

**DITSOBOTLA  
LOCAL  
MUNICIPALITY**



**ANNUAL FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2008**

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## **GENERAL INFORMATION**

### **MEMBERS OF THE EXECUTIVE COMMITTEE**

Councillor	Dipholo	O
Councillor	Fourie	JPG
Councillor	Lethoko	IE
Councillor	Manentsa	SM
Councillor	Matshogo	AL
Councillor	Mgqamqo	QE
Councillor	Mosiane	FB
Councillor	Van As	AP

### **GRADING OF LOCAL AUTHORITY**

Grade B

### **AUDITORS**

Auditor-General

### **BANKERS**

ABSA

### **REGISTERED OFFICE**

Civic Centre	Civic Centre
P O BOX 7	Dr Nelson Mandela Drive
LICHTENBURG, 2740	LICHTENBURG, 2740

Telephone: 018 632 5051

Fax: 018 632 5247

### **MUNICIPAL MANAGER**

MR. SK SEBOLAI (ACT)

### **CHIEF FINANCIAL OFFICER**

VACANT

## MEMBERS OF THE COUNCIL

### COUNCILLOR

Councillor	Malendi	TA	Ward 1	
Councillor	Dipholo	O	Ward 2	
Councillor	Van As	AP	Ward 3	
Councillor	Buthelezi	DT	Ward 4	
Councillor	Behm	AP	Ward 5	
Councillor	Dilapiso	SR	Ward 6	
Councillor	Seribe	KM	Ward 7	
Councillor	Monnamontsho	JN	Ward 8	
Councillor	Mgqamqo	QE	Ward 9	
Councillor	Matshogo	AL	Ward 10	
Councillor	Matshane	GL	Ward 11	
Councillor	Mnyakama	SM	Ward 12	
Councillor	Serobatse	MJ	Ward 13	
Councillor	Manentsa	SM	Ward 14	
Councillor	Kgotleng	MB	Ward 15	
Councillor	Jabane	MV	Ward 16	
Councillor	Vilakazi	VA	Ward 17	
Councillor	Shema	TI	Ward 18	
Councillor	Mosiane	FB	Ward 19	
Councillor	Lethoko	IE	PR 1	Mayor
Councillor	Holele	LE	PR 2	Speaker
Councillor	Bogatsu	P	PR 3	
Councillor	Mvundisi	TS	PR 4	
Councillor	Taemane	G	PR 5	
Councillor	Mmutle	MO	PR 6	
Councillor	Celo	TJ	PR 7	
Councillor	Thabane	R	PR 8	
Councillor	Nage	DH	PR 9	
Councillor	Dikobe	MD	PR 10	
Councillor	Bogatsu	LJ	PR 11	
Councillor	Dila	VS	PR 12	
Councillor	Melamu	TK	PR 13	
Councillor	Mabote	MM	PR 1	
Councillor	Thabeng	M	PR 2	
Councillor	Fourie	JPG	PR 3	
Councillor	Esterhuizen	L	PR 4	
Councillor	Nel	E	PR 1	
Councillor	Legae	JS	PR 1	

### APPROVAL OF FINANCIAL STATEMENT

The Annual Financial Statements set out on pages 1-16 were approved by the Municipal Manager on

**SK SEBOLAI**

**Municipal Manager**

**Accounting Officer**

## TREASURER'S REPORT

### INTRODUCTION

It is a pleasure to give a brief overview of the Operating Results of the past Financial Year.

### 1 OPERATING RESULTS

1.1 The overall Operating Results for the year ended 30 June 2008 are as follows:

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
<b>INCOME</b>					
Opening Surplus					
Operating Income for the year	112 891 456	129 825 792	15.00%	129 825 792	
Closing Deficit	5 747 389	(2 419 145)			
	<b>118 638 845</b>	<b>127 406 647</b>		<b>129 825 792</b>	<b>-1.86%</b>
<b>EXPENDITURE</b>					
Opening deficit	23 952 249	5 747 389			
Operating expenditure for the year	114 036 566	133 913 486	17.43%	133 913 486	0.00%
Sundry transfers	(19 349 971)	(12 253 493)			
Closing surplus					
	<b>118 638 845</b>	<b>127 407 382</b>	<b>7.39%</b>	<b>133 913 486</b>	<b>-4.86%</b>

### 1.2 Electricity service

The operating results for the Electricity service for the year ended 30 June 2008 are as follows:

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
<b>INCOME</b>					
Operating Income for the year	42 796 101	41 188 080	-3.76%	9 153 564	
<b>EXPENDITURE</b>					
Operating expenditure for the year	30 422 251	32 921 088	8.21%	1 791 840	1737.28%
	<b>12 373 850</b>	<b>8 266 992</b>	<b>-33.19%</b>	<b>7 361 724</b>	<b>12.30%</b>

### 1.3 Water service

The operating results for the Water services for the year ended 30 June 2008 are as follows:

	Actual 2007 R	Actual 2008 R	Variance 2007/2008 %	Budget 2008 R	Variance Actual/Budget %
<b>INCOME</b>					
Operating Income for the year	10 147 500	8 561 426	-15.63%	14 263 360	
<b>EXPENDITURE</b>					
Operating expenditure for the year	7 608 449	11 945 584	57.00%	12 700 760	-5.95%
	<b>2 539 051</b>	<b>(3 384 158)</b>	<b>-233.28%</b>	<b>1 562 600</b>	<b>-316.57%</b>

## 2 CAPITAL EXPENDITURE AND FINANCING

The list below reflect the capital expenditure for the year.

ASSET CATEGORY / CLASSIFICATION	Actual 2007 R	Actual 2008 R	Budget 2008 R
Vehicles and Equipment	5 294 581	385 264	-
Land & Buildings	177 202	83 177	
Office Furniture and Equipment		12 355	-
Computer Equipment	-		-
Projects / Infrastructure	201 085	3 858 171	
<b>TOTAL</b>	<b>5 672 868</b>	<b>4 338 967</b>	<b>-</b>

Resources used to Finance the Fixed Assets are as follows:

SOURCE OF FINANCE	Actual 2007 R	Actual 2008 R	Budget 2008 R
Capital Out of Income	-	4 338 967	-
Reserves	-	-	-
Grants and Subsidies	5 672 868	-	-
<b>TOTAL</b>	<b>5 672 868</b>	<b>4 338 967</b>	<b>-</b>

## 3 EXTERNAL LOANS, INVESTMENTS AND CASH

**External Loans:** No External Loans were obtained in 2007/08.

**Investments as** at 30 June 2008 amount to R24 739 044 (R24 983 684 in 2007). Cash and Bank at 30 June 2008 amount to -R19 702 211 (-R15 843 463 in 2007).

## 4 FUNDS, RESERVES AND PROVISIONS

No capital was funded out of internal funds for the 2007/08 financial year.

**Leave Reserves** amounts to R932 526 (R1 203 801 in 2007).

More information regarding Funds and Reserves are disclosed in Appendix A to the Financial Statements.

## 5 CREDITORS AND DEBTORS

**Creditors** have increased by R7 890 991 from R76 796 212 (30 June 2007) to R84 687 203 (30 June 2008).

**Debtors** have decreased by R652 102 from R88 306 489 (30 June 2007) to R87 654 387 (30 June 2008).

## 6 APPROPRIATION

Accumulated deficit has increased by R4 536 639 from R5 747 389 (30 June 2007) to R10 284 028 (30 June 2008).

## 7 EXPRESSION OF APPRECIATION

I wish to express my profound gratitude to the Ngaka Modiri Molema District Municipality, the office of the Auditor General and Council staff for the support rendered through the year.

**MUNICIPAL MANAGER**

## ACCOUNTING POLICY

### 1 Basis of representation

- 1.1 The Financial Statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Practice (1996) and Report on Published Annual Financial Statements (Second edition - January 1996).
- 1.2 The Financial Statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in Accounting Policy Note 3. *(The Accounting Policies are not consistent with those applied in the previous years, where certain GAMAP Policies were applied and queried by the External Auditors).*
- 1.3 The Financial Statements are prepared on the accrual basis as stated:
  - \* Income is accrued when measurable and available to finance operations.
  - \* Expenditure is accrued in the year it is incurred.

### 2 Consolidation

The Financial Statements include the Rate and General Services, and the different Funds and Reserves.

### 3 Fixed Assets

3.1 Fixed Assets are stated:

- \* at historical cost, or
- \* at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated useful life as determined by the Treasurer.

3.2 Depreciation

The balance shown against the heading "Loans Redeemed and Other Capital Receipts" in the notes to the Balance Sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this "Provision" assets are written down over their estimated useful life. Apart from advances from the various Council funds, assets may also be acquired through:

- \* Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income, and therefore it is unnecessary to make any further provision for depreciation.
- \* Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account.

3.3 Fixed assets are financed from different sources, mainly Out of Income and Grants and Subsidies.

#### **4 Surpluses and Deficits**

All Surpluses or Deficits arising from the operations are accumulated with the results of the Rate and General Services in the Accumulated Surplus/(Deficit).

#### **5 Investments**

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and are invested per Circular No 26 of 1991 issued by the Provincial Legislature. Interest on Investments are accrued at guaranteed rates of return.

#### **6 Income recognition**

6.1 Interest and Rentals are recognised when actually received.

Amounts received from Government and other donors for the purpose of acquiring Fixed Assets (Property, Plant and Equipment are classified as Capital Receipts and Credited to Non-Distributable

6.2 Reserve).



# DITSOBOTLA LOCAL MUNICIPALITY

## BALANCE SHEET AS AT 30 JUNE 2008

	Note	2007/08 R	2006/07 R
<b>CAPITAL EMPLOYED</b>			
<b>FUNDS AND RESERVES</b>		<b>26 291 584</b>	<b>38 492 812</b>
Statutory Funds	1	24 300 649	23 793 618
Reserves	2	1 990 935	2 100 520
Non Distributal Reserve : Re-valuation	2B	-	12 598 674
Accumulated Surplus/(Deficit)		2 419 145	(5 747 389)
		<b>14 155 351</b>	<b>16 851 883</b>
Long term liabilities	3	10 943 228	13 811 400
Consumer deposits	4	3 212 123	3 040 483
		<b>42 866 080</b>	<b>49 597 305</b>
<b>EMPLOYMENT OF CAPITAL</b>			
		13 322 369	26 247 701
Fixed assets	5	5 684 105	7 376 714
Long term debtors	7	(51 895)	(28 320)
Investments in trust and Partnership	6B	7 690 159	18 899 306
<b>Nett current assets</b>		<b>29 543 711</b>	<b>23 349 604</b>
<b>Current assets</b>		121 226 122	116 638 527
Inventory	8	7 554 128	2 070 260
Investments	6	24 739 044	24 983 684
Debtors	9	87 654 389	88 306 489
Deposits Sundry		3 210	3 210
Payment in advance	10	1 273 260	1 273 260
Petty Cash		2 091	1 623
<b>Current liabilities</b>		(91 682 411)	(93 288 922)
Cash Book Balance		(7 245 796)	(15 843 463)
Creditors	11	(84 436 615)	(76 796 212)
Long Term Liabilities: Short Term Portion	3	-	(649 247)
		<b>42 866 080</b>	<b>49 597 305</b>

**DITSOBOTLA LOCAL MUNICIPALITY**

**INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008**

<b>2006/07 Actual Income R</b>	<b>2006/07 Actual Expenditure R</b>	<b>2006/07 Surplus/ (Deficit) R</b>		<b>2007/08 Actual Income R</b>	<b>2007/08 Actual Expenditure R</b>	<b>2007/08 Surplus/ (Deficit) R</b>	<b>2007/08 Budget Surplus/ (Deficit) R</b>
(59 922 225)	74 178 781	14 256 556	<b>RATES AND GENERAL SERVICES</b>	(80 079 183)	86 789 823	6 710 640	13 851 886
(48 685 020)	51 218 188	2 533 168	<b>Community Services</b>	(68 619 365)	59 251 320	(9 368 045)	
(616 279)	15 093 911	14 477 632	<b>Subsidised Services</b>	(521 700)	16 267 193	15 745 493	16 316 556
(10 620 926)	7 866 682	(2 754 245)	<b>Economic Services</b>	(10 938 118)	11 271 310	333 192	(2 464 670)
(25 630)	1 827 085	1 801 455	<b>HOUSING SERVICES</b>	2 897	2 256 991	2 259 888	2 393 076
(52 943 601)	38 030 700	(14 912 901)	<b>TRADING SERVICES</b>	(49 749 506)	44 866 672	(4 882 834)	(21 178 560)
(112 891 456)	114 036 566	1 145 110	<b>TOTAL</b>	(129 825 792)	133 913 486	4 087 694	-7 326 674
		(19 349 971)	<b>Appropriations for the year (note 16)</b>			(12 253 493)	
		(18 204 861)	<b>Net (Surplus)/Deficit for the year</b>			(8 165 799)	
	23 952 249		<b>Accumulated (Surplus)/Deficit beginning of the year</b>			5 746 654	
	<b>5 747 389</b>		<b>ACCUMULATED DEFICIT AT THE END OF THE YEAR</b>			<b>(2 419 145)</b>	

# DITSOBOLA LOCAL MUNICIPALITY

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2007/08 R	2006/07 R
<b>Cash retained from operating activities</b>		<b>(1 030 844)</b>	<b>(14 804 570)</b>
Cash generated by operations	16	(3 168 122)	(20 505 603)
Less: External interest paid		(757 722)	(843 999)
(Increase)/decrease in working capital	17	2 895 000	4 857 034
<b>Cash available from operations</b>		<b>(1 030 844)</b>	
<b>Cash utilised in investing activities</b>			
		1 692 608	4 415 520
(Increase)/decrease in long-term debtors	19	-	(27 887)
Investment in fixed assets		1 692 608	4 443 407
<b>Net cash flow</b>		<b>661 764</b>	<b>(10 389 050)</b>
<b>Cash effects of financing activities</b>		<b>(661 764)</b>	<b>10 389 050</b>
Increase/(decrease) in long-term loans	19	(3 517 418)	(1 231 828)
(Increase)/decrease in cash investments	20	11 453 788	5 476 768
Increase/(decrease) in consumer deposits		-	(274 891)
(Increase)/decrease in bank	21	(8 598 134)	6 419 001
<b>Net cash (generated)/utilised</b>		<b>(661 764)</b>	<b>10 389 050</b>

# DITSOBOTLA LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2007/08 R	2006/07 R
<b>1. Statutory funds</b>		
Capital Development Fund	16 961 579	16 957 749
Land Trust Fund	6 414 148	5 910 947
Housing Fund	924 922	924 922
	<b>24 300 649</b>	<b>23 793 618</b>
(Refer to appendix "A" for more detail)		
<b>2. Reserves</b>		
Insurance Fund	864 259	720 626
Bursary Fund	175 429	182 699
Leave Reserve Fund	932 526	1 203 801
Repairs and maintenance	11 764	11 764
Library Donation	6 957	3 662
Renewal Housing	-	-21 900
Renewal Housing Boikhutso	-	-131
	<b>1 990 935</b>	<b>2 100 520</b>
(Refer to appendix "A" for more detail)		
<b>2.B Non Distributal Reserve :Revaluation</b>		
Revaluation of Erf 54 Civic Centre	-	<b>12 598 674</b>
(Non permissible IMFO reserve. Written off to accumulated surplus/deficit account)		
<b>3. Long-term liabilities</b>		
Local Government Loan Fund: DBSA & ABSA	4 292 151	5 454 298
Nedcor Investment Bank	6 651 077	9 006 350
Less: Short Term Portion		649 247
	<b>10 943 228</b>	<b>13 811 400</b>
(Refer to appendix "B" for more detail)		
<b>4. Consumer deposits</b>		
Electricity and Water	3 212 123	3 040 483
	<b>3 212 123</b>	<b>3 040 483</b>

## DITSOBOTLA LOCAL MUNICIPALITY

### NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2007/08 R	2006/07 R
<b>5. Fixed assets</b>		
Fixed Assets at the beginning of the year	83 286 780	82 967 796
Fixed Assets acquired during the year	4 338 967	5 672 868
Lease Asset : Civic Centre	14 000 000	9 006 350
Less: Fixed Assets written off, transferred or sold		
Total Fixed Assets	101 625 747	97 647 014
Less: loans redeemed and other capital receipts	95 941 642	90 270 300
Nett Fixed Assets	<b>5 684 105</b>	<b>7 376 714</b>
 (Refer to Appendix "C" for more detail).		
<b>6. Investments</b>		
Unlisted Investments	<b>24 739 044</b>	<b>24 367 701</b>
<b>6B. Investments in Trust and Partnerships</b>		
Lichtenburg Development Trust	-	81 441.00
Lichtenburg Financing Partnership	7 690 159	18 817 864.99
	<b>7 690 159</b>	<b>18 899 305.99</b>
<b>7. Long term debtors</b>		
Land Development Debtors Boikhutso	-	(110 615)
Sundry Loans	(5 465)	(5 465)
Housing Debtors	(46 430)	87 760
	<b>(51 895)</b>	<b>(28 320)</b>
<b>8. Inventory</b>		
Inventory	<b>7 554 128</b>	<b>2 070 260</b>
<b>9. Debtors</b>		
Suspense	11 162 327	33 868 688
Township Development Suspence	6 450 947	-
Consumer debtors	73 651 004	60 057 429
Less: Provision for Bad Debts	(3 609 891)	(5 619 628)
	<b>87 654 387</b>	<b>88 306 489</b>

## DITSOBOTLA LOCAL MUNICIPALITY

### NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2007/08 R	2006/07 R
<b>10. Payments made in advance</b>	<u>1 273 260</u>	<u>1 273 260</u>
<b>11. Creditors</b>		
Trade Creditors	6 386 329	14 670 991
Suspense Creditors:	27 644 941	24 786 811
Suspense Creditors: VAT	12 872 332	2 664 964
Township Suspense	13 806 164	8 842 409
MIG	1 015 306	10 090 872
Special Projects	-	11 090 872
MSIG & FMG	838 624	1 234 000
Support Grant	3 473 863	(867 000)
RDP Housing	18 259 056	10 352 294
Boikhutso account	-	(6 150 000)
Lotto Sports	140 000	80 000
	<u>84 436 615</u>	<u>76 796 212</u>

#### 12. Assessment rates

	Site Valuation At 1 July 2007	Improvements Valuation At 1 July 2007	Actual Income 2007/08	Actual Income 2006/07
Residential	77 558 027	847 156 710	9 952 356	9 141 464
Government	13 561 100	106 587 500	1 193 240	1 193 240
Industrial and Business	38 260 100	233 558 200	4 467 215	4 853 271
Vacant Stands	16 417 038	312 400	1 201 015	1 126 600
Exemptions	17 916 630	6 405 800	-	-
	<u>163 712 895</u>	<u>1 194 020 610</u>	<u>16 813 826</u>	<u>16314575</u>

#### 13. Allowances of political office bearers

Mayor's Allowance	475 420	380 865
Speaker	384 116	292 705
Councillor's Allowances	5 645 340	3 371 034
Municipal Manager	361 628	644 913
	<u>6 866 504</u>	<u>4 689 517</u>

These salaries, allowances and benefits are within the upper limits of the framework envisaged in section 219 of the Constitution.

#### 14. Auditors' remuneration

Audit fees	1 166 854	603 926
	<u>1 166 854</u>	<u>603 926</u>

## DITSOBOTLA LOCAL MUNICIPALITY

### NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

	2007/08 R	2006/07 R
<b>15. Appropriation Account</b>		
Accumulated Deficit /(Surplus) at the beginning of the year	5 746 654	23 952 249
(Surplus)/Deficit for the year	4 087 694	1 145 110
Appropriations for the year	(12 253 493)	(19 349 971)
<b>Accumulated Deficit at the end of the year</b>	<b>(2 419 145)</b>	<b>5 747 389</b>
<b>Operating Account</b>		
Capital expenditure	165 838	1 229 460
<b>Contributions to:</b>		
Leave Reserve Fund	344 505	84 759

# DITSOBOTLA LOCAL MUNICIPALITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2008

2007/08  
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### 16. Cash generated by operations

Surplus( Deficit) for the year	(4 087 694)
Adjustments in respect of previous years	12 253 493
Adjustments in respect of the current year	(3 517 420)

### Appropriations Charged against income

**(12 091 643)**

Statutory reserves	507 031
Non distributable reserve	(12 598 674)
Fixed Assets - contributions ex-operating income	-

### Capital charges

#### Interest paid

**4 275 142**

External loans	757 722
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#### Redemption paid

Redemption:External	3 517 420
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### Non Operating Income & Expenses

Reserves	-
Bad Debts	-
Land Trust Fund	-
	<u>(3 168 122)</u>

### 17. Changes in working capital

(Increase)/Decrease in stock	(5 483 868)
(Increase)/Decrease in Debtors	676 409
(Increase)/Decrease in Cash investments	-
Increase/(Decrease) in Creditors	7 702 459
Increase /(Decrease ) in Long term Liabilities	-
	<u>2 895 000</u>

### 18. Movement in cash on hand

Bank balance-Beginning of the financial year	(15 843 463)
Less: Cash balances at the end of the year	(7 245 329)
	<u>(8 598 134)</u>

### 19. Movement in Longterm liabilities

Loans raised	-
Loans redeemed	(3 517 419)
	<u>(3 517 419)</u>

### 20. (Increase)/Decrease in cash investments

Investments made	118 016 902
Investments realised	(106 563 114)
	<u>11 453 788</u>



## DITSOBOTLA LOCAL MUNICIPALITY

30 June 2008

### APPENDIX A

#### Accumulated Funds, Trust Funds and Reserves

Statutory Funds	Vote No.	Balance at 2007/01/07 R	Contributions during the year R	Interest on Investments R	Other Income R	Written off during the year R	Expenditure during the year R	Balance at 30/06/2008 R
Capital Development Fund		16 957 749			3 830			16 961 579
Housing Development Fund		924 922						924 922
Land Trust Fund		5 910 947			616 708		113 507	6 414 148
		23 793 618	-		620 538			24 300 649
<b>Reserves</b>								
Vehicles		23						23
Insurance Fund		720 626			1 267 558		1 123 925	864 259
Bursary Fund		182 699					7 270	175 429
Leave Reserve Fund		1 203 801			344 505		615 780	932 526
Repairs and Maintenance		11 741						11 741
Library Donation		3 662			3 295			6 957
Renewal Housing		-21 900				-21 900		-
Renewal Boikhutso Housing		-131				-131		-
		2 100 521	-		1 615 358	-22 031	1 746 975	1 990 935

# DITSOBOTLA LOCAL MUNICIPALITY

30 JUNE 2008

## APPENDIX B

### EXTERNAL LOANS

	Balance at 30/06/2007	Received during the year	Redeemed/Write off during the year	Balance at 30/6/2008
	R	R	R	R
<b>EXTERNAL LOANS</b>				
<b>Annuity loans:</b>				
<b>Issued</b>	<b>Loan no.</b>	<b>Redeemable</b>		
1996	257	2011	84 228	21 768
1996	258	2011	70 050	18 104
1999	276	2009	118 628	118 628
2002	-	2012	4 393 415	638 801
2002	-	2009	787 976	364 845
<b>Sub total</b>			<b>5 454 297</b>	<b>1 162 146</b>
			-	<b>4 292 151</b>
<b>Nedcor investment Bank</b>				
14000000		2007	<b>9 006 350</b>	<b>2 355 273</b>
				<b>6 651 077</b>
<b>TOTAL EXTERNAL LOANS</b>			<b>14 460 647</b>	<b>3 517 419</b>
			-	<b>10 943 228</b>

# DITSOBOTLA LOCAL MUNICIPALITY

30 JUNE 2008

## APPENDIX C

### ANALYSIS OF FIXED ASSETS

Expenditure		Budget	Balance on	Expenditure	Written off/	Balance on
2 007		2007/08	30/06/2007	during the year	Transferred	30/06/2008
R		R	R	R	Redeemed	R
<b>Rates and General Services</b>						
<b>1 047 450</b>	<b>Community Services</b>	-	<b>30 581 281</b>	<b>4 224 813</b>		<b>34 806 094</b>
	Health Service-Community		934 184			934 184
184 630	Public Works		22 246 980	3 832 739		26 079 719
	Council-General		1 042 801	6 427		1 049 228
	Municipal Manager		28 433	5 928		34 361
	Corporate Services		157 791			157 791
862 820	Finance		1 690 245	17 680		1 707 925
	Licensing		2 346 351	362 039		2 708 390
	Traffic Services		1 611 602			1 611 602
	Workshops		522 893			522 893
<b>4 424 333</b>	<b>Subsidised Services</b>	-	<b>19 239 032</b>	<b>83 177</b>		<b>19 322 209</b>
	Cemetery		124 837			124 837
4 247 131	Fire Department		4 848 324			4 848 324
	Library		144 551	83 177		227 728
	Afforestation		61 833			61 833
	Museum		1 256 030			1 256 030
	Parks and Recreations		1 186 884			1 186 884
	Estates		3 350 435			3 350 435
	Aerodrome		86 665			86 665
177 202	Civic Buildings		8 179 472			8 179 472
	LED		-			-
	<b>Economic Services</b>	-	<b>6 053 051</b>	<b>30 977</b>		<b>6 084 028</b>
	Refuse		2 444 058			2 444 058
	Sewerage		3 608 993	30 977		3 639 970
	<b>Housing Services</b>					
	Sub-economic housing		<b>72 157</b>			<b>72 157</b>
	<b>AMBULANCE SERVICES</b>		<b>63 237</b>			<b>63 237</b>
	<b>TOWNSHIPS</b>		<b>6 085 849</b>			<b>6 085 849</b>
<b>201 085</b>	<b>Trading Services</b>	-	<b>21 192 174</b>	-		<b>21 192 174</b>
201 085	Electricity		8 589 400			8 589 400
	Water		12 602 773			12 602 773
	<b>Lease Assets</b>					
	Civic Centre Lichtenburg		14 000 000			14 000 000
<b>5 672 868</b>	<b>TOTAL FIXED ASSETS</b>		<b>97 286 780</b>	<b>4 338 967</b>		<b>101 625 747</b>
	<b>Less: loans redeemed and other capital receipts</b>		<b>(89 815 066)</b>	<b>(9 586 197)</b>	<b>3 459 621</b>	<b>(95 941 642)</b>
-	Loans redeemed and advances repaid		(13 810 244)	(5 247 230)	3 459 621	(15 597 853)
-	Contributions ex operating income		(26 935 791)	(4 338 967)		(31 274 758)
-	Provisions and Reserves		(49 069 031)			(49 069 031)
	<b>Net Fixed Assets</b>		<b>7 471 714</b>	<b>(5 247 230)</b>	<b>3 459 621</b>	<b>5 684 105</b>

# DITSOBOTLA LOCAL MUNICIPALITY

**30 JUNE 2008**

## ANALYSIS OF OPERATING INCOME AND EXPENDITURE

### APPENDIX D

ACTUAL 2006/07 R		ACTUAL 2007/08 R	BUDGET 2007/08 R
<b>Income</b>			
22 816 047	Government & Provincial Grants and subsidies	40 245 407	30 576 000
	<b>Income from Tariffs, Service Charges etc.</b>		
16 314 575	Assessment Rates	16 874 365	16 960 000
42 796 101	Electricity	40 706 213	52 257 361
10 147 500	Water	8 479 122	13 611 525
20 817 233	Other Services Charges	23 520 685	32 756 556
<b>112 891 456</b>	<b>Gross Income</b>	<b>129 825 792</b>	<b>146 161 442</b>
<b>Expenditure</b>			
51 833 594	Salaries Wages and Allowances	57 725 860	65 607 699
50 573 493	General Expenses	59 631 864	62 639 023
8 334 640	Repairs and Maintenance	14 447 663	18 185 183
2 061 346	Capital Charges	1 942 261	0
1 148 734	Contributions to Capital Outlay	165 838	0
84 759	Contributions	-	-
<b>114 036 566</b>	<b>Gross Expenditure</b>	<b>133 913 486</b>	<b>146 431 905</b>

## DITSBOTLA LOCAL MUNICIPALITY

### APPENDIX E

#### DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

Actual Income 2006/07 R	Actual Expenditure 2006/07 R	(Surplus)/ Deficit 2006/07 R		Actual Income 2007/08 R	Actual Expenditure 2007/08 R	(Surplus)/ Deficit 2007/08 R	Budget (Surplus)/ Deficit 2007/08 R
(59 922 225)	74 178 781	14 256 556	<b>Rates and General Services</b>	(80 079 183)	86 789 823	6 710 640	19 084 786
<b>(48 685 020)</b>	<b>51 218 188</b>	<b>2 533 168</b>	<b>Community Services</b>	<b>(68 619 365)</b>	<b>59 251 320</b>	<b>(9 368 045)</b>	<b>5 232 900</b>
(16 314 575)		(16 314 575)	Assessment rates	(16 874 365)	0	(16 874 365)	(17 095 680)
	2 292 645	2 292 645	Health and Environmental Health	0	2 236 643	2 236 643	3 903 852
(238 771)	1 072 018	833 248	Grants in -aid and Donations	(259 382)	1 126 114	866 732	248 220
(142 653)	9 544 498	9 401 844	Public Works	(101 218)	11 569 428	11 468 210	9 232 236
(22 867 301)	11 273 688	(11 593 613)	Council General	(24 756)	15 397 553	15 372 797	12 548 604
	1 454 340	1 454 340	Municipal manager	0	1 440 552	1 440 552	3 151 296
(66 596)	1 436 178	1 369 582	Human Resources	(298 116)	1 166 846	868 730	1 695 816
	5 846 269	5 846 269	Town Secretary	0	5 440 984	5 440 984	5 907 636
(4 848 904)	11 252 746	6 403 842	Town Treasurer	(45 948 234)	11 714 661	(34 233 573)	(18 377 340)
(1 913 716)	1 240 794	(672 922)	Licensing	(3 922 545)	1 539 581	(2 382 964)	(305 088)
(2 291 696)	5 675 976	3 384 280	Traffic Services	(1 189 941)	7 583 974	6 394 033	3 084 984
(808)	129 036	128 228	LED	(808)	34 984	34 176	1 238 364
<b>(616 279)</b>	<b>15 093 911</b>	<b>14 477 632</b>	<b>Subsidised Services</b>	<b>(521 700)</b>	<b>16 267 193</b>	<b>15 745 493</b>	<b>16 316 556</b>
(260 065)	2 471 405	2 211 341	Cemetery	(246 360)	1 485 617	1 239 257	1 416 036
(10 828)	1 562 502	1 551 674	Library	(8 802)	1 716 745	1 707 943	2 902 704
(690)	1 921 426	1 920 736	Fire Department	0	3 207 929	3 207 929	2 403 852
(213 686)	2 983 063	2 769 377	Civic Buildings	(230 912)	3 403 961	3 173 049	1 985 160
	409 348	409 348	Museum	0	465 850	465 850	1 058 208
(131 011)	3 621 319	3 490 308	Parks and Recreation	(35 626)	3 936 206	3 900 580	4 696 356
	587	587	Aerodrome	0	1 956	1 956	12 732
	2 124 261	2 124 261	Workshop	0	2 048 929	2 048 929	1 841 508
<b>(10 620 926)</b>	<b>7 866 682</b>	<b>(2 754 245)</b>	<b>Economical Services</b>	<b>(10 938 118)</b>	<b>11 271 310</b>	<b>333 192</b>	<b>(2 464 670)</b>
(7 262 880)	4 347 615	(2 915 265)	Cleansing	(6 355 516)	4 549 660	(1 805 856)	(2 413 416)
(3 358 046)	3 519 067	161 021	Sewerage	(4 582 602)	6 721 650	2 139 048	(51 254)
<b>(25 630)</b>	<b>1 827 085</b>	<b>1 801 455</b>	<b>Sub Economic Housing</b>	<b>2 897</b>	<b>2 256 991</b>	<b>2 259 888</b>	<b>2 393 076</b>
<b>(52 943 601)</b>	<b>38 030 700</b>	<b>(14 912 901)</b>	<b>Trading Services</b>	<b>(49 749 506)</b>	<b>44 866 672</b>	<b>(4 882 834)</b>	<b>(21 178 560)</b>
(42 796 101)	30 422 251	(12 373 850)	Electricity	(41 188 080)	32 921 088	(8 266 992)	(19 654 404)
(10 147 500)	7 608 449	(2 539 051)	Water	(8 561 426)	11 945 584	3 384 158	(1 524 156)
<b>(112 891 456)</b>	<b>114 036 566</b>	<b>1 145 110</b>	<b>Total</b>	<b>(129 825 792)</b>	<b>133 913 486</b>	<b>4 087 694</b>	<b>299 302</b>
		(19 349 971)	Appropriations for the year			(12 253 493)	
		(18 204 861)	Net Deficit/ (Surplus) for the Year			(8 165 799)	
		23 952 249	Accumulated (surplus)/deficit at the beginning of the year			5 746 654	
		<b>5 747 389</b>	<b>Accumulated (Surplus)/Deficit at the end of the year</b>			<b>(2 419 145)</b>	

# DITSOBOTLA LOCAL MUNICIPALITY

30 June 2008

## APPENDIX F

	2008	2007	2006
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### GENERAL STATISTICS

Number of registered voters  
Number of workers employed

### Electricity

Units (KWH) bought	134 053 783	120 000 000
Units (KWH) sold	117 322 941	108 147 000
Distribution loss	16 730 842	11 853 000
Distribution loss as a percentage	12.48%	9.8775%

### Water

Kilolitre bought  
Cost per kiloliter bought  
Kilolitre sold  
Cost per kiloliter sold  
Income per kilolitre sold  
Disitribution loss  
Distribution loss as a percentage