)	(1,999,881)	(281,173)	(4,422,368)	(19,304,684)
- based on cost	(3,198,934)	(9,402,328)	(1,999,881)	(281,173)	(4,422,368)	(19,304,684)
- Backlog on previously not recorded						0
Carrying value of disposals	(4,614,135)	0	(899)		(95,255)	(4,710,290)
Cost/revaluation	(7,712,000)	0	(2,000)	0	(543,504)	(8,257,504)
Accumulated depreciation	3,097,865	0	1,101	0	448,249	3,547,214
Impairment losses	0	0	0		0	0
Adjustments through profit and loss	0	0	0		0	0
At cost	0	0	0			0
Accumulated depreciation	0	0	0			0
<b>Carrying values at 30 June 2008</b>	<b>81,716,564</b>	<b>152,770,012</b>	<b>33,512,129</b>	<b>44,862</b>	<b>47,351,317</b>	<b>315,394,884</b>
Cost	125,930,165	209,580,026	71,784,465	1,448,100	82,509,582	491,252,338
Revaluation	0	0	0	0	0	0
Accumulated depreciation	(44,213,601)	(56,810,014)	(38,272,336)	(1,403,238)	(35,158,265)	(175,857,454)
- Cost	(44,213,601)	(56,810,014)	(38,272,336)	(1,403,238)	(35,158,265)	(175,857,454)
- Revaluation	0	0	0	0	0	0

## Property, Plant and Equipment

30 June 2007

Reconciliation of Carrying Value	Land and Buildings	Infrastructure	Community	Leased Assets	Other	Total
	R	R	R		R	R
<b>Carrying values at 1 July 2006</b>	<b>84,702,645</b>	<b>112,005,267</b>	<b>35,376,482</b>	<b>600,708</b>	<b>38,186,994</b>	<b>270,872,096</b>
Cost	125,704,453	152,046,123	69,673,426	1,422,100	65,666,506	414,512,608
Change in accounting policy - Note 33						
Revaluation	0	0	0	0	0	0
Accumulated depreciation	(41,001,807)	(40,040,856)	(34,296,944)	(821,392)	(27,479,512)	(143,640,512)
- Cost	(41,001,807)	(40,040,856)	(34,296,944)	(821,392)	(27,479,512)	(143,640,512)
Change in accounting policy - Note 33						0
- Revaluation	0	0	0		0	0
Acquisitions	2,816,790	35,714,399	574,756	0	7,520,189	46,626,133
Donated vehicles and equipment - At cost					0	0
Transfers	0	0	0		0	0
At Cost	0	0	0		0	0
Accumulated Depreciation	0	0	0		0	0
Depreciation	(3,110,724)	(7,366,830)	(1,976,612)	(300,673)	(3,704,634)	(16,459,472)
- based on cost	(3,110,724)	(7,366,830)	(1,976,612)	(300,673)	(3,704,634)	(16,459,472)
- Backlog on previously not recorded						0
Carrying value of disposals	0	0	0		0	0
Cost/revaluation	0	0	0		0	0
Accumulated depreciation	0	0	0		0	0
Impairment losses	0	0	0		0	0
Adjustments through profit and loss	0	0	0		0	0
At cost	0	0	0			0
Accumulated depreciation	0	0	0			0
<b>Carrying values at 30 June 2007</b>	<b>84,408,711</b>	<b>140,352,836</b>	<b>33,974,626</b>	<b>300,035</b>	<b>42,002,549</b>	<b>301,038,757</b>
Cost	128,521,242	187,760,522	70,248,182	1,422,100	73,186,695	461,138,742
Revaluation	0	0	0	0	0	0
Accumulated depreciation	(44,112,532)	(47,407,686)	(36,273,556)	(1,122,065)	(31,184,146)	(160,099,985)
- Cost	(44,112,532)	(47,407,686)	(36,273,556)	(1,122,065)	(31,184,146)	(160,099,985)
- Revaluation	0	0	0	0	0	0



## Property, Plant and Equipment

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

The leased property, plant and equipment is secured as set out in Note 3.

The Municipality identified other properties, plant and equipment, with opening balances and adjustments during the year.

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 2009. 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

**Exemptions taken according to the exemptions gazetted in terms of Government Notice No. 30013 of 29 June 2007 and specifically paragraph 3(2) b of the notice.**

- Property, Plant and Equipment (GAMAP 17) Review of useful life of item of PPE recognised in the annual financial statements. [Paragraphs 59-61 and 77]
- Property, Plant and Equipment (GAMAP 17) Review of the depreciation method applied to PPE recognised in the annual financial statements. [Paragraphs 62 and 77]
- Property, Plant and Equipment (GAMAP 17) Impairment of non-cash generating assets. [Paragraphs 64-69 and 75(e)(v) – (vi)]
- Property, Plant and Equipment (GAMAP 17) Impairment of cash generating assets. [Paragraphs 63 and 75(e)(v) – (vi)]
- Impairments of Assets (AC 128) Entire
- Investment Property (AC 135) The entire standard to the extent that property is accounted for in terms of GAMAP 17.
- Investment Property (AC 135) Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised investment property in terms of this standard. [Paragraphs 79(e)(i) – (iii)]
- Intangible Assets (AC 129) The entire standards except for the recognition, measurement and disclosure of the computer software and website costs (AC 432) and all other costs were expensed.
- Non-current Assets Held for Sale and Discontinued Operations (AC142) Classification, measurement and disclosure of non-current assets held for sale. [paragraphs 6-14, 15-29 (in so far as it relates to non-current assets held for sale), 38-42]

## Cash Flow Statement for the Year Ended 30 June 2008

	Note	2008 R	2007 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from ratepayers, government and other		201,724,076	197,687,465
Cash paid to suppliers and employees		-173,476,055	-160,932,708
Cash generated from/(utilised in) operations	35	28,248,021	36,754,757
Interest received		8,746,970	5,137,098
Interest paid		(4,380,447)	(3,442,194)
Correction of error - Note 34		254,696	
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>32,869,241</b>	<b>38,449,661</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(38,371,101)	(46,626,133)
Transfer to Investment Properties			
Proceeds on disposal of fixed assets		1,601,743	3,280,139
Purchase of in Intangible Assets		(164,078)	(437,375)
Purchase of Investment Properties			
(Increase)/decrease in biological assets			
(Increase)/decrease in long-term receivables		(351,951)	(2,429,864)
(Increase)/decrease in non-current investments		-	(3,853)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(37,285,386)</b>	<b>(46,217,087)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New loans raised/(repaid)		(1,667,203)	8,818,344
Increase in consumer deposits		357,735	103,122
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(1,309,468)</b>	<b>8,921,466</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(5,725,613)</b>	<b>1,154,041</b>
Cash and cash equivalents at the beginning of the year		74,220,744	73,066,703
Cash and cash equivalents at the end of the year		68,495,131	74,220,744
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(5,725,613)</b>	<b>1,154,041</b>



## Appendix A

### Breede River Winelands Municipality: Schedule of External Loans as At 30 June 2008

EXTERNAL LOANS	Rate	Redeemable	Balance at 30/06/06	Received during the period	Redeemed written off during the period	Balance at 30/06/07	Cost Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			R	R	R	R	R	R
<b>LONG-TERM LOANS</b>			0	0	0	0	0	0
<b>Total long-term loans</b>			0	0	0	0	0	0
<b>ANNUITY LOAN</b>								
Development Bank of Southern Africa	17.10%	2000-2019	62,170		5,051	57,119	100,000	0
Development Bank of Southern Africa	16.50%	1999-2018	36,195		924	35,271	40,000	
Development Bank of Southern Africa	17.10%	2000-2019	373,018		30,305	342,713	600,000	
Development Bank of Southern Africa C B R	17.10%	2000-2019	264,221		21,466	242,755	425,000	
		08/93-07/17	37,686			37,686	63,360	
Development Bank of Southern Africa	16.50%	1999-2018	104,772		6,651	98,121	288,000	
Development Bank of Southern Africa			2,108		843	1,265	4,216	
Development Bank of Southern Africa			45,615		18,246	27,369	91,230	
Development Bank of Southern Africa	16.52%	1999-2018	100,722		7,529	93,194	150,000	
Development Bank of Southern Africa	17.10%	2000-2019	96,908		7,576	89,332	150,000	
Development Bank of Southern Africa	16.52%	2001-2020	124,224		9,285	114,939	185,000	
Development Bank of Southern Africa	16.50%	1999-2018	142,066		3,625	138,440	157,000	
Development Bank of Southern Africa	16.52%	2001-2020	201,444		15,057	186,387	300,000	
Development Bank of Southern Africa	17.10%	2000-2019	62,170		5,051	57,119	100,000	
Development Bank of Southern Africa	17.10%	2000-2019	166,682		13,031	153,651	258,000	
Development Bank of Southern Africa	17.10%	2000-2019	311,399		24,345	287,054	482,000	
Development Bank of Southern Africa	14.00%	1998-2018	427,107		16,397	410,710	499,999	
Development Bank of Southern Africa	17.10%	2000-2019	80,757		6,314	74,443	125,000	
Development Bank of Southern Africa	16.52%	06/03-06/08	26,903		1,590	25,314	31,672	
Development Bank of Southern Africa	10%	1996/2016	54,376		3,078	51,298	60,000	
Development Bank of Southern Africa	10%	1996/2016	20,391		1,154	19,236	22,500	
Development Bank of Southern Africa	16%	1999-2019	121,896		3,841	118,055	136,090	
Development Bank of Southern Africa	15.75%	1999-2018	1,787,716		61,153	1,726,563	2,175,459	
Development Bank of Southern Africa	17.10%	2000-2019	64,606		5,051	59,555	100,000	
Development Bank of Southern Africa			25,974		10,390	15,584	51,948	
Cape Amalgamated Joint Pension Fund	15.10%	1982-12/12	324,920			324,920	324,920	
Unibank	15.25%	1983-12/12	23,246		2,947	20,300	41,262	
Development Bank of Southern Africa	14.00%	1998-2018	723,147		28,520	694,627	850,000	
Local Authorities Loans Fund	13.30%	1983-2012	346,179		46,070	300,109	668,355	
Local Authorities Loans Fund	13.75%	1984-2014	616,714		56,886	559,827	1,000,000	
Development Bank of Southern Africa	16%	1999-2019	1,055,361		31,584	1,023,777	1,172,085	
Development Bank of Southern Africa	16.50%	2000-2019	1,261,773		34,181	1,227,592	1,724,100	
Development Bank of Southern Africa	15.75%	1999-2018	1,787,716		61,153	1,726,563	2,175,459	
Development Bank of Southern Africa			261,781		15,480	246,301	300,000	
Development Bank of Southern Africa			175,000		70,000	105,000	350,000	
Development Bank of Southern Africa			5,914,181			5,914,181	5,914,181	
Development Bank of Southern Africa			2,475,732			2,475,732	2,475,732	
Development Bank of Southern Africa			2,175,021			2,175,021	2,175,021	
Development Bank of Southern Africa	16.50%	1999-2018	269,629		6,881	262,748	298,000	
Development Bank of Southern Africa	16.50%	2000-2019	64,606		5,051	59,555	100,000	
Development Bank of Southern Africa	16.52%	2001-2020	94,007		7,027	86,981	140,000	
Development Bank of Southern Africa	16.52%	2001-2020	80,578		6,023	74,555	120,000	
Development Bank of Southern Africa			30,552		12,221	18,331	61,104	
Development Bank of Southern Africa			52,001		20,800	31,201	104,002	
Development Bank of Southern Africa	17.10%	2000-2019	314,299		25,534	288,765	505,550	
Development Bank of Southern Africa	17.10%	2000-2019	74,604		6,061	68,543	120,000	
Local Authorities Loans Fund	16.15%	1991-2011	10,647		2,073	8,574	22,000	
Development Bank of Southern Africa	12.00%	1995-2015	29,110		1,667	27,443	37,436	
Development Bank of Southern Africa	16%	1999-2019	63,188		2,500	60,688	72,433	
Development Bank of Southern Africa	16%	1999-2019	375,797		11,843	363,954	419,561	
Development Bank of Southern Africa	15.75%	1999-2018	1,145,071		39,832	1,105,238	1,417,000	
Development Bank of Southern Africa	13.29%	1994-2009	34,477		16,123	18,354	130,000	
Development Bank of Southern Africa			49,068		19,627	29,441	98,135	
Development Bank of Southern Africa			49,068		19,627	29,441	98,135	
Development Bank of Southern Africa	13%	2001-2020	2,857,410		211,660	2,645,750	4,500,000	
Development Bank of Southern Africa	16.50%	2000-2019	2,486,829		67,367	2,419,461	3,398,029	
Development Bank of Southern Africa	17.10%	2000-2020	1,495,804		115,062	1,380,742	2,301,237	
Local Authorities Loans Fund	16.15%	1991-2011	250,100		48,694	201,405	501,769	
Development Bank of Southern Africa		1996-2016	118,719		6,720	111,999	131,000	
Local Authorities Loans Fund	13.22%	1994-2014	58,557		5,498	53,060	91,364	
Development Bank of Southern Africa			218,150		12,900	205,251	250,000	
Development Bank of Southern Africa			634,419		35,603	598,816	690,000	
Development Bank of Southern Africa			45,615		18,246	27,369	91,230	
<b>Total annuity loans</b>			<b>32,784,200</b>	<b>-</b>	<b>1,349,411</b>	<b>31,434,789</b>	<b>41,465,573</b>	<b>0</b>
<b>LEASE LIABILITY</b>								
Finance Leases	11.72%-12.07%	2009	365,888	26,000	343,791	48,096	1,422,100	0
<b>Total Lease Liabilities</b>			<b>365,888</b>	<b>26,000</b>	<b>343,791</b>	<b>48,096</b>	<b>1,422,100</b>	<b>0</b>
<b>TOTAL EXTERNAL LOANS</b>			<b>33,150,088</b>	<b>26,000</b>	<b>1,693,203</b>	<b>31,482,885</b>	<b>42,887,673</b>	<b>0</b>

# Appendix A

## Breede River Winelands Municipality: Schedule of External Loans as At 30 June 2008

EXTERNAL LOANS	Rate	Redeemable	Balance at 30/06/06	Received during the period	Redeemed written off during the period	Balance at 30/06/07	Cost Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			R	R	R	R	R	R
<b>LONG-TERM LOANS</b>			0	0	0	0	0	0
<b>Total long-term loans</b>			0	0	0	0	0	0
<b>ANNUITY LOAN</b>								
Development Bank of Southern Africa	17.10%	2000-2019	62,170		5,051	57,119	100,000	0
Development Bank of Southern Africa	16.50%	1999-2018	36,195		924	35,271	40,000	
Development Bank of Southern Africa	17.10%	2000-2019	373,018		30,305	342,713	600,000	
Development Bank of Southern Africa	17.10%	2000-2019	264,221		21,466	242,755	425,000	
C B R		08/93-07/17	37,686			37,686	63,360	
Development Bank of Southern Africa	16.50%	1999-2018	104,772		6,651	98,121	288,000	
Development Bank of Southern Africa			2,108		843	1,265	4,216	
Development Bank of Southern Africa			45,615		18,246	27,369	91,230	
Development Bank of Southern Africa	16.52%	1999-2018	100,722		7,529	93,194	150,000	
Development Bank of Southern Africa	17.10%	2000-2019	96,908		7,576	89,332	150,000	
Development Bank of Southern Africa	16.52%	2001-2020	124,224		9,285	114,939	185,000	
Development Bank of Southern Africa	16.50%	1999-2018	142,066		3,625	138,440	157,000	
Development Bank of Southern Africa	16.52%	2001-2020	201,444		15,057	186,387	300,000	
Development Bank of Southern Africa	17.10%	2000-2019	62,170		5,051	57,119	100,000	
Development Bank of Southern Africa	17.10%	2000-2019	166,682		13,031	153,651	258,000	
Development Bank of Southern Africa	17.10%	2000-2019	311,399		24,345	287,054	482,000	
Development Bank of Southern Africa	14.00%	1998-2018	427,107		16,397	410,710	499,999	
Development Bank of Southern Africa	17.10%	2000-2019	80,757		6,314	74,443	125,000	
Development Bank of Southern Africa	16.52%	06/03-06/08	26,903		1,590	25,314	31,672	
Development Bank of Southern Africa	10%	1996/2016	54,376		3,078	51,298	60,000	
Development Bank of Southern Africa	10%	1996/2016	20,391		1,154	19,236	22,500	
Development Bank of Southern Africa	16%	1999-2019	121,896		3,841	118,055	136,090	
Development Bank of Southern Africa	15.75%	1999-2018	1,787,716		61,153	1,726,563	2,175,459	
Development Bank of Southern Africa	17.10%	2000-2019	64,606		5,051	59,555	100,000	
Development Bank of Southern Africa			25,974		10,390	15,584	51,948	
Cape Amalgamated Joint Pension Fund	15.10%	1982-12/12	324,920			324,920	324,920	
Unibank	15.25%	1983-12/12	23,246		2,947	20,300	41,262	
Development Bank of Southern Africa	14.00%	1998-2018	723,147		28,520	694,627	850,000	
Local Authorities Loans Fund	13.30%	1983-2012	346,179		46,070	300,109	668,355	
Local Authorities Loans Fund	13.75%	1984-2014	616,714		56,886	559,827	1,000,000	
Development Bank of Southern Africa	16%	1999-2019	1,055,361		31,584	1,023,777	1,172,085	
Development Bank of Southern Africa	16.50%	2000-2019	1,261,773		34,181	1,227,592	1,724,100	
Development Bank of Southern Africa	15.75%	1999-2018	1,787,716		61,153	1,726,563	2,175,459	
Development Bank of Southern Africa			261,781		15,480	246,301	300,000	
Development Bank of Southern Africa			175,000		70,000	105,000	350,000	
Development Bank of Southern Africa			5,914,181			5,914,181	5,914,181	
Development Bank of Southern Africa			2,475,732			2,475,732	2,475,732	
Development Bank of Southern Africa			2,175,021			2,175,021	2,175,021	
Development Bank of Southern Africa	16.50%	1999-2018	269,629		6,881	262,748	298,000	
Development Bank of Southern Africa	16.50%	2000-2019	64,606		5,051	59,555	100,000	
Development Bank of Southern Africa	16.52%	2001-2020	94,007		7,027	86,981	140,000	
Development Bank of Southern Africa	16.52%	2001-2020	80,578		6,023	74,555	120,000	
Development Bank of Southern Africa			30,552		12,221	18,331	61,104	
Development Bank of Southern Africa			52,001		20,800	31,201	104,002	
Development Bank of Southern Africa	17.10%	2000-2019	314,299		25,534	288,765	505,550	
Development Bank of Southern Africa	17.10%	2000-2019	74,604		6,061	68,543	120,000	
Local Authorities Loans Fund	16.15%	1991-2011	10,647		2,073	8,574	22,000	
Development Bank of Southern Africa	12.00%	1995-2015	29,110		1,667	27,443	37,436	
Development Bank of Southern Africa	16%	1999-2019	63,188		2,500	60,688	72,433	
Development Bank of Southern Africa	16%	1999-2019	375,797		11,843	363,954	419,561	
Development Bank of Southern Africa	15.75%	1999-2018	1,145,071		39,832	1,105,238	1,417,000	
Development Bank of Southern Africa	13.29%	1994-2009	34,477		16,123	18,354	130,000	
Development Bank of Southern Africa			49,068		19,627	29,441	98,135	
Development Bank of Southern Africa			49,068		19,627	29,441	98,135	
Development Bank of Southern Africa	13%	2001-2020	2,857,410		211,660	2,645,750	4,500,000	
Development Bank of Southern Africa	16.50%	2000-2019	2,486,829		67,367	2,419,461	3,398,029	
Development Bank of Southern Africa	17.10%	2000-2020	1,495,804		115,062	1,380,742	2,301,237	
Local Authorities Loans Fund	16.15%	1991-2011	250,100		48,694	201,405	501,769	
Development Bank of Southern Africa		1996-2016	118,719		6,720	111,999	131,000	
Local Authorities Loans Fund	13.22%	1994-2014	58,557		5,498	53,060	91,364	
Development Bank of Southern Africa			218,150		12,900	205,251	250,000	
Development Bank of Southern Africa			634,419		35,603	598,816	690,000	
Development Bank of Southern Africa			45,615		18,246	27,369	91,230	
<b>Total annuity loans</b>			<b>32,784,200</b>	<b>-</b>	<b>1,349,411</b>	<b>31,434,789</b>	<b>41,465,573</b>	<b>0</b>
<b>LEASE LIABILITY</b>								
Finance Leases	11.72%-12.07%	2009	365,888	26,000	343,791	48,096	1,422,100	0
			-		0	-		
<b>Total Lease Liabilities</b>			<b>365,888</b>	<b>26,000</b>	<b>343,791</b>	<b>48,096</b>	<b>1,422,100</b>	<b>0</b>
<b>TOTAL EXTERNAL LOANS</b>			<b>33,150,088</b>	<b>26,000</b>	<b>1,693,203</b>	<b>31,482,885</b>	<b>42,887,673</b>	<b>0</b>

## Appendix B

### Breede River Winelands Municipality : Analysis of Property Plant and Equipment as at 30 June 2008

	Cost/Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals income	Closing Balance	
<b>Land and Buildings</b>										
Erven	30,070,000	-	-	1,402,000	28,668,000	-	-	-	-	28,668,000
Erven & houses	94,169,750	-	-	6,310,000	87,859,750	44,063,708	3,055,826	3,097,865	44,021,670	43,838,080
Housing projects	4,281,492	5,120,923	-	-	9,402,414	48,823	143,107	-	191,931	9,210,484
	<b>128,521,242</b>	<b>5,120,923</b>	<b>-</b>	<b>7,712,000</b>	<b>125,930,165</b>	<b>44,112,532</b>	<b>3,198,934</b>	<b>3,097,865</b>	<b>44,213,601</b>	<b>81,716,564</b>
<b>Infrastructure</b>										
Sub stations	28,537,320	1,243,137	-	-	29,780,457	9,111,880	960,605	-	10,072,486	19,707,972
Dumping sites	-	-	-	-	-	-	-	-	-	-
Transformer buildings	76,202	-	-	-	76,202	25,243	2,547	-	27,790	48,412
Lasbeheer toerusting	1,361,368	-	-	-	1,361,368	533,813	68,255	-	602,068	759,301
"Switchgear" toerusting	316,708	792,791	-	-	1,109,498	127,850	14,184	-	142,034	967,464
Elek Meters	775,550	1,112,640	-	-	1,888,190	38,778	38,884	-	77,661	1,810,529
Voorsiening/Netwerk	25,826,494	1,960,533	-	-	27,787,026	7,521,156	1,325,131	-	8,846,286	18,940,740
Meters	-	-	-	-	-	-	-	-	-	-
Hoofnetwerke	51,264,639	159,117	-	-	51,423,756	11,681,872	2,527,314	-	14,209,187	37,214,569
Voorsiening	3,600,540	-	-	-	3,600,540	1,356,234	425,029	-	1,781,263	1,819,277
Randstene	302,000	-	-	-	302,000	144,536	15,141	-	159,677	142,323
Reservoirs, damme & tenke	4,930,690	1,786,401	-	-	6,717,091	2,500,381	207,100	-	2,707,481	4,009,610
Sanitasie	1,041,878	-	-	-	1,041,878	208,376	52,237	-	260,612	781,266
Suiwering	5,675,564	343,630	-	-	6,019,194	2,615,897	252,217	-	2,868,114	3,151,080
Waterpompe	1,100	74,357	-	-	75,457	170	4,066	-	4,235	71,222
Hoofpaaie	1,795,895	-	-	-	1,795,895	536,594	120,054	-	656,648	1,139,247
Strate	10,143,351	5,020,634	-	-	15,163,985	3,840,268	824,560	-	4,664,828	10,499,157
Straatligte	316,912	29,162	-	-	346,074	35,026	12,711	-	47,737	298,336
Stormwaternetwerke	2,771,898	2,273,841	-	-	5,045,739	740,308	142,742	-	883,050	4,162,689
Parkeerterreine	1,100,191	135,964	-	-	1,236,155	375,896	55,160	-	431,056	805,098
Sypaadjes	5,120,797	46,806	-	-	5,167,604	558,250	254,235	-	812,485	4,355,119
Padtekens/Inligtingsbord	106,524	2,885	-	-	109,409	7,108	7,459	-	14,567	94,842
Rioolnetwerk	9,211,435	6,579,374	-	-	15,790,809	3,174,439	409,896	-	3,584,335	12,206,474
Uitvalwerke	108,868	-	-	-	108,868	5,443	5,458	-	10,902	97,967
Suiweringswerke	33,272,430	226,344	-	-	33,498,774	2,238,512	1,668,653	-	3,907,165	29,591,609
Rioolpompe	102,167	31,889	-	-	134,056	29,657	8,689	-	38,346	95,710
	<b>187,760,522</b>	<b>21,819,504</b>	<b>-</b>	<b>-</b>	<b>209,580,026</b>	<b>47,407,686</b>	<b>9,402,328</b>	<b>-</b>	<b>56,810,014</b>	<b>152,770,012</b>
<b>Community Assets</b>										
Bewarskole	2,267,807	-	-	-	2,267,807	641,787	75,801	-	717,588	1,550,219
Gemeenskapsale	5,023,843	-	-	-	5,023,843	2,345,776	124,869	-	2,470,645	2,553,198
Klinieke	4,807,337	-	-	-	4,807,337	1,625,286	160,416	-	1,785,702	3,021,635
Biblioteke	3,623,421	-	-	-	3,623,421	1,435,220	110,182	-	1,545,402	2,078,019
Begraafplase	657,996	459,365	-	-	1,117,361	162,515	23,422	-	185,937	931,424
Brandweerastasies	575,604	185,541	-	-	761,145	16,520	19,239	-	35,759	725,385
Museums	877,000	-	-	-	877,000	277,273	29,313	-	306,586	570,414
Sportterreine	7,343,244	557,381	-	2,000	7,898,625	4,354,053	244,539	1,101	4,597,491	3,301,133
Serwitute	42,800	-	-	-	42,800	9,676	1,431	-	11,107	31,693
Parke	10,408,700	119,536	-	-	10,528,236	7,344,246	313,360	-	7,657,606	2,870,630
Wandelpaaie	1,007,883	-	-	-	1,007,883	88,899	50,532	-	139,432	868,451
Quetehuis	611,000	-	-	-	611,000	168,843	20,422	-	189,266	421,734
Swembaddens	3,007,836	140,595	-	-	3,148,431	1,402,869	149,843	-	1,552,712	1,595,719
Vakansie-oorde & kampeerterre	647,506	44,560	-	-	692,066	643,482	577	-	644,059	48,007
Tennisbane	136,418	-	-	-	136,418	68,946	6,840	-	75,786	60,632
Gholfbane/Muurbal	215,000	-	-	-	215,000	66,002	10,779	-	76,782	138,218
Geboue	42,782	31,305	-	-	74,088	11,413	1,587	-	13,000	61,088
Gemeenskap Grond	-	-	-	-	-	-	-	-	-	-
Rolbalbane	-	-	-	-	-	-	-	-	-	-
Vredeskruis	-	-	-	-	-	-	-	-	-	-
Meent	28,266,277	-	-	-	28,266,277	15,481,304	633,808	-	16,115,112	12,151,165
Geboue/Omhainings	136,769	-	-	-	136,769	4,863	4,571	-	9,434	127,335
Aanloopbaan	-	-	-	-	-	-	-	-	-	-
Ruimtelike Ontwikkelingsraamwer	548,959	-	-	-	548,959	124,582	18,349	-	142,931	406,028
	<b>70,248,182</b>	<b>1,538,283</b>	<b>-</b>	<b>2,000</b>	<b>71,784,465</b>	<b>36,273,556</b>	<b>1,999,881</b>	<b>1,101</b>	<b>38,272,336</b>	<b>33,512,129</b>
<b>Heritage Assets</b>										
Historical Buildings	-	-	-	-	-	-	-	-	-	-
Painting & Art Galleries	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Total carried forward</b>	<b>386,529,948</b>	<b>28,478,710</b>	<b>-</b>	<b>7,714,000</b>	<b>407,294,656</b>	<b>127,793,774</b>	<b>14,601,143</b>	<b>3,098,965</b>	<b>139,296,951</b>	<b>267,998,705</b>

## Appendix B

### Breede River Winelands Municipality : Analysis of Property Plant and Equipment as at 30 June 2008

	Cost				Accumulated Depreciation				Carrying Value	
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
Total brought forward	386,523,949	28,478,710	-	7,734,903	407,258,656	127,703,774	14,601,143	3,036,905	138,285,961	267,988,755
Housing Rental Stock	-	-	-	-	-	-	-	-	-	-
Housing Rentals	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Leased Assets	-	-	-	-	-	-	-	-	-	-
Office Equipment (Lease)	1,422,503	26,000	-	-	1,448,503	1,122,005	201,173	-	1,403,238	44,802
	1,422,503	26,000	-	-	1,448,503	1,122,005	201,173	-	1,403,238	44,802
Other Assets	-	-	-	-	-	-	-	-	-	-
SWELLE MEESTERSEPLANNING	1,020,974	-	-	-	1,020,974	4,778	51,388	-	55,965	965,003
Rekenaarprogramering	1,005,201	486,190	-	120,123	2,261,288	1,217,183	310,598	115,857	1,408,912	942,336
Orskans	434,019	80,692	-	27,718	488,964	362,683	61,778	27,718	336,743	150,230
LAN / WAN Toerusting	209,535	912,462	-	11,740	210,277	153,064	19,716	9,068	162,712	146,566
UPS	262,045	-	-	2,505	260,540	201,696	27,355	1,167	227,884	62,656
Kantoorrekenaars	93,621	5,814	-	1,290	99,399	68,882	7,403	1,288	75,049	22,990
Lugrekenaars	70,767	84,804	-	-	155,571	8,787	23,988	-	32,775	122,585
Digitale Kameras	18,498	9,875	-	-	28,373	8,908	5,289	-	14,283	13,878
Tablets / Leserskane / Leas	264,535	71,427	-	-	335,962	126,035	51,726	-	172,863	163,091
Skande / Skande / Toerusting	226,804	121,323	-	80	348,064	99,548	51,541	60	151,108	197,036
Kalenders / Kante / Rolke	363,633	25,027	-	-	388,660	180,181	35,044	-	247,826	170,831
Beeldskerm / Beeldskerm	7,854	1,787	-	30	9,621	4,060	1,301	20	5,348	4,272
Beeldskerm / Beeldskerm	13,769	3,283	-	-	17,043	3,282	3,228	-	5,867	11,586
Elektroniese toerusting	170,627	36,993	-	8,738	142,883	66,816	16,672	3,489	77,679	65,803
Alarmer	28,400	31,497	-	10	59,887	15,819	6,590	10	27,002	32,885
Portreel / Skande	-	2,085	-	-	2,085	-	204	-	204	1,791
Gordyne / Blindings	1,231	100,423	-	-	101,653	53	625	-	679	100,974
Kantoorrekenaars	-	4,583	-	-	4,583	-	387	-	387	4,217
Tekens / Swartbord	3,178	307	-	-	3,485	1,084	364	-	1,448	1,994
Vertoon- en toerusting	34,476	3,439	-	-	37,915	3,690	2,841	-	6,534	32,281
Alarmer / toerusting	106,818	86,938	-	-	193,756	16,729	46,608	-	63,337	221,338
Motors	684,132	-	-	-	684,132	675,373	113,196	-	788,569	105,563
Bakkies / Koppies	3,026,976	1,881,212	-	108,700	4,806,488	2,304,697	430,817	198,790	2,646,714	2,159,774
Andere passasiersvoertuie	28,000	228,070	-	-	256,070	28,000	4,374	-	32,374	223,696
Ingradiens	6,888,377	972,455	-	152,398	7,708,434	2,719,379	933,393	133,078	3,219,650	4,588,245
Brasleiersvoertuie	2,138,052	2,085,500	-	-	4,223,552	262,788	311,888	-	604,674	4,488,945
Trek op Voertuig	128,603	-	-	-	128,603	26,456	12,995	-	39,451	89,152
Kragvoertuie	67,103	392,339	-	-	459,442	31,394	17,929	-	49,324	410,118
Trakkies	1,302,418	418,000	-	20,000	1,708,416	687,514	77,357	7,438	767,445	932,977
Wuens	731,280	-	-	-	731,280	257,570	48,638	-	296,208	475,072
Komplekse	1,889,978	16,179	-	-	1,906,157	281,042	188,803	-	469,845	1,432,282
Rollers	41,161	-	-	-	41,161	36,377	2,985	-	39,362	11,796
Saamvattende	35,015	43,221	-	-	78,236	35,686	6,339	-	42,025	36,211
Groenverwagingsrekenaars	288,065	126,463	-	1,200	415,725	146,470	51,352	1,288	199,122	213,734
Plaas rekenaars / implemente	204,990	-	-	-	204,990	204,990	-	-	204,990	-
Algemene Gereedskap	76,819	3,540	-	-	80,359	78,234	506	-	78,740	2,629
Bakkies / Koppies	14,136	-	-	6,906	9,238	11,348	1,293	4,438	8,160	1,105
Boue	22,588	6,057	-	2,875	25,740	21,282	1,898	2,875	20,363	5,437
Algemene Toerusting	74,571	6,976	-	6,352	73,197	47,231	10,559	6,281	51,569	21,888
Road Toerusting	3,768	2,885	-	-	6,653	716	704	-	1,420	5,240
Komplekse	160,258	35,130	-	-	195,378	141,400	14,570	-	155,971	37,438
Vuurwape	3,000	-	-	-	3,000	-	-	-	-	3,000
Lugrekenaars	1,448,090	-	-	36,000	1,412,090	761,744	94,798	17,668	838,672	574,209
Ingenieur / Verbinding	332,440	41,328	-	7,030	369,798	173,464	37,708	5,124	296,188	169,669
Werkwinkels / toerusting	29,797	-	-	-	29,797	16,090	2,988	-	19,078	9,819
Bevestigings / toerusting	18,824	-	-	-	18,824	18,824	-	-	18,824	-
Radiostas	16,138	5,814	-	-	21,952	13,942	2,485	-	16,427	5,525
LEIRE	113,824	6,902	-	-	120,726	103,243	5,877	-	109,120	11,106
SWELSMASJINE	5,548	-	-	-	5,548	88	-	-	88	5,460
Elektroniese Ingenieursrekenaars	231,235	93,588	-	-	324,823	126,967	30,303	-	157,271	167,551
SWELLEMEESTERSE	-	42,911	-	-	42,911	-	3,177	-	3,177	39,734
Verkeersvoertuie	406,232	23,242	-	-	429,474	273,738	41,063	-	314,801	114,673
Vullingsvoertuie / toerusting	70,746	395,563	-	-	466,309	7,042	6,176	-	13,218	451,359
2 HOOFD RADIOS	234,102	100,752	-	10,290	324,804	78,737	37,900	10,290	107,047	217,590
Sellone	167,113	-	-	25,963	141,150	88,136	30,190	19,808	138,134	44,477
Alarmer / toerusting	20,082	6,571	-	-	26,653	17,031	1,864	-	18,895	7,488
Radio Kom. / toerusting	226,634	230,243	-	-	456,877	8,692	91,330	-	100,022	356,855
Gedruke / Alarmer / toerusting	31,506,836	919,851	-	-	32,426,687	13,674,562	888,247	-	14,562,809	17,863,888
Werkwinkels	2,721	-	-	-	2,721	720	01	-	720	1,904
Skane	1,088,907	-	-	-	1,088,907	513,073	52,508	-	565,581	523,326
Vullingsvoertuie	3,005,428	25,887	-	-	3,083,215	588,236	153,190	-	741,426	2,243,888
Verkeersvoertuie	1,296,000	105,291	-	-	1,401,291	1,296,000	-	-	1,296,000	105,291
Pulver / toerusting	154,000	-	-	-	154,000	245,212	26,825	-	271,818	86,963
Plaas	6,939,000	-	-	-	6,968,000	2,607,020	211,144	-	2,818,164	3,999,236
Werkwinkels	-	-	-	-	-	-	-	-	-	-
FLAKERSKAMPE	911,888	-	-	-	911,900	-	45,724	-	45,734	866,286
	75,188,999	8,886,391	-	943,934	82,968,682	31,184,146	4,432,568	448,248	35,164,266	47,181,317
Investment Properties	-	-	-	-	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	481,138,742	28,371,101	-	8,297,844	497,232,318	168,095,965	19,364,694	3,547,216	175,867,464	311,394,884

## Appendix C

### Breede River Winelands Municipality: Segmental Analysis of Property, Plant and Equipment

30-Jun-18													
	Cost							Accumulated Depreciation					Carrying Value
	Opening Balance	Residual Value Opening Bal	Additions	Residual Value Additions	Under Construction	Disposals	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R	R	R
Executive & Council	1,069,791	-	557,725	-	-	6,049	-	1,645,467	662,536	158,239	6,049	835,715	698,762
Finance & Admin	109,727,492	-	1,349,874	-	-	670,636	-	109,305,628	90,049,629	3,053,675	148,379	52,954,625	56,250,703
Planning & Development	660,399	-	455,805	-	-	-	-	1,146,325	278,823	101,723	-	380,545	765,780
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Community & Social Services	7,884,943	-	1,243,785	-	-	3,738	-	9,124,860	3,250,237	288,282	3,403	3,575,115	5,548,875
Housing	115,055,430	-	5,133,885	-	-	7,195,000	-	112,944,385	43,457,413	3,223,052	3,067,865	43,622,610	69,321,775
Public Safety	6,106,605	-	3,982,351	-	-	13,211	-	9,977,745	1,368,276	726,715	10,394	2,105,587	7,872,148
Sport & Recreation	13,588,898	-	1,629,005	-	-	33,253	-	15,184,851	6,050,134	684,179	30,857	5,703,446	9,481,305
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management	58,249,827	-	7,303,459	-	-	73,610	-	65,479,675	10,300,325	3,387,782	43,710	13,644,386	51,835,278
Road Transport	27,411,813	-	8,608,738	-	-	172,443	-	35,749,108	8,417,099	1,506,194	143,119	10,182,173	25,566,936
Water	62,515,044	-	2,407,303	-	-	15,000	-	64,907,378	17,061,743	3,041,087	15,000	20,087,830	44,819,547
Electricity	59,667,554	-	5,991,605	-	-	73,269	-	65,695,796	19,060,973	2,723,168	48,429	21,795,712	43,899,985
Other	143,944	-	8,242	-	-	-	-	152,186	51,798	7,591	-	59,389	92,798
<b>TOTAL</b>	<b>491,138,742</b>	<b>-</b>	<b>34,376,141</b>	<b>-</b>	<b>-</b>	<b>8,257,584</b>	<b>-</b>	<b>491,252,338</b>	<b>199,696,985</b>	<b>19,364,684</b>	<b>3,547,264</b>	<b>175,957,454</b>	<b>315,294,884</b>

**Appendix D**  
**Breede River Winelands Municipality: Segmental**  
**Statement of Financial Performance for the Year Ended**

2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R				2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/ (Deficit) R
7,673,602	18,509,987	(10,836,385)	Executive & Council			13,843,473	26,291,830	#####
39,703,568	23,293,498	16,410,069	Finance & Admin			43,499,206	22,537,070	20,962,137
2,078,529	3,681,593	(1,603,065)	Planning & Development			1,499,191	8,628,343	(7,129,152)
434,625	393,329	41,296	Health			-	-	-
332,428	2,876,244	(2,543,817)	Community & Social Services			1,064,721	8,088,260	(7,023,539)
4,046,740	4,378,652	(331,911)	Housing			1,299,823	4,683,862	(3,384,039)
5,320,915	6,712,444	(1,391,528)	Public Safety			4,195,273	7,262,889	(3,067,616)
107,478	1,398,554	(1,291,077)	Sport & Recreation			312,884	9,567,734	(9,254,850)
141,873	7,597,785	(7,455,912)	Environmental Protection			11,786,588	10,610,092	1,176,496
24,305,238	19,534,413	4,770,825	Waste Management			15,492,539	12,892,255	2,600,284
138,542	8,941,376	(8,802,834)	Road Transport			378,586	9,924,595	(9,546,009)
30,515,429	16,487,570	14,027,859	Water			20,900,219	17,901,936	2,998,284
88,350,743	69,808,220	18,542,523	Electricity			95,136,584	70,057,956	25,078,627
50	5,611,862	(5,611,812)	Other			503,546	505,205	(1,659)
203,149,761	189,225,529	13,924,233	Sub Total			209,912,633	208,952,027	960,606
-	(13,000,505)	13,000,505	Less Inter-Dep Charges			-	(11,094,752)	11,094,752
203,149,761	176,225,024	26,924,737	Total			209,912,633	197,857,276	12,055,358
		-	Add: Share of Associate					-
		26,924,737						12,055,358



## Appendix E(1)

### Breede River Winelands Municipality: Actual Versus Budget for the Year Ended 30 June 2008

REVENUE	2008 Actual (R)	2008 Budget (R)	2008 Variance (R)	2008 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Property rates	20,322,854	19,156,875	1,165,979	6.09%	
Property rates - penalties imposed and collection charges	254,894	-	254,894	0.00%	
Service charges	139,217,530	138,447,755	769,775	0.56%	
Regional Services Levies - turnover	-	-	-	0.00%	
Regional Services Levies - remuneration	-	-	-	0.00%	
Rental of facilities and equipment	498,375	701,242	(202,867)	-28.93%	
Interest earned - external investments	8,746,970	5,500,000	3,246,970	59.04%	
Interest earned - outstanding debtors	504,389	-	504,389	0.00%	
Dividends received	-	-	-	0.00%	
Fines	3,033,289	2,555,500	477,789	18.70%	
Licences and permits	1,358,722	813,094	545,628	67.11%	
Income for agency services	(242,672)	2,648,981	(2,891,653)	-109.16%	
Government grants and subsidies	31,687,684	25,859,650	5,828,034	22.54%	Capital revenue included - GRAP
Other income	4,530,600	5,641,125	(1,110,525)	-19.69%	
Donated/Contributed Property, Plant and Equipment	-	-	-	0.00%	
Change in Fair Value	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	-	-	-	0.00%	
<b>Total Revenue</b>	<b>209,912,633</b>	<b>201,324,222</b>	<b>8,588,411</b>	<b>4.27%</b>	
EXPENDITURE					
Executive & Council	26,291,830	29,210,673	(2,918,843)	-9.99%	
Finance & Admin	22,537,070	22,028,763	508,307	2.31%	Implementation of GRAP
Planning & Development	8,628,343	10,588,498	(1,960,155)	-18.51%	
Health	-	-	-	0.00%	Function transferred to Provincial
Community & Social Services	8,088,260	7,947,884	140,376	1.77%	
Housing	4,683,862	1,696,823	2,987,039	176.04%	Depreciation on Scheme Houses
Public Safety	7,262,889	8,415,470	(1,152,581)	-13.70%	
Sport & Recreation	9,567,734	10,254,933	(687,199)	-6.70%	
Waste Water Management	10,610,092	11,227,559	(617,467)	-5.50%	
Waste Management	12,892,255	13,073,080	(180,825)	-1.38%	
Road Transport	9,924,595	13,277,090	(3,352,495)	-25.25%	Subsidy not received
Water	17,901,936	16,310,864	1,591,072	9.75%	Depreciation on assets
Electricity	70,057,956	73,042,909	(2,984,953)	-4.09%	
Other	505,205	475,630	29,575	6.22%	
Less : Interdepartmental Charges	(11,094,752)	(16,233,149)	5,138,397	-31.65%	
<b>Total Expenditure</b>	<b>197,857,276</b>	<b>201,317,027</b>	<b>(3,459,751)</b>	<b>-1.72%</b>	
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>12,055,358</b>	<b>7,195</b>	<b>12,048,163</b>	<b>167451.88%</b>	

**Appendix E(2)**  
**Breede River Winelands Municipality: Actual Versus**  
**Budget for the Year Ended 30 June 2008**  
**Acquisition of Property, Plant and Equipment**

	<u>Actual</u>	<u>Under Construction</u>	<u>Total Additions</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>	<u>greater than 5% versus Budget</u>
	R	R	R	R	R	%	
Executive & Council	557,725	-	557,725	182,561	375,164	205.50%	
Finance & Admin	1,248,974	-	1,248,974	1,800,351	(551,377)	-30.63%	
Planning & Development	455,926	-	455,926	3,712,800	(3,256,874)	-87.72%	
Health	-	-	-	-	-	0.00%	
Community & Social Services	1,243,785	-	1,243,785	932,090	311,695	33.44%	
Housing	5,133,956	-	5,133,956	14,102,000	(8,968,044)	-63.59%	
Public Safety	3,882,351	-	3,882,351	3,836,641	45,710	1.19%	
Sport & Recreation	1,629,006	-	1,629,006	995,609	633,397	63.62%	
Waste Water Management	-	-	-	-	-	0.00%	
Waste Management	7,303,459	-	7,303,459	7,285,996	17,463	0.24%	
Road Transport	8,508,739	-	8,508,739	7,205,877	1,302,862	18.08%	
Water	2,407,333	-	2,407,333	2,498,441	(91,108)	-3.65%	
Electricity	5,991,605	-	5,991,605	4,878,491	1,113,114	22.82%	
Other	8,242	-	8,242	10,000	(1,758)	-17.58%	
<b>Total</b>	<b>38,371,101</b>	<b>-</b>	<b>38,371,101</b>	<b>47,440,857</b>	<b>(9,069,756)</b>	<b>-19.12%</b>	



## APPENDIX F

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

Grant Description	Balance at 30-Jun-06	Contributions during year	Interest on investments	Operating expenditure during year Transferred to Revenue	Capital expenditure during year Transferred to Revenue	Transfers	Balance at 30-Jun-07
	R	R		R	R		R
Re-election of Ward Committees	0	150,000					150,000
Ward Base Planning	0	15,057					15,057
Netball Courts Montagu	7,567			7,567			-
Zolani Sports Grounds	19,267			19,267			-
Municipal Systems Improvement Grant	496,206	734,000		438,624			791,582
Stormwater Upgrade Ashton/Bvale	440,000				440,000		-
Route 62 Projects BOM	37,377						37,377
PIMS: Performance Management	76,935						76,935
PIMS: Project Management Training	17,580						17,580
DPLG - Masterplan - Civil Services	54,386						54,386
MIG Projects	0	2,600,000			1,766,401		1,013,599
Transport Grant - DORA R1,79m	1,790,000	470,000			2,258,996		4
Robertson Masakhane project	353,117						353,117
Bvale Informal Area Relocation	6,298			6,298			-
Scarle Homes Sanitation	47,671	120,000					167,671
National Treasury - Finance Management Grant	714,155	500,000		455,743	26,162		732,249
28 Semi-Detached Houses	139,310				121,406		17,903
Project Preparation	0	62,000					62,000
Workshopping Projekte	0	128,050					128,050
ABSA Grant - Fire Brigade	16,741			16,741			-
Performance Management	11,734			11,734			-
MILU-EIA - Landfill Site	332,400						332,400
Cleaning Recycling Project	550,412	80,000		20,500			589,912
Integrated Information System	23,940			23,940			-
Housing Consumer Education CWD	0	12,250					12,250
Pre-paid Watermeters	154,718						154,718
Masibambane Programme	210,000	135,000			300,000		45,000
INEP Grant - Electrification	164,567	149,000			313,567		-
Equitable Share	0	20,065,293		20,065,293			-
Arvrag Behuisings Ontwikkelings	1,996,529	295,650				(1)	1,892,179
Housing	0	3,735,797			3,736,797		-
Main Road Maintenance		336,238		336,238			
Library		319,173		319,173			
<b>Unspent conditional grants and receipts - End of year</b>	<b>7,949,507</b>	<b>30,107,508</b>	<b>-</b>	<b>21,741,188</b>	<b>8,983,330</b>	<b>-</b>	<b>6,643,949</b>
AsinlopeBrueMontaguVloed Aug'05	(245,515)	245,515					-
Housing	-				853,236		853,236
Investigation Grant	-				110,000		110,000
<b>Unpaid conditional grants and receipts - End of year</b>	<b>(245,515)</b>	<b>245,515</b>		<b>-</b>	<b>963,236</b>	<b>-</b>	<b>963,236</b>
<b>Unspent conditional grants and receipts - beginning of year</b>	<b>7,953,531</b>	<b>30,107,508</b>	<b>-</b>	<b>21,741,118</b>	<b>8,983,330</b>	<b>-</b>	<b>7,336,591</b>
<b>Unpaid conditional grants and receipts - beginning of year</b>	<b>418,638</b>	<b>245,515</b>		<b>-</b>	<b>963,236</b>	<b>-</b>	<b>1,136,349</b>
	<b>7,534,903</b>	<b>30,353,024</b>	<b>-</b>	<b>21,741,187.93</b>	<b>9,946,566</b>	<b>-</b>	<b>6,280,242</b>



**Auditor General**

**Audit Committee**

