

STEVE TSHWETE LOCAL MUNICIPALITY



DRAFT

ANNUAL REPORT

2007/2008

CORPORATE SERVICES

TOWN SECRETARY
IT
HUMAN RESOURCES
PROPERTY VALUATION

| Function | Manager : Corporate Services | |
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| Sub Function | Town Secretary | |
| Reporting level | Detail | Total |
| <p>Overview</p> | <p>The Department of the Town Secretary provides support services to the mayoral offices and all of the other departments within the institution. The main focus areas includes amongst other ensuring accountable, efficient and transparent governance as well as the provision of an efficient and effective services to other departments, the public and other external stakeholders, the management of records of the organization, marketing events, community development and marketing of municipal activities and services.</p> <p>The department consists of the following sections, secretarial, records, a legal and properties section, events management and marketing.</p> | |
| <p>Description of Activity</p> | <p>The function of the Town secretary within the municipality includes the following:</p> <ul style="list-style-type: none"> ▪ The management of all incoming post and dispensation to relevant ▪ The compilation of Council, Mayoral, Portfolio Committees and Ward Committee agendas as well as the minutes thereof ▪ Rendering secretariat services to the aforementioned committees and council meetings ▪ Rendering of an overall professional legal service ▪ Ensuring compliance with relevant legislation and related matters ▪ Implementing and facilitating processing to ensure the passing, execution, implementing and safeguarding of resolutions. ▪ Attending to all property transactions including the sale of erven that are sold by Council from time to time, leasing of properties from the Council, leasing of equipment by Council, service level agreement,. Etc. ▪ Disposal of properties in accordance with applicable government policies, ▪ Rendering of contract management function ▪ Revision of existing municipal by-laws and compilation of new by-laws. ▪ Conducting activities relating to the overall procurement function of municipality such as the compilation of tenders, etc. ▪ Attending to disciplinary hearings ▪ Administration of community halls ▪ Approval of applications for marches and public gatherings ▪ Co-operation with all spheres of government working with all other departments and relevant stakeholders to ensure timeously reporting. ▪ Provision of publicity for Council events ▪ Marketing of Council activities and services Management of Council newsletters ▪ Co-ordination of events such as Festivals, ceremonial functions, cultural occasions, campaigns, etc. ▪ Providing assistance to the national and provincial offices for any occasions, campaigns, etc. | |

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| | <ul style="list-style-type: none"> ▪ Administration of the municipal information desk ▪ Management of customer suggestions and complaints system ▪ Access control administration and the maintenance of a photo library | |
| | <p>The strategic objectives of this functions are to:</p> <ul style="list-style-type: none"> ▪ The compilation of agendas for Portfolio, Mayoral and Council meetings. ▪ The prompt execution of resolution taken ▪ Compilation of a manual in terms of the access to the Information Act. ▪ The development of an electronic postal system with the assistance of the GIS department. ▪ Ensure public awareness of council activities, events and services ▪ Providing a mechanism thorough which the general public may submit their concerns and compliments and reacting thereto ▪ Creating a strong sense of community through festivities and ceremonials occasions ▪ Continuously monitoring customer satisfaction by way of suggestion/complaints/compliments mechanism ▪ Ensure the provision of effective assistance to the community by referring them through to the correct and relevant department for enquiries ▪ Marketing of council incentives for possible investments | |
| Analysis of the Function | <p>Number of all personnel Number of incoming post received Outgoing post</p> <p><u>Number of agendas compiled :</u></p> <p>Council meeting agendas Mayoral Committee meeting agendas Portfolio Committee meeting agendas Ward Committee meeting agendas Community meetings Naming & Renaming Committee Ethics Committee Number of Ward Committees established Applications for public gatherings Number of community hall bookings IDP Forum Meetings IDP Review Meetings LED Forums Bids – Specifications Evaluation Adjudication</p> | <p>39 6355</p> <p>16 38 12 84 58 0 1 23 9 902 1 25 4 32 38 28</p> |
| | <p>Instructions given to attorneys: :Litigation Collections Property Transfers Criminal Non-litigations</p> <p>TOTAL INSTRUCTIONS GIVEN TO ATTORNEYS</p> <p>Contracts concluded By-Laws adopted and promulgated Policies adopted</p> <p>Tenders advertised</p> | <p>35 762 221 2 5 991</p> <hr/> <p>38 4 3</p> <p>71</p> |

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| | Tenders awarded Residential Erven sold Business Erven sold Industrial Erven sold Phasing out properties registered Church Erven sold Number of disciplinary hearings held: Hearings Appeals TOTAL DISCIPLINARY HEARINGS HELD Expired Contracts Contracts Renewed Contracts Cancelled Town Planning objections Hearings held | 53 180 11 14 3 4 38 5 43 <hr/> 19 14 16 6 |
| (Events & Marketing) | <ul style="list-style-type: none"> • Slots with the Greater Middelburg FM • Publication of council meetings • Suggestion boxes at traffic generating points • Advertisement of Council activities, e.g. joint effort with SAP against corruption | As required As required As required As required |

| Function | Executive Manager : Corporate Services | |
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| Sub Function | Information Technology Services | |
| Reporting level | Detail | Total |
| Overview | <p>The Chief Information Technology Services is the head of the department at the municipality.</p> <p>Vision:</p> <p>To be an efficiently optimized Information Management, Systems and Technology support centre for entire municipality</p> <p>Mission:</p> <p>To enhance service delivery through maximizing of the IMST resources in compliance with the government Information Technology House of Values which are: Security, Interoperability, Reducing duplication, Economies of Scale and Black Economic Empowerment Enablement</p> | |
| Description of Activity | <p>The services rendered by the Information Technology Services department are as follows:</p> <ul style="list-style-type: none"> ✓ Installation of computers, printers and other peripherals. ✓ Update the network security in terms of security policy which includes updating antivirus software, patches and firewall. ✓ Backup of all network information in order to ensure business continuity in case of disaster. ✓ Administer network accounts for all the users (add new users, remove accounts, reset passwords etc). ✓ Maintenance of computer hardware and other related peripherals. ✓ Ensure that computer network connectivity is always up and running which includes the wireless network to remote pay points, clinics and libraries. ✓ Render support on the application systems running on Council network which includes the IMIS Integrator which contain documents management, Geographic Information Services such as sewer, storm water pipes, water meters, electrical meters, sewerages, stands, street names and other related services. ✓ Investigate and analyze the needs of the users and develop or assist departments in acquiring their application software's. ✓ Procure computer hardware, printers and scanners in the form of quotations or tenders for all departments. ✓ Perform regular checks of assets (software, computers etc using Track IT system). ✓ The information/documents on the website are updated accordingly e.g. <ul style="list-style-type: none"> ➤ Annual documents (Annual Reports, Budget, SDBIP, IDP). ➤ Tenders, Vacancies, Legal Notices, Request for quotes from departments which are R30 000 and above according to Supply Chain policy. ➤ Speeches and Statements. <p>The strategic objections of this function are to :</p> <ul style="list-style-type: none"> - To manage all Information Management, Systems | |

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| | <p>and technology resources of the Municipality.</p> <ul style="list-style-type: none"> - To develop and maintain a fully integrated infrastructure system. - To improve service delivery through e-Governance - To establish sound Information Management, Systems and Technology and architecture planning. - To provide a functional Geographic Information System - Ensure Telecommunication Infrastructure is available at all times | |
| <p>Key Issues for 2007/2008</p> | <p>Key Issues for 2007/2008</p> <ul style="list-style-type: none"> • Implemented business continuity solution through the procurement of a Storage Area Network (SAN) which was deployed in the secondary location and linked via fiber connection and Cibecs Solution which backup data of the different workstations. • A 42U rack was procured in order to house the servers. • The HP proliant ML350G5 server was acquired and was used by the library services for the library system. • SQL applications were centralized in a single server procured for efficient management. • Due to challenges experienced with viruses the IT Services acquired and deployed McAfee Antivirus on its dedicated server which is more advance in terms of security and has proven to be reliable on the network. • All the dial-up modems were moved and VPN solution through the firewall was implemented. In addition to control access on the network Cisco ACS appliance was acquired. • Surf control was upgraded to Websense which is the application used to monitor internet usage as well as web filter. This enables the organization to have faster internet access. The policy is now enforced which creates awareness to users without formal training on issues of security. • Computers and printers as well as related peripherals which were obsolete were written off and disposed from the organization following council procedures. • The first phase of the aerial photographs which were flown by AOC were received which are in colour on the scale of 1:8000 for towns and 1:20 000 on farms. • The Telephone Directory System was launched on the 04th of March 2008 where Employees can search for other telephone extensions on the intranet using their first names. • All the documents that are scanned from Records (Town Secretary) on the IMIS Integrator are continuously linked to their relevant ERF number for reference purposes. • The GIS web has been installed. • GFI Fax maker was acquired and will be implemented with MS Exchange. • The design and layout of the Municipal website was changed. • Various sites which include the radio network and telephone system have been equipped with uninterrupted power supply which will minimize disruption on business operation in the event of the power failure. • The spacestream office was implemented at Doornkop as Telkom does not have infrastructure for telephones in the area. • Telkom outdoor extensions which were not operational for more than 2 years fixed by Telkom which are at Parks (Nursery), Electrical workshop and Personnel (Service Centre) • Provided year planners and leave time table for various departments. • Performed hardware audit throughout the municipality offices. • The department continued to renew its Software licenses as | |

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| | required by different software vendors to enable the Municipality to receive the new technology as it comes on its way. | |
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| Function | Manager: Corporate Services | | | | | | | | | | | | | | | | | | | | | |
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| Sub Function | Human Resource Management | | | | | | | | | | | | | | | | | | | | | |
| Reporting | Detail | Total | | | | | | | | | | | | | | | | | | | | |
| Overview | <p>The Human Resource Department provides support services to all departments. The main focus areas includes amongst other, ensuring accountable, efficient and transparent governance as well as the provision of an effective Human resource support services to other departments, the public and external stakeholders</p> <p>The Human Resource Department renders an advisory service with regard to providing and maintaining human resources for delivery of quality services to the communities.</p> | | | | | | | | | | | | | | | | | | | | | |
| Description of the activity | <p>The function of the Human Resource Department includes the following:</p> <ul style="list-style-type: none"> • Forecasting and predicting the Human Resources needs in the organization in consultation with the various departments(personnel budgeting) • Recruitment, selection and placement of staff and the administration of the employment process • Updating and maintenance of the human resource database for proper record keeping and legal compliance purposes. • Compilation, maintenance and updating the organizational diagram's of the municipality after approval by the Council. • Occupational health and safety advisory and training services to all departments. • Labour relations including arrangements for meetings of the Local Labour Forum and its sub committees disciplinary and grievance matters. • Administration of Council's Employee Assistant (EAP) programme. • Administration and arrangement of HIV/AIDS consultative meetings and campaigns in the workplace in co-operation with all departments. • The TASK Job Evaluation form for most departments are completed and according to the job evaluation committee about 83%of the post submitted by the Municipal Departments were evaluated and submitted to the SALGBC structures for auditing and moderation purposes. • The Employment Equity plan was proceeded with. The targets put by Council, namely that 75% of the administration must be composed of the designated groups at the end of June 2007 is as follows: <table border="1" data-bbox="511 1602 1151 1730"> <thead> <tr> <th></th> <th>2000</th> <th>2006</th> <th>2007</th> <th>2008</th> </tr> </thead> <tbody> <tr> <td>Level 1- 5</td> <td>28%</td> <td>62,5%</td> <td>70%</td> <td>71.4%</td> </tr> <tr> <td>Level 1- 10</td> <td>58%</td> <td>78,3%</td> <td>80,8%</td> <td>85,5%</td> </tr> <tr> <td>Level 1- 12</td> <td>66%</td> <td>82,9%</td> <td>85,4%</td> <td>89,7%</td> </tr> </tbody> </table> <p>The Employment Equity reports were submitted to the Department of Labour</p> <ul style="list-style-type: none"> ❖ The Skills Development Plan and implementation report was submitted to the LGSETA and funds were paid back to Council as result of it. ❖ An independent survey on employee well being was conducted and the results were made available to management. | | 2000 | 2006 | 2007 | 2008 | Level 1- 5 | 28% | 62,5% | 70% | 71.4% | Level 1- 10 | 58% | 78,3% | 80,8% | 85,5% | Level 1- 12 | 66% | 82,9% | 85,4% | 89,7% | |
| | 2000 | 2006 | 2007 | 2008 | | | | | | | | | | | | | | | | | | |
| Level 1- 5 | 28% | 62,5% | 70% | 71.4% | | | | | | | | | | | | | | | | | | |
| Level 1- 10 | 58% | 78,3% | 80,8% | 85,5% | | | | | | | | | | | | | | | | | | |
| Level 1- 12 | 66% | 82,9% | 85,4% | 89,7% | | | | | | | | | | | | | | | | | | |

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| | ❖ Fringe benefit administration whereby employees were advised about their benefits e.g. housing, loans, pension or gratuity fund benefits, group life insurance etc. Employees, Councilors and the next of kin of employees, who passed away, were assisted in applying for the benefits. | |
| Strategic Objectives | This function is to: To provide Human Resources support services to the entire institution. | |
| Key issues | 2007/2008 ✓ The quantitative objectives on employment equity ✓ Completion of the TASK Job Evaluation process | |
| Analysis of the function | The Human Resource Department statistical achievements during the 2007/2008 financial year was as follows: | |
| | Number of personnel in the department | 9 |
| | Advertised posts | 144 |
| | Re-advertised post | 21 |
| | Employees appointed | 79 |
| | Employees promoted | 26 |
| | Temporary appointments | 577 |
| | Resignation | 47 |
| | Retirement | 11 |
| Deaths | 11 | |
| Dismissals | 6 | |

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| Function: Sub Function: | Corporate Services Property Valuation Services |
| Reporting Level | Detail |
| Overview | The Property Valuation Services Department provides property valuation services to the Municipality including the compilation and maintenance of valuation rolls, ad-hoc valuations and advice to other departments concerning property related issues. |
| Description of activity | <p>The function of the Property Valuation Services Department within the municipality is administered as follows:</p> <ul style="list-style-type: none"> • Continual updating and analyzing of property related data. • Inspection and valuation of all properties within the municipal boundaries. • Compilation of a quadrennial valuation roll. • Consider and decide objections. • Attend and monitor Valuation Board Hearings. • Maintenance of valuation roll by conducting supplementary valuations and compiling a supplementary valuation roll. • Manage and decide on ad-hoc valuations. • Render advice to other departments on property related projects and issues. <p>The strategic objective of this department is to provide a cost-effective, equitable and sustainable valuation service to the municipality in order to ensure a reliable source of revenue from assessment rates.</p> <p>The key issue for 2007/2008 was to collect and analyse data and to inspect and value properties regarding the compilation of a comprehensive valuation roll in terms of the Property Rates Act.</p> |
| Analysis of the function | |
| | 1. Inspection and valuation of properties for valuation roll –(± 44 000 properties) |
| | 2. Inspection and valuation of properties for supplementary valuation roll |
| | 3. Consider and decide objections |
| | 4. Inspection and valuation of properties for ad-hoc requisitions |
| | 5. Number of personnel |
| Short history of Department | The department has been established during the 2004/2005 financial year. The Chief: Property Valuation Services, two Senior Property Valuers and a Data Capturer have been appointed during this period, the required office equipment have been acquired and a fully operational office was established. The process of compiling a valuation roll was commenced with. One of the Senior Valuers left Council during 2006/2007 to further his career in the private sector. Two candidate valuers were appointed during the same period. An intern was also placed with the department during 2007/2008 by DPLG. |
| Task accomplished in previous years | <ul style="list-style-type: none"> • The establishment of a fully operational department. • Conducted 321 ad-hoc valuations and/or reports regarding properties • Determined prices for 1324 erven in Aerorand • Conducted 2660 supplementary valuations • Inspected and valued 187 properties in the newly incorporated Blinkpan Village • Commenced with the preparations for the valuation process regarding the compilation of a comprehensive valuation roll in terms of the Property Rates Act. • Determined prices for 596 erven in Middelburg Extension 18 • Inspected updated data and valued approximately 95% of properties within the MP 313 area for the compilation of the 2008 – 2012 valuation roll, which has now been extended to 2009-2013. |
| Tasks accomplished last year – Capital an Operating | <ul style="list-style-type: none"> • Conducted 148 ad-hoc valuations and/or reports regarding properties • Conducted 1454 supplementary valuations. • Inspected, updated data and provisionally valued approximately 95% of the |

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| | properties within the MP313 area for the compilation of the valuation roll. |
| Tasks to be accomplished in current budget | <ul style="list-style-type: none"> • Conduct ad-hoc valuations as required. • Conduct supplementary valuations as required. • Complete the valuation of properties for the compilation of a comprehensive valuation roll in terms of the Property Rates Act by 16 January 2009. • Consider and decide objections regarding the above-mentioned valuation roll. |
| Tasks to be accomplished according to IDP objectives | <ul style="list-style-type: none"> • Compile a comprehensive, fair and uniform quadrennial valuation roll. • Maintain the valuation roll by causing supplementary valuations. • Conduct valuations on immovable property for other municipal purposes including alienation of land, acquisition and expropriation, rental and replacement value. |

TECHNICAL & FACILITIES

CIVIL ENGINEERING: (SEWERAGE, WATER AND ROADS)
TOWN ELECTRICAL ENGINEER
TOWN PLANNING
PARKS AND RECREATION (PARKS AND CEMETERIES)
MUNICIPAL BUILDINGS
SOLID WASTE

| Function | Technical & Facilities : Civil Engineering Services Sanitation & Waste Water Management | |
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| Sub Function | Sewerage | |
| Reporting level | Detail | Total |
| Overview | Sanitation: Includes provision of sewerage services, new infrastructure, waste water treatment and toilet facilities in the rural area. | |
| Description of Activity | <p><i>The sewerage functions of the municipality are administered as follows and include:</i></p> <p>The maintenance of existing internal and outfall sewer networks. The provision of new infrastructure for new developments. The provision and management of waste water treatment plants. The treatment of waste water (sewerage and effluent) to statutory standards according to the National Water Act.</p> <p><i>The strategic objectives of this function are to:</i></p> <p>To maintain the existing sewer networks in the urban areas. To provide infrastructure for new developments Address the problems regarding sanitation on farms that might result in the contamination of water sources and spreading of diseases.</p> <p><i>The key issues:</i></p> <p>Proper upgrading and maintenance of all existing sewer infrastructure, equipment and vehicles to provide a sustainable service. The effective treatment of human and industrial waste effluent at the treatment plants. The effective management of sewerage effluent according to the Water Services Act and National Water Act. The provision of new sewer connections to all new buildings upon request. The upgrading of outfall sewers.</p> | |
| Analysis of the Function | <p>Number and costs to employer of all personnel associated with sewerage function.</p> <p>Number of households with sewerage services, and type and cost of service:</p> <p style="padding-left: 40px;">Flush toilet (connected to sewerage system) 32065</p> <p style="padding-left: 40px;">Biological units 252</p> <p style="padding-left: 40px;">No toilet provision(Rural Study) 150</p> <p>Anticipated expansion of sewerage:</p> <p style="padding-left: 40px;">Number of treatment plants. 1 3</p> <p>Free Basic Service Provision:</p> <p>New Infrastructure:</p> <p>Number of residential erven serviced 300</p> <p>Number of Industrial erven serviced 63</p> | <p>102 R 5 930 195</p> |

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| Function | Technical & Facilities : Civil Engineering Services Road Transport | |
| Sub Function | Roads & Stormwater | |
| Reporting level | Detail | Total |
| Overview | <p>Construction of new and maintenance of existing roads and storm water systems within the municipality's area of jurisdiction</p> <p>The Department Civil Engineering Services is responsible for the planning, design, construction and maintenance of roads and storm water networks in the area.</p> | |
| Description of the Activity: | <p>The road maintenance and construction responsibilities of the municipality are administered as follows:</p> <p><i>The development and implementation of maintenance management systems consisting of:</i></p> <ul style="list-style-type: none"> Pavement monitoring programme for surfaced roads. Storm water management system. Resealing programme Designing of new roads and storm water drainage systems Planning of paving and kerbing. Collect traffic data for planning, design, maintenance and operation management. Roads and storm water planning for new developments and maintenance of existing infrastructure. Project Management on the construction of new roads and storm water systems. <p><i>The strategic objectives of this function:</i></p> <ul style="list-style-type: none"> To install an effective storm water drainage system in all developed areas. To tar all existing gravel roads in the townships. To maintain existing roads, paying special attention to potholes. To improve the quality of gravel access roads in rural areas. To provide paved sidewalks in areas with high density of pedestrians. To construct roads, kerbing and storm water drainage for new developments. <p><u>Key issues:</u></p> <ul style="list-style-type: none"> Effective storm water planning and management. Manage the execution of capital projects and maintenance work on roads and storm water infrastructure. The construction and maintenance of paved sidewalks. The provision of new roads and storm water infrastructure. | |
| Analysis of function | <p>1. Number and cost of all personnel:</p> <p>71</p> <p>R 3 982 418</p> <p>2. Total Number, kilometers and value of road projects:</p> <ul style="list-style-type: none"> Roads New 17.55 km Roads rebuild 1,185 km New gravel (km) 24.83 km Roads resealed 26.4 km <p>Note: If other types of road projects, please provide details</p> <p>Total kilometers and maintenance cost associated with existing roads :</p> <ul style="list-style-type: none"> Tar 801 km Gravel 245 km <p>Total Number of kilometers :</p> | |

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| | <p>Constructed Rebuilt</p> <p>Note : If other types of road projects, please provide details</p> <p>Average frequency and cost of re-tarring, re-sheeting roads :</p> <p>Tar Gravel</p> <p>Estimated backlog in number of roads, showing kilometers and capital cost. Tar Gravel</p> <p>Total operating cost of service:</p> <p>Capital Budget</p> <p>Operational</p> | <p>17.55 km 1,185 km</p> <p>R39 359 546</p> <p>R 33 811 370</p> <p>R 5 548 176</p> |
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| Function | Technical & Facilities : Civil Engineering Services Water | |
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| Sub Function | Water supply and distribution | |
| Reporting level | Detail | Total |
| Description of Activity | <p><i>The water distribution and purification function of the municipality is administered as follows and include:</i></p> <ul style="list-style-type: none"> Maintenance of existing water infrastructure and provides new infrastructure for developments. Responsible for the acquisition, abstraction, purification and distribution of bulk water. Operation and maintenance of water treatment plants. Ensure sustainable, affordable, effective and efficient access to water for its residents. Management of water meter replacement programme to reduce water losses. Maintenance of existing water infrastructure and provides new infrastructure for developments. <p>These services extend to include function/area, but do not take account of <function/area> which sits within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><i>The strategic objectives of this function are to:</i></p> <ul style="list-style-type: none"> Provide drinking water to all households in the urban areas. Provide drinking water to people residing on farms/informal settlements and who do not have access to safe water sources. Maintain existing water infrastructure Provide infrastructure for new development. | |
| Analysis of the function: | <ol style="list-style-type: none"> 1. Number and cost to employer of all personnel 2. Percentage of total water usage per month <p>Note: this will therefore highlight percentage of total stock used per month.</p> <ol style="list-style-type: none"> 3. Total volume and cost of bulk water supplied in kilolitres and rand, by category of consumer . <ul style="list-style-type: none"> Residential/other Commercial Kilolitres pumped (portable) (14 317 563) Kilolitres sold (portable) (11 460 590) 4. Total 2007/08 water losses in kilolitres and rand 5. Total 2007/08 water losses in kilolitres (2 520 501) | <p>58 R 3 220 049 85%</p> <p>30 021 2 044 R 30 738 330</p> <p>R 7 662 2 856 973 kl</p> |

| Function | Technical & Facilities : Town Electrical Engineer | |
|-------------------------|--|-------|
| Sub Function | Electricity distribution | |
| Reporting level | Detail | Total |
| Description of Activity | <p><i>The distribution and transformation of electrical energy as a function of the municipality is administered as follows and include:</i></p> <ul style="list-style-type: none"> ❖ Maintenance of existing electricity networks consisting of lines, cables switchgear and transformers. ❖ Provide infrastructure for new developments. ❖ Responsible for the acquisition, transformation and distribution of bulk electricity. ❖ Operation and maintenance of networks and substations. ❖ Ensure sustainable, affordable, effective and efficient access to electricity for its residents, businesses and industrial sector. ❖ Management and metering of electricity to reduce losses and power interruptions. ❖ Provision of efficient street and area lightning to cater for the needs of the community. ❖ Provides new infrastructure for developments. <p>These services extend to include function/area, but do not take account of <function/area> which sits within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><i>The strategic objectives of this function are to:</i></p> <ul style="list-style-type: none"> ➤ Provide electricity to all households in the licensed area. ➤ Provide free electricity connections to all RDP households in the licensed area. ➤ Maintain existing electrical infrastructure. ➤ Reduce and minimize power interruptions ➤ Provide electricity to new developments. <p><u>The key issues for 2007/8 were:</u></p> <ul style="list-style-type: none"> ✓ Effective maintenance of existing electrical infrastructure, equipment and vehicles to provide a good quality and an affordable service. ✓ Maintenance of existing street and area lighting infrastructure, equipment and vehicles to provide efficient area and street lighting. ✓ Continuous replacement of redundant & unsafe switchgear to ensure safety of workers and public, reduce damage to equipment and ensure a continuous supply of electricity. ✓ The provision of connections to all new developments as and when required ✓ Upgrading of distribution network in Mhluzi, Middelburg, Hendrina and Kwaza to provide in the increasing demand with subdivisions and densifying. ✓ Provision of new infrastructure and connections for RDP houses ✓ Upgrading of the Notified Maximum Demands from Eskom to Hendrina, Kwazamokhule and Middelburg. ✓ The planning of 2 new 88kV intake substations – Aerorand and Nasaret. ✓ Initializing of 2 new 88kV supplies from Eskom for Aerorand and Nasaret substations. ✓ The provision of electrical infrastructure to industrial and domestic erven to cater for the increasing demand. ✓ The expansion of Gholfsig Substation (88kV) | |

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| Function | Technical & Facilities |
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| Sub Function | Town Planning Services |
| Reporting level | Detail |
| Overview | <p>This department is constituted mainly by two divisions namely, Town Planning and Building Control. The Town Planning Division provides the strategic direction regarding the spatial two physical development of the towns in the Steve Tshwete Municipality and ensures that the development of towns take place within appropriate pieces of legislation such as acts, buildings regulations, town planning schemes and by laws and Spatial Development Framework. It further facilitates and promotes the development of an integrated spatial plan in order to attain urban and rural growth management by means of physical, social, economic and institutional development.</p> <p>STAFF COMPONENT</p> <ul style="list-style-type: none"> 1 X Chief Town Planning Services 2 X Town Planners 1 X Town Planning Assistant 1X Chief Building Control Officer 1X Senior Building Control Officer 1X 5 Building and Drainage Inspector 2X Clerk Grade 1 1X Senior Clerical Assistant |
| Description of Activity | <p>The function of Town Planning Department within the municipality includes:</p> <ul style="list-style-type: none"> ◆ Evaluation of applications for township establishment, rezoning, consent use, subdivision consolidation, placing of public telephone containers and applications for any land related development. ◆ Regulation and management of land uses. ◆ Evaluation and approval of building plans and site development plans. ◆ Conducting inspections of building plans and site development plans. ◆ Conducting inspections of buildings to be erected to ensure that they are in accordance with the building plans approved. |
| Development Priorities | <ul style="list-style-type: none"> ◆ To involve the community in town planning matters ◆ To attend to the management of underdeveloped land. ◆ To provide additional land that can be used for building of churches. ◆ To attend to problems experienced with illegal use of land. ◆ To provide additional residential sites for purchase by the community. ◆ To provide land for farming purposes in the rural areas. ◆ To inform the community of the rights and responsibility of land ownership ◆ To investigate the possibility of creating rural villages. |
| Analysis of the function | <p><u>Number and cost of all personnel</u> :</p> <ul style="list-style-type: none"> ➤ Total number and value of buildings plans approved ➤ Total number of building inspections performed ➤ Total operating cost of this function <p><u>Town planning status</u> :</p> <ul style="list-style-type: none"> ❖ Total amendment schemes recorded ❖ Total building line ❖ Total consents recorded ❖ Total street addresses recorded ❖ Article 92's - not registered yet |

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| <p>Tasks accomplished last year – Capital and Operating</p> | <ol style="list-style-type: none"> 1. <u>Town Planning: Establishment of Rockdale Township: (3062 stands)</u> This township is not proclamation stage. 2. <u>Additional Residential sites at Mhluzi Extension 4</u> Portion 7 of Erf 12941 Mhluzi has been subdivided into 38 residential erven, 1 church erf and a park erf. Approval of SG Plan by the Surveyor General is still awaited. 3. <u>Creation of residential erven on Portions 177 – 180 of Erf 5629</u> 4. <u>Mhluzi Extension 2</u> The stands were rezoned consolidated and subdivided to create 15 residential erven. Approval of the rezoning and subdivision application by the Department of Agriculture and Land Administration is still awaited. 5. <u>Kwazamokuhle Extension 1</u> The township is at registration and proclamation stage. 6. <u>Aerorand South Township</u> The township comprising of 600 stands is being planned by a consultant. 7. <u>Nasaret</u> Rezoning and subdivision of Erf 345 into 10 residential erven, 1 business erf and 1 church erf. 4 additional church erven at Aerorand were created. Approval of the last two consolidation and subdivision diagram is still awaited. 8. <u>Mhluzi Town</u> (i) Rezoning and subdivision of Erf 1588 Mhluzi into 8 residential erven and 1 church erf was finalised. Approval of the subdivision diagram is still outstanding.. (ii) Rezoning of Erf 10072 Mhluzi into church erf was done. (iii) Rezoning of Erf 43 Doornkop to “Business 2” was done. 9. <u>Rural villages</u> Bankfontein and Mafube Rural Villages have been approved by Council. Reticulation of services has been commenced with. The rural villages are at registration and proclamation stages. |
|---|---|

| Function | Technical & Facilities 2007/2008 | |
|--------------------------|---|------------------|
| Sub Function | Parks & Recreation : Department | |
| Reporting level | Detail | Total |
| Overview | The Parks and Recreation service provides a wide range of services to the community. This reaches from the administration of sports and recreational facilities to arts and cultural events. The department is also responsible for the maintenance of all parks and recreational facilities and resort like, Middelburg Dam and Kosmos Dam. | |
| Description of Activity | <p>The function of provision of Parks and Recreation Services is administered as follows:</p> <ul style="list-style-type: none"> Provide and maintain sport facilities and day-to-day running of the municipal swimming pools at Kees Taljaard and Mhluzi. Provide and maintain parks and open spaces as well as sidewalks pavements. Maintain recreational facilities and resorts. Administrate applications of pesticides and herbicides. Arboriculture and construction services. The operation of a municipal nursery and maintenance of diverse gardens and garden refuse removal. Provide and maintain recreation furnishings and equipment The operation of a mechanical workshop and a vehicle fleet. Seasonal maintenance of Council properties and other sites, when necessary Development of new parks and facilities | |
| | <p>The strategic objectives of this function are:</p> <ul style="list-style-type: none"> To provide additional sporting facilities and equipment for different sporting codes. To maintain and upgrade the existing sport and recreational facilities. To provide basic sporting facilities such as soccer fields in the rural area where there is a concentration of people. To ensure that the existing museum at Hendrina is maintained and extended if possible. To carry out general operational repairs and maintenance to parks, open spaces, sidewalks, sports and recreational facilities. To further develop existing parks, open spaces, sidewalks and recreational facilities. To bring into being new parks, open spaces, sidewalks and recreational facilities. | |
| | <p>The key issues for 2007/2008 have been:</p> <ul style="list-style-type: none"> The replacement of fencing and various sports facilities with concrete palisade fencing. The refurbishment of the Mhluzi pool and pool equipment. The refurbishment of the Mhluzi small pool Marbelite. Upgrading of Eastdene sportfacilities. Provision of power points at Middelburg Dam camp sites. Upgrading and maintenance of playing equipment. Upgrading, development and maintenance of electrical network at Kees Taljaard Sport Stadium. Development of new parks all over the jurisdiction. | |
| Analysis of the Function | This Department became autonomous and is functioning as such. | |
| 1 | <p>NUMBER AND COST ALL PERSONNEL:</p> <ul style="list-style-type: none"> Parks Sport and Recreation | 215 194 21 |
| 2 | <p>NUMBER OF PARKS DEVELOPED:</p> <ul style="list-style-type: none"> Existing parks New parks | 77 2 |

| | | |
|--|--|---|
| 3 | <p>NUMBER OF FACILITIES PROVIDED:</p> <ul style="list-style-type: none"> Rugby Bowls Netball Korfball Tennis Jukskei Hockey Cricket Badminton Squash Wrestling Boxing Pigeon clubs Marathon Karate Basketball Aerobics Soccer (grass fields) Volleyball Soccer (ground fields) Total operating cost of Parks and Recreation | <ul style="list-style-type: none"> 2 2 8 6 20 36 0 1 3 3 1 1 2 3 2 5 1 9 3 16 |
| Short History of Department | This Department became autonomous and is functioning as such. | |
| Tasks accomplished in Previous Years | <ul style="list-style-type: none"> Provided sporting facilities and equipment for different sporting codes. Maintenance and upgraded the existing sport and recreational facilities. Provided basic sporting facilities such as soccer fields in the rural areas. General operational repairs and maintenance to parks, open spaces, sidewalks, sports and recreational facilities. Developed existing parks, open spaces, sidewalks and recreational facilities. Developed new parks, open spaces, sidewalks and recreational facilities. | |
| Tasks accomplished last year – Capital and Operating | <ul style="list-style-type: none"> Replaced fencing and various sports facilities with concrete palisade fencing. Refurbished the cloakrooms and ablution facilities of the Kees Taljaard stadium. Power points at Middelburg Dam camp sites. Upgraded and maintained playing equipment. Developed new parks all over the jurisdiction. | |
| Tasks accomplished in current budget | <ul style="list-style-type: none"> Replaced fencing and various sports facilities and pools with concrete palisade fencing. Refurbished the clubhouse facilities of the Kees Taljaard stadium. Power points at Middelburg Dam camp sites. Upgraded and maintained playing equipment. | |

| Function | Technical & Facilities 2007/2008 | |
|--------------------------|---|--|
| Sub Function | Parks & Recreation : Cemeteries | |
| Reporting level | Detail | Total |
| Overview | Currently eight cemeteries are maintained in Middelburg area and three in Hendrina and Kwazamokuhle. The community in the rest of the incorporated areas in the Steve Tshwete municipality area utilise the cemeteries in the nearest vicinity. | |
| Description of Activity | The function of provision of various community and social services within the municipality is administered as follows and include: Provision of cemeteries Continuous updating and record keeping of cemetery registers now captured on electronic database. Planning and development of future cemeteries to ensure that sufficient space is available The maintenance and upgrading of existing equipment, vehicles, system and procedures to ensure a quality service to the community | |
| | The strategic objectives of this function are to: Upgrade the existing cemeteries which include fencing tarred roads and ablution facilities. Provide new cemeteries in the rural area at places such as Pullenshope, Rietkuil and Komati. To maintain existing facilities on a high standard. | |
| | The key issues for 2007/2008 have been: The continuous upgrading and maintenance of cemeteries The new area of Fontein Street cemetery and temporary grading of gravel roads and surfacing portion thereof. Started to fence Fontein street and Nasaret Cemeteries with concrete palisade fence. New gates at the Hindu and Voortrekker Street cemeteries. Paved a new Road portion in Nasaret Cemetery. Identify sites for cemeteries in rural areas. Komati and Pullenshope. | |
| Analysis of the Function | The planning process on new cemetery in Komati and Pullenshope The planning process to extend Fontein street cemetery and Phumolong. | |
| 1 | NUMBER AND COST ALL PERSONNEL: | 22 |
| 2 | NUMBER AND INCOME FROM BURIALS: Phumolong Fontein Street Nasaret Voortrekker Street Hendrina/Kwaza Avalon Adults Children TOTAL BURIALS | 1267 316 132 11 416 5 1738 409 2147 |
| 3 | LIST OF CEMETERIES: Cross Roads cemetery Avalon cemetery Phumolong cemetery | |

| | | |
|--|---|--|
| | <p>Voortrekker Street cemetery General Jewish Moslem Hindu</p> <p>Fontein Street cemetery Nasaret Old cemetery Nasaret New cemetery Hendrina cemetery Kwaza old cemetery Kwaza children's old cemetery Karee street cemetery</p> | |
| Short History of Department | This department always took pride in the cemeteries and maintenance thereof and hope to keep it part of the pride of the Town and Townlands. | |
| Tasks accomplished in Previous Years | <p>Upgraded the existing cemeteries which include fencing tarred roads and ablution Facilities.</p> <p>Provided new cemeteries in the areas that needed it.</p> <p>Maintained existing facilities on a high standard.</p> | |
| Tasks accomplished last year – Capital and Operating | <p>The continuous upgrading and maintenance of cemeteries</p> <p>The new area of Fontein Street cemetery temporary grading of gravel roads and surfacing portion thereof.</p> <p>The new area at Hendrina cemetery, surfacing and kerbing portion of the roads.</p> <p>New fencing on part of Hindu and Voortrekker street cemeteries.</p> <p>Surveys on portions in Pullenshope and Komati for development</p> | |
| Tasks to be accomplished in current budget | <p>The continuous upgrading and maintenance of cemeteries</p> <p>The new area of Fontein Street cemetery and temporary grading of gravel roads and surfacing portion thereof.</p> <p>New fencing on part of Nasaret, Phumolong and Fontein street cemeteries.</p> <p>Extension of Fontein street cemetery.</p> <p>Development of new cemetery in Komati and Pullenshope.</p> | |
| Tasks to be accomplished according to IDP objectives | <p>New fencing and gates on part of Phumolong and Fontein street cemeteries.</p> <p>Extension of Fontein street cemetery.</p> <p>Development of new cemetery in Komati and Pullenshope.</p> <p>Fence at Nasatet cemetery.</p> | |

| Function | Technical & Facilities 2007/2008 | |
|--|---|--------------|
| Sub Function | Municipal Building Services | |
| Reporting level | Details | Total |
| Overview | This department is responsible for the provision of new municipal buildings and structures, maintenance and security of these structures. | |
| Description of the activity | The municipal services are administered as follows and include: "The provision of new and upgrading municipal buildings and structures; the maintenance of municipal buildings; the cleansing of municipal buildings; public toilets and taxi ranks; the planning and installation of security systems and the compilation of replacement values of municipal buildings for insurance purposes." | |
| Strategic Objectives | To interact with other departments smoothly and without disturbance in order to ensure accurate implementation for planning and maintenance of municipal buildings eg. upgrade existing ablution facilities and to build new ones at various cemeteries, taxi ranks and sports grounds, to erect new shelters and carports at taxi ranks; to upgrade old and build new libraries, clinics, sporting facilities and fire stations throughout the municipal area. | |
| The key issues for 2006/2007 have been | During this period a total number of 22 capital projects with the value of about 11 million Rand have been undertaken, from the Community hall Extension 7, construction of clinic at Mhluzi X6 to the upgrading, extension and renovating of facilities and the provision of security fences and air-conditioning. Maintenance work to the value of 3.0 million Rand was carried out in about 84000m ² of municipal buildings. | |
| Staff component of department | <ul style="list-style-type: none"> 1 Engineering Technician 1 Technical Assistant 2 Senior Carpenters 1 Caretaker Cleansing 1 Clerical Assistant 1 Artisan Assistant 24 Worker Grade 3 | |
| Challenges the department face | Maintaining Municipal buildings within the allocated budget for various departments and external factors like contractors and suppliers. Vandalism and theft at the municipal buildings that occur on a regular basis. Hawkers utilizing public toilets to obtain water for their business and structuring of hawkers at the taxi facilities | |
| Improvement of departmental performance | <ul style="list-style-type: none"> • Ensuring projects are executed within the specific time frame. • Compile of yearly maintenance programme. • Maintaining municipal buildings ensuring that they adhere to all building regulations & health and safety acts. | |

| | | |
|---------------------------------------|---|--|
| Capital projects for 2007/2008 | <ol style="list-style-type: none"> 1. Fencing Kwaza library 2. Upgrade Rates hall 3. Renovate floor coverings Civic Centre 4. Air conditioners 24 HR Centre 5. Air-conditioners Civic Centre 6. Upgrade storm water inlets 7. Replace floor covering community halls 8. Upgrade main entrance at the Service Centre 9. Fencing old age homes 10. Air conditioners – Testing grounds 11. Palisade fencing testing grounds 12. Air conditioners – Mhluzi clinic 13. Pounding storage building for Public Services 14. Washbay phase 2 – Solid Waste 15. Replace roof at the Service Centre 16. Replace fencing Loskop / Botashabelo road 17. 2nd phase Doornkop MPCC 18. Fencing at Vaalbank 19. Toilet facilities at Rietkuil library 20. Erection of Banquet hall 21. Community hall X7 MPCC 22. Paving Nasaret community hall | |
|---------------------------------------|---|--|

Number, cost and extent of buildings maintained:

| Buildings | Number | Cost |
|---------------------------------|---------------|-------------|
| Housing | 205 | R257 000.00 |
| Libraries | 9 | R118 000.00 |
| Municipal Offices | 3 | R488 085.00 |
| Community Halls | 6 | R173 000.00 |
| Public Toilets | 7 | R71 000.00 |
| Dumping Sites | 4 | R3 000.00 |
| Clinics | 10 | R135 145.00 |
| Hostel | 2 | R101 000.00 |
| Squatter Control | 1 | R14 000.00 |
| Cemeteries | 5 | R14 000.00 |
| Fire Stations | 2 | R155 000.00 |
| Sport grounds Middelburg | 13 | R200 000.00 |
| Workshops | 2 | R13 000.00 |
| Sewerage Purification Plants | 10 | R117 115.00 |
| Service Centre | 21 | R152 425.00 |
| Fixed Property including MPCC's | 12 | R111 000.00 |
| Taxi Terminals | 6 | R57 000.00 |
| Water Purification Plants | 5 | R145 650.00 |
| Electricity Sub-stations | 100 | R73 500.00 |
| Vehicle Testing Centres | 2 | R39 000.00 |
| 24 hr Control centre | 1 | R42 200.00 |

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| | | |
| | | Total |
| | | |
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| | | |
| | | |
| | | 40 000 0 1 1 |
| | | 238.33 tons per day Not measured |
| | | 20 3 |
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| Function | Technical & Facilities | |
|--------------------------------------|---|---|
| Sub Function | Solid Waste Disposal : Department | |
| Reporting level | Detail | Total |
| Overview | The Solid Waste Disposal Services are managed "in a closed account", i.e. it is not subsidised at all. It consists of four main components: Residential, Business and industrial refuse removal; street cleansing and removal of refuse from illegal dumping sites; management of landfill site: provision of refuse containers and Pendulla Bins in Parks and Streets. | |
| Description of Activity | The refuse collection functions of the municipality are administered as follows and include : Residential refuse removal (plastic bags and dustbins), 1,75 m ³ bulk containers in residential units, business and industrial refuse removal, street cleansing activities in central business areas and in open areas like parks, main entrances, riverbanks and vacant land, removal of excess household and garden refuse in 3 m ³ bulk containers. Collection of refuse in Pendulla Containers. | |
| | The strategic objectives of this function are to: To provide collection containers at strategic points for garden refuse; to provide all households with a dustbin; to remove all illegal dumping sites; to manage all landfill sites environment friendly and according to specifications, to ensure a safe and proper operation at most cost effective rates. And to strive to be the Cleanest Town in S.A | |
| | | |
| Key Issues for 2006/2007 | Mass refuse containers were completely refurbished, Pendula refuse bins were installed through out the area; Provision of a new LDV Provision of new 1,75 m ³ refuse removal containers, Purchase a new 20.5 m ³ refuse removal compactor vehicle, Cleaning of illegal dumping sites. Construction of phase two of the landfill site | |
| Analysis of the Function | Number of households receiving regular refuse removal services, and frequency and cost of service : Removed by Municipality at least once a week Removed by Municipality less often Communal refuse dump used Own landfill site Note: If other intervals of services are available, please provide details. | 41 000 0 1 1 |
| | Total and projected tonnage of all refuse disposed : Domestic/Commercial Garden Note : Provide total tonnage for current and future years activity | 238.33 tons per day Not measured |
| | Total number, capacity and life expectancy of refuse disposal sites : Domestic/Commercial (number) Garden (number) Note: Provide the number of tip sites, their total current capacity and the expected lifespan as at end of reporting period. | 20 3 |
| Tasks accomplished in Previous Years | <ul style="list-style-type: none"> Sales of refuse bins to the public on a cost price Establishment of the Garden Refuse site in Komati, Rietkuil, and Hendina | |

| | | |
|---|--|--|
| <p>Tasks accomplished last year – Capital and Operating</p> | <ul style="list-style-type: none"> • Sales of Medical Waste Containers to surgeries. • Purchase and Installation of the 85L Pendula refuse bins and Repair 1.75 m³ refuse containers • Identify all the illegal dumping sites and continue cleaning up of all the sites • Purchase and distribution of the 1.75 m³ refuse containers to the business • Completed the construction of the waste mini stations in Ext 1, 4 and 2 • Develop further sites of the Dumping site • Purchase of a light Delivery Vehicle • Refurbishment of the damaged refuse containers • Purchase and distribution of the 1.75 m³ refuse containers to the business | |
| <p>Tasks to be accomplished in current budget</p> | <ul style="list-style-type: none"> • Continue cleaning and reducing the illegal dumping areas • Purchase and Install the 85L Pendula refuse bins • Operate and maintenance of the garden refuse sites as well as the waste transfer station and waste mini sites • Purchase of a light Delivery Vehicle • Refurbishment of the damaged refuse containers • Continue with the sales of refuse bins to the public on a cost price as well as medical waste containers • Purchase and distribution of the refuse containers (1.75 m³, 4.5 m³ and 85L bins) • Construction of the mini waste transfer stations • Reduction of all illegal dumping areas through cleaning and creation of Parks and planting of trees in conjunction with Parks and Recreation and Local Economic Development Department | |
| <p>Tasks to be accomplished according to IDP objectives</p> | <ul style="list-style-type: none"> • Continue selling refuse bins at a cost price • Reduction of all illegal dumping areas through cleaning and creation of Parks and planting of trees in conjunction with Parks and Recreation and Local Economic Development Department • Cleaning the areas around the outskirts of the town • To ensure proper operation and management of the refuse removal and street cleansing • Drill new boreholes for the landfill site • Purchase 3 ton tipper truck • Purchase of the refuse containers (1.75 m³, 4.5 m³ and 85L bins) | |

PUBLIC SERVICES

**TRAFFIC
FIRE SERVICES
LICENSING
HEALTH
HOUSING
LIBRARY**

| FUNCTION | PUBLIC SERVICES | |
|-----------------|---|-------|
| SUB FUNCTION | TRAFFIC DEPARTMENT | |
| REPORTING LEVEL | DETAIL | TOTAL |
| Overview | <ul style="list-style-type: none"> • This function mainly ensures promotes and sustains the safety care and protection of the community through Traffic control. • They deal with various patrol and court duties, speed violations, execution of warrants and summonses issued and are responsible for the maintenance and erection of Road and Traffic signs, speed calming, maintenance of road marking and Street names. | |
| Description | <p>The Traffic control functions within the Municipality includes:</p> <ul style="list-style-type: none"> • Responsible for various Scholar patrol duties at schools marches, marathon and community training about road usage. • Participate in “Arrive Live” projects especially during the Easter period, school holidays and Festive Seasons. • Ensuring and promoting Traffic safety to the communities through visible Traffic policing in all areas. • Maintain and erect new Traffic signs, including speed calming measures. • Responsible for the erection of new lights and the maintenance on existing ones. • Respond to accidents, fire and rescue call outs to regulate traffic incidents. <p>Strategic objectives of this function:</p> <ul style="list-style-type: none"> • To improve the quality of the service by providing more vehicles and manpower. • To ensure that Traffic officers are operating in all areas in order to reduce overloading and reckless driving. • To provide more speed humps at high risk places, reducing speeding and ignoring of road traffic signs at intersections. • To assist with the provision of scholar patrols at strategic points to ensure the safety of learners. • To assist with the correct placing of hawkers at strategic points to ensure the safety of all pedestrians and motorist. • To acquire specialized Traffic control orientated vehicles, equipment etc. <p>Key issues:</p> <ul style="list-style-type: none"> • Improve traffic control and safety. • Provide additional vehicles and equipment. • Provision and maintenance of existing roads and traffic signs as well as speed | |

| | | |
|---------------------------------|--|----|
| | <ul style="list-style-type: none"> humps and traffic lights. Reduce speed violations and promote traffic control and safety. | |
| Analysis of the function | Management functions as follows: | |
| | <ul style="list-style-type: none"> Traffic Officers | 34 |
| | <ul style="list-style-type: none"> Administrative | 6 |
| | <ul style="list-style-type: none"> Messenger | 1 |
| | <ul style="list-style-type: none"> Temp. | 2 |
| | <ul style="list-style-type: none"> Technical staff | 11 |
| | <ul style="list-style-type: none"> Security | 1 |
| | <ul style="list-style-type: none"> Warrant control | 1 |
| | <ul style="list-style-type: none"> Traffic Wardens | 8 |
| | <ul style="list-style-type: none"> To plan, control direct coordinate, monitor and evaluate duties of the Traffic & Security within the municipality and to foresee the safety of municipality's properties and enforcing municipal by laws and control and regulate informal traders within our areas. Arrange and facilitate hawkers and transport forums and educate the community, NGO, scholars about road usage. Approve of budget less than R600 00, annual leaves, duties, payments of goods, contract planning of operational budget, and capital budget. Monitoring and adjustment of budget. Compilation of report on service delivering as Acting Head Traffic Security & Services. Promoting of skills to personnel to ensure quality service delivering. Processing of advertisement of the posts, interview and recommend appointments. Three (3) admin. Officials trained for Trafman course. | |
| | <p>Internal training</p> <ul style="list-style-type: none"> Three (3) new officers trained on the following: <ol style="list-style-type: none"> Completion of AR Forms Completion of Sect. 56 and 341 notices. Criminal procedure Act. Safe working procedure. Refresher training is conducted to staff on every second Wednesday on all relevant legislation related to Traffic. Drilling by traffic official conducted also every second Wednesday. | |
| | <p>External training</p> <ul style="list-style-type: none"> Three (3) admin. Personnel attended a Trafman course. Four (4) new officers attended a fire arm training course. All Traffic officers attended fire arm shooting practice twice as required by legislation. Office admin. Personnel attended ENATIS course. | |
| Loudhailing | <ul style="list-style-type: none"> 99% of the loud hailing was done by | |

| | | |
|--|--|--|
| | <ul style="list-style-type: none"> Traffic Officials. 80% of Funerals, VIP, and abnormal loads were done by Traffic Officials. | |
|--|--|--|

ACCIDENT FOR 2007/2008

Vehicles involved

Person involved

| Fatal | Serious | Slight | Damage | | Fatal | Serious | Slight | No injuries | |
|-------|---------|--------|--------------|-------------|-------|---------|--------|--------------|-------------|
| 27 | 112 | 322 | 2286 | | 30 | 146 | 495 | 3617 | |
| | | | Total | 2747 | | | | Total | 4288 |
| | | | | | | | | | |

Hours spent in Pullenshope, Rietkuil, Blinkpan, Mhluzi, and Kwazamokuhle 2007/2008

| | |
|--------------|------------|
| Pullenshope | 152 |
| Kwazamokuhle | 181 |
| Rietkuil | 96 |
| Blinkpan | 81 |
| Mhluzi | 420 |
| Total | 930 |

Citation issued and arrest for 2007/2008

| | |
|--------------|---------------|
| 56 | 25,771 |
| 341 | 1,365 |
| Arrest | 283 |
| Total | 27,419 |

Warrants of arrest

| Issued | Paid | Withdrawn | Outstanding |
|--------|-------|-----------|-------------|
| 10,191 | 2,127 | 1,133 | 6,934 |

IDP TASKS 2007/2008 in MP313

- Four (4) new officers were appointed.
- Two (2) training sessions to Taxi Operators on new traffic legislation amendment.
- Three (3) Traffic calming measures were erected.
- Traffic Officials were deployed to strategic areas on a daily basis for Law Enforcement.
- Twenty (20) Schools registered a scholar patrol and three hundred and fifty (350) learners were trained to operate the scholar patrol and evaluated.
- Three (3) new patrol vehicles were purchased with specialized equipments.
- 100% street calming measures are maintained (painted) every three months to keep them up to standard.
- 80% of the street names have been painted on the kerb stones.

TRAFFIC SIGNS AND PAINT USED 2007/2008

| White | Yellow | Black | Red | Total | Fixed signs | Replaced | New erected | Total |
|------------------|-----------------|-----------------|------------------|--------------|--------------------|-----------------|--------------------|--------------|
| 160 x 20Liter | 60 x 20Liter | 10 x 20Liter | 30 x 20 Liter | 5200 | 198 | 159 | 49 | 406 |

ACHIEVEMENTS FOR 2007/2008

| <u>Capital</u> | |
|---|--------------------|
| • x 7 synchronized traffic lights upgraded. | R610 188.45 |
| • x 1 synchronized traffic light erected (intersection) | R152 439.00 |
| • Speed calming (speed humps) | R149 996.00 |
| • X 3 new patrol vehicles purchased. | R615 667.00 |
| • Traffic signs erected. | R209 606.00 |
| <u>Operational</u> | |
| • Print stationary. | R160 693.00 |
| • Vehicles license. | R8360.00 |
| • Rental of machine | R27 448.00 |
| • Inventory | R4845.00 |
| • Entertainment for HOD | R1717.00 |
| • Collect commission | R2275.00 |
| • Travel subsistence | R25 925.00 |
| • Skills development training | R33 745.00 |
| • Books | R126.00 |
| • Fuel and lubrication | R438 954.00 |
| • Transport allowance | R322 627.00 |
| • O/time and standby | 1607 477.00 |

| | |
|---|--|
| Function | Public Services |
| Sub Function | Chief : Fire Services |
| Reporting level | Detail |
| Overview | The department Fire and Rescue Services are governed by legislation in the form of the Fire Brigade Services Act no 99 of 1987 to provide fire and rescue services to the inhabitants of the Steve Tshwete Local Municipality. Further, to fire and rescue services, the department also provided Disaster Management Services in accordance with the prescriptions of the Disaster Management Act no 57 of 2002 |
| Description of Activity | Some of the services provided include but is not limited to: <ul style="list-style-type: none"> • Disaster Management – services deriving from human or natural disasters. • Fire Fighting – structural, industrial, wild land, vehicle etc. • Rescues – motor vehicle accidents, water related, confined space, high-angle etc. • Hazardous Materials – Identifying, managing, leak sealing etc. • Special Services – Mitigation of situations involving bees, snakes, pumping of water etc. <p>Prevention – Fire prevention inspections, building plan inspections, risk assessments, public awareness campaigns, registration and inspection of hazardous installations and premises etc.</p> <p>Mutual aid agreements – Land owners, neighbouring Council's, NGO's, State Departments, etc.</p> |
| The strategic objectives of this function | <ul style="list-style-type: none"> • To establish and maintain a peaceful environment for the Steve Tshwete Municipal area of jurisdiction to ensure and enhance sustainable development. • To strive for effective and world class prevention, mitigation and emergency response to incidents through optimal utilization of financial, human and national resources to amicably reduce risk for the people and environment of Steve Tshwete Municipality. |
| The key issues for 2007/2008 have been | The acquiring of sufficient vehicles and equipment and the appointment of sufficient staff to render an effective service and to meet the minimum requirements as stipulated in the SANS 10090 Code of Practice – Community Protection Against Fire. |
| Analysis of the function | Total number of call outs : Middelburg |

BETWEEN DATES REPORT FOR THE DEPARTMENT FIRE AND RESCUE: HENDRINA AREA BETWEEN THE DATES: 2007/07/01 To 2008/06/30

During the period the fire & rescue services received a total of 340 calls which drills down as follows:

Summary

| | | |
|--|----------------------|--------|
| Total calls received: | Inside Area: | 340 |
| | Outside Area: | 0 |
| | Total: | 340 |
| Total number of no service calls: | | 207 |
| Total number of false calls: | | 10 |
| Total hours spent: | Inside area: | 466:16 |
| | Outside area: | 0 |
| | Total: | 466:16 |
| Total Km traveled: | Inside area: | 11,145 |
| | Outside area: | 0 |

| | | |
|------------------------|--------------------------|--------|
| | Total: | 11,145 |
| Total injuries: | Fatal: | 1 |
| | Fire: | 0 |
| | Rescue: | 0 |
| | Special Services: | 0 |
| | Serious: | 83 |
| | Minor | 312 |
| | Total: | 396 |

| | | |
|--------------------------------|---|---------------|
| Total estimated damage: | R | 9,330,300.00 |
| Total estimated value: | R | 33,790,900.00 |

| | |
|---|----|
| Total number of internal training courses: | 26 |
| Total number of training courses presented: | 7 |
| Total number of external training courses attended: | 0 |
| Total: | 33 |
| Total number of fire prevention functions completed: | 91 |

Total financial levy for fire, rescue and special services inside area:

| | | |
|-------------------------|---|------------|
| Fixed charge: | R | 10,459.38 |
| First hour: | R | 23,062.56 |
| Subsequent hour: | R | 18,039.90 |
| Equipment: | R | 7,146.11 |
| Water: | R | 657.00 |
| Total Income: | R | 107,218.37 |

Total financial levy for fire, rescue and special services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

| | | |
|--------------------------|---|-----------|
| Council property: | R | 29,404.64 |
|--------------------------|---|-----------|

| | | |
|--|-------------------|----|
| Day of emergency call received: | Monday: | 40 |
| | Tuesday: | 30 |
| | Wednesday: | 37 |
| | Thursday: | 47 |
| | Friday: | 50 |
| | Saturday: | 77 |
| | Sunday: | 59 |

| | |
|---------------------|----------|
| Busiest day: | Saturday |
|---------------------|----------|

| | | |
|---|----------------------|----|
| Time of emergency call received: | 00:00 – 03:00 | 24 |
| | 03:00 – 06:00 | 12 |
| | 06:00 – 09:00 | 32 |
| | 09:00 – 12:00 | 46 |
| | 12:00 – 15:00 | 45 |
| | 15:00 – 18:00 | 69 |
| | 18:00 – 21:00 | 73 |
| | 21:00 – 24:00 | 39 |

| | |
|----------------------|---------------|
| Busiest time: | 18:00 – 21:00 |
|----------------------|---------------|

| | | |
|-------------------------------|--------------------|--------------------|
| Standby Officers: | Normal Time | Sunday Time |
| 312:00 | 27:20 | 8:15 |
| Civil Defence Firemen: | 25:30 | 7:00 |

SPECIAL SERVICES

| | | |
|--|----------------------|----|
| Total number of special services: | | 16 |
| Number of calls: | Inside area: | 16 |
| | Outside area: | 0 |
| Number of no service calls: | | 6 |
| Number of false calls: | | 0 |

| | | |
|---------------------|----------------------|-------|
| Hours spent: | Inside area: | 43:12 |
| | Outside area: | 0 |
| | Total: | 43:12 |

| | | |
|-----------------------------|----------------------|-----|
| Kilometers traveled: | Inside area: | 619 |
| | Outside area: | 0 |
| | Total: | 619 |

| | | |
|------------------|-----------------|---|
| Injuries: | Fatal: | 0 |
| | Serious: | 0 |
| | Minor: | 0 |
| | Total: | 0 |

| | | |
|-----------------------------|---|------------|
| Total damage caused: | R | 0.00 |
| Total value: | R | 820,000.00 |

| | |
|-------------------------|---|
| Type of service: | |
| UNKNOWN | 1 |
| SPECIAL SERVICE | 3 |
| UNKNOWN | 3 |
| SPECIAL SERVICE | 4 |
| UNKNOWN | 1 |
| SPECIAL SERVICE | 3 |
| FLOODING | 1 |

Total financial levy for special services inside area:

| | | |
|-------------------------|---|----------|
| Fixed charge: | R | 685.00 |
| First hour: | R | 1,510.00 |
| Subsequent hour: | R | 1,480.00 |
| Equipment: | R | 273.60 |
| Water: | R | 146.00 |
| Total Income: | R | 8,430.60 |

Total financial levy for special services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

| | | |
|--------------------------|---|----------|
| Council property: | R | 3,058.65 |
|--------------------------|---|----------|

| | |
|--|---|
| Day of special service call received: | |
| Monday: | 4 |
| Tuesday: | 1 |
| Wednesday: | 2 |
| Thursday: | 2 |
| Friday: | 2 |
| Saturday: | 3 |
| Sunday: | 2 |

Busiest day:

Monday

| | | |
|---|----------------------|---|
| Time of special service call received: | 00:00 – 03:00 | 0 |
| | 03:00 – 06:00 | 1 |
| | 06:00 – 09:00 | 2 |
| | 09:00 – 12:00 | 6 |
| | 12:00 – 15:00 | 1 |
| | 15:00 – 18:00 | 1 |
| | 18:00 – 21:00 | 2 |
| | 21:00 – 24:00 | 3 |

Busiest time:

09:00 – 12:00

Fatal:

N/A

Fire Fighting

| | | |
|---|----------------------|--------------|
| Total number of firefighting calls received: | | 129 |
| Number of calls: | Inside area: | 129 |
| | Outside area: | 0 |
| Number of no service calls: | | 0 |
| Number of false calls: | | 0 |
| Hours spent: | Inside area: | 210:09 |
| | Outside area: | 0 |
| | Total: | 210:09 |
| Kilometers traveled: | Inside area: | 3,753 |
| | Outside area: | 0 |
| | Total: | 3,753 |
| Injuries: | Fatal: | 0 |
| | Serious: | 2 |
| | Minor: | 7 |
| | Total: | 9 |
| Total damage caused: | R | 103,000.00 |
| Total value: | R | 1,800,000.00 |

Types of fire:

| | |
|-----------------------------------|----|
| BACK UP TO BELFAST - FACTORY FIRE | 1 |
| BURNING COALS | 1 |
| DUMPING SITE FIRE | 1 |
| FIRE BREAKS | 4 |
| GRASS FIRE | 48 |
| GRASS FIRE - COMMUNITY SERVICE | 36 |
| GRASS FIRE- COMMUNITY SERVICE | 1 |
| HOUSE FIRE | 15 |
| RUBBISH BURNING | 1 |
| SCRAP BURNING - COMMUNITY SERVICE | 1 |
| SHACK FIRE | 1 |
| SHACK FIRE - COMMUNITY SERVICE | 1 |
| STRUCTURE FIRE | 3 |
| TAXI ON FIRE | 1 |
| TRANSFORMER | 2 |
| TRUCK BURNING | 10 |
| VEHICLE FIRE | 2 |

Causes:

| | |
|-----------------|-----|
| OPEN FLAMES | 126 |
| SPECIAL SERVICE | 2 |
| UNKNOWN | 1 |

Total financial levy for fire fighting services inside area:

| | | |
|-------------------------|---|-----------|
| Fixed charge: | R | 6,493.42 |
| First hour: | R | 14,318.14 |
| Subsequent hour: | R | 11,688.78 |
| Equipment: | R | 3,668.20 |
| Water: | R | 547.50 |
| Total Income: | R | 66,146.34 |

Total financial levy for fire fighting services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |

| | | |
|----------------------|---|------|
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

| | | |
|--------------------------|---|-----------|
| Council property: | R | 26,345.99 |
|--------------------------|---|-----------|

| | | |
|--|-------------------|----|
| Day of fire fighting service call received: | Monday: | 17 |
| | Tuesday: | 12 |
| | Wednesday: | 10 |
| | Thursday: | 21 |
| | Friday: | 23 |
| | Saturday: | 20 |
| | Sunday: | 26 |

| | |
|---------------------|--------|
| Busiest day: | Sunday |
|---------------------|--------|

| | | |
|---|----------------------|----|
| Time of fire fighting service call received: | 00:00 – 03:00 | 9 |
| | 03:00 – 06:00 | 3 |
| | 06:00 – 09:00 | 5 |
| | 09:00 – 12:00 | 21 |
| | 12:00 – 15:00 | 31 |
| | 15:00 – 18:00 | 20 |
| | 18:00 – 21:00 | 26 |
| | 21:00 – 24:00 | 14 |

| | |
|----------------------|---------------|
| Busiest time: | 12:00 – 15:00 |
|----------------------|---------------|

| | |
|---------------|-----|
| Fatal: | N/A |
|---------------|-----|

Rescue Services

| | | |
|--|----------------------|-----|
| Total number of rescue service calls: | | 181 |
| Number of calls: | Inside area: | 181 |
| | Outside area: | 0 |
| Number of no service calls: | | 0 |
| Number of false calls: | | 0 |

| | | |
|---------------------|----------------------|--------|
| Hours spent: | Inside area: | 207:00 |
| | Outside area: | 0 |
| | Total: | 210:09 |

| | | |
|-----------------------------|----------------------|-------|
| Kilometers traveled: | Inside area: | 6,573 |
| | Outside area: | 0 |
| | Total: | 6,573 |

| | | |
|------------------|-----------------|-----|
| Injuries: | Fatal: | 0 |
| | Serious: | 78 |
| | Minor: | 297 |
| | Total: | 375 |

| | | |
|-----------------------------|---|---------------|
| Total damage caused: | R | 9,114,300.00 |
| Total value: | R | 28,344,900.00 |

Type of incident:

| | |
|------------------|-----|
| DROWNING | 1 |
| MVA | 152 |
| MVA 1 X FATAL | 14 |
| MVA 2 X FATAL | 1 |
| MVA X FATAL | 1 |
| MVA1 X FATAL | 1 |
| PEDESTRIAN ACCID | 11 |

Total financial levy for rescue services inside area:

| | | |
|-------------------------|---|-----------|
| Fixed charge: | R | 3,417.96 |
| First hour: | R | 7,536.42 |
| Subsequent hour: | R | 5,167.12 |
| Equipment: | R | 3,204.31 |
| Water: | R | 0.00 |
| Total Income: | R | 35,268.93 |

Total financial levy for rescue services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

| | | |
|--------------------------|---|------|
| Council property: | R | 0.00 |
|--------------------------|---|------|

| | | |
|---|-------------------|----|
| Day of rescue service call received: | Monday: | 18 |
| | Tuesday: | 16 |
| | Wednesday: | 25 |
| | Thursday: | 22 |
| | Friday: | 21 |
| | Saturday: | 52 |
| | Sunday: | 27 |

| | |
|---------------------|----------|
| Busiest day: | Saturday |
|---------------------|----------|

| | | |
|--|----------------------|----|
| Time of rescue service call received: | 00:00 – 03:00 | 15 |
|--|----------------------|----|

| | |
|----------------------|----|
| 03:00 – 06:00 | 7 |
| 06:00 – 09:00 | 21 |
| 09:00 – 12:00 | 15 |
| 12:00 – 15:00 | 11 |
| 15:00 – 18:00 | 46 |
| 18:00 – 21:00 | 44 |
| 21:00 – 24:00 | 22 |

Busiest time:

15:00 – 18:00

Fatal:

N/A

TRAINING

Internal training

| Course name | Number of courses | Number of persons | Hours | Institute |
|----------------------------|--------------------------|--------------------------|--------------|------------------|
| Attended | | | | |
| 40HRS FIRE FIGHTING | 1 | 2 | 40 | |
| BREATHING APPARATUS | 4 | 18 | 2 | |
| FIRE FIGHTING | 7 | 106 | 272 | |
| HAZARDOUS SUBSTANCES | 1 | 4 | 1 | |
| HAZMAT CONFINE SPACE | 1 | 14 | 56 | |
| HOSES | 2 | 7 | 2 | |
| INCIDENT MANAGEMENT SYSTEM | 1 | 14 | 15 | |
| LADDERS | 3 | 22 | 2 | |
| RESCUE EQUIPMENT | 2 | 8 | 1 | |
| ROPES AND KNOTS | 2 | 10 | 0 | |
| SOP'S | 2 | 10 | 2 | |
| Total | 26 | 215 | 393 | |

External training courses presented

| Course name | Number of courses | Number of persons | Hours | Institutes |
|---------------------------|--------------------------|--------------------------|--------------|-----------------------|
| Attended | | | | |
| 20HR FIRE FIGHTING | 1 | 210 | 1 | |
| FIRE FIGHTING CLINIC | 2 | 14 | 2 | HENDRINA |
| PRE-SCHOOL DEMONSTRATION | 3 | 2607 | 14 | 28 CRECHES, MOPEDI |
| PRIMARY & COMBINED | | | | HND |
| PUBLIC AWARENESS CAMPAIGN | 1 | 110 | 2 | SCHOOL |
| Total | 7 | 2941 | 19 | |

External training courses attended

None

FIRE PREVENTION

| Function | Number of functions |
|-------------------------------|----------------------------|
| FIRE HYDRANT INSPECTIONS | 77 |
| FIRE PREVENTION INSPECTION | 6 |
| FIRE PREVENTION INSPECTIONS | 1 |
| INSPECTION FLAMMABLE LIQUIDS | 1 |
| INSPECTIONS FLAMMABLE LIQUIDS | 6 |
| Total | 91 |

BETWEEN DATES REPORT FOR THE DEPARTMENT FIRE AND RESCUE: MIDDELBURG
AREA BETWEEN THE DATES: 2007/07/01 To 2008/06/30

During the period the fire & rescue services received a total of 1821 calls which drills down as follows:

Summary

| | | |
|---|--------------------------|----------------|
| Total calls received: | Inside Area: | 1,821 |
| | Outside Area: | 0 |
| | Total: | 1,821 |
| Total number of no service calls: | | 1,141 |
| Total number of false calls: | | 103 |
| Total hours spent: | Inside area: | 2067:07 |
| | Outside area: | 0 |
| | Total: | 2067:07 |
| Total Km traveled: | Inside area: | 55,278 |
| | Outside area: | 0 |
| | Total: | 55,278 |
| Total injuries: | Fatal: | 25 |
| | Fire: | 0 |
| | Rescue: | 21 |
| | Special Services: | 0 |
| | Serious: | 419 |
| | Minor: | 1,448 |
| | Total: | 1,892 |
| Total estimated damage: | R | 59,178,131.12 |
| Total estimated value: | R | 191,252,575.50 |
| Total number of internal training courses: | | 11 |
| Total number of training courses presented: | | 8 |
| Total number of external training courses attended: | | 9 |
| Total: | | 28 |
| Total number of fire prevention functions completed: | | 459 |

Total financial levy for fire, rescue and special services inside area:

| | | |
|-------------------------|---|------------|
| Fixed charge: | R | 43,390.72 |
| First hour: | R | 95,679.56 |
| Subsequent hour: | R | 54,637.47 |
| Equipment: | R | 33,739.03 |
| Water: | R | 1,660.75 |
| Total Income: | R | 393,378.49 |

Total financial levy for fire, rescue and special services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

Council property: R 129,725.94

| | | |
|--|-------------------|-----|
| Day of emergency call received: | Monday: | 224 |
| | Tuesday: | 209 |
| | Wednesday: | 202 |

| | |
|------------------|-----|
| Thursday: | 255 |
| Friday: | 309 |
| Saturday: | 341 |
| Sunday: | 281 |

Busiest day: Saturday

| | | |
|---|----------------------|-----|
| Time of emergency call received: | 00:00 – 03:00 | 100 |
| | 03:00 – 06:00 | 102 |
| | 06:00 – 09:00 | 195 |
| | 09:00 – 12:00 | 206 |
| | 12:00 – 15:00 | 309 |
| | 15:00 – 18:00 | 362 |
| | 18:00 – 21:00 | 358 |
| | 21:00 – 24:00 | 189 |

Busiest time: 15:00 – 18:00

| | | |
|-----------------------|----------------|--------------------|
| Standby | | |
| Officers: | 1114:00 | Normal Time |
| Civil Defence: | | 173:20 |
| Firemen: | | Sunday Time |
| | | 85:00 |
| | | 56:00 |

SPECIAL SERVICES

| | | |
|--|----------------------|----|
| Total number of special services: | | 88 |
| Number of calls: | Inside area: | 88 |
| | Outside area: | 0 |
| Number of no service calls: | | 32 |
| Number of false calls: | | 0 |

| | | |
|---------------------|----------------------|--------|
| Hours spent: | Inside area: | 268:22 |
| | Outside area: | 0 |
| | Total: | 268:22 |

| | | |
|-----------------------------|----------------------|-------|
| Kilometers traveled: | Inside area: | 4,262 |
| | Outside area: | 0 |
| | Total: | 4,262 |

| | | |
|------------------|-----------------|---|
| Injuries: | Fatal: | 0 |
| | Serious: | 1 |
| | Minor: | 1 |
| | Total: | 2 |

| | | |
|-----------------------------|---|------------|
| Total damage caused: | R | 200,000.00 |
| Total value: | R | 430,000.00 |

| | |
|----------------------------|----|
| Type of service: | |
| SPECIAL SERVICE | 2 |
| SPECIAL SERVICE | 2 |
| SPECIAL SERVICE | 21 |
| UNKNOWN | 8 |
| WATER | 3 |
| UNKNOWN | 1 |
| UNKNOWN | 1 |
| HAZMAT CLEAN UP | 2 |
| SPECIAL SERVICE | 8 |
| UNKNOWN | 4 |
| COMMUNITY TRAPPED BY WATER | 1 |
| EVACUATION | 1 |
| SPECIAL SERVICE | 28 |
| UNKNOWN | 1 |
| SPECIAL SERVICE | 1 |
| SPECIAL SERVICE | 1 |
| WATER | 1 |
| UNKNOWN | 1 |
| SPECIAL SERVICE | 1 |

Total financial levvy for special services inside area:

| | | |
|-------------------------|---|-----------|
| Fixed charge: | R | 1,362.96 |
| First hour: | R | 3,000.42 |
| Subsequent hour: | R | 3,256.00 |
| Equipment: | R | 274.38 |
| Water: | R | 54.75 |
| Total Income: | R | 14,515.41 |

Total financial levvy for special services outside area:

| | | |
|----------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |

| | | |
|-------------------------|---|------|
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

Council property: R 3,522.05

| | | |
|--|-------------------|----|
| Day of special service call received: | Monday: | 14 |
| | Tuesday: | 9 |
| | Wednesday: | 8 |
| | Thursday: | 16 |
| | Friday: | 14 |
| | Saturday: | 10 |
| | Sunday: | 17 |

Busiest day: Sunday

| | | |
|---|----------------------|----|
| Time of special service call received: | 00:00 – 03:00 | 1 |
| | 03:00 – 06:00 | 3 |
| | 06:00 – 09:00 | 11 |
| | 09:00 – 12:00 | 21 |
| | 12:00 – 15:00 | 17 |
| | 15:00 – 18:00 | 17 |
| | 18:00 – 21:00 | 15 |
| | 21:00 – 24:00 | 3 |

Busiest time: 09:00 – 12:00

Fatal: N/A

Fire Fighting

| | | |
|---|----------------------|---------------|
| Total number of firefighting calls received: | | 515 |
| Number of calls: | Inside area: | 515 |
| | Outside area: | 0 |
| Number of no service calls: | | 0 |
| Number of false calls: | | 0 |
| Hours spent: | Inside area: | 752:58 |
| | Outside area: | 0 |
| | Total: | 752:58 |
| Kilometers traveled: | Inside area: | 14,656 |
| | Outside area: | 0 |
| | Total: | 14,656 |
| Injuries: | Fatal: | 0 |
| | Serious: | 4 |
| | Minor: | 25 |
| | Total: | 29 |
| Total damage caused: | R | 4,721,100.00 |
| Total value: | R | 14,786,780.00 |

Types of fire:

| | |
|-------------------------------------|-----|
| BACK UP | 1 |
| BUS FIRE | 2 |
| CABLES BURNING | 3 |
| CABLES BURNING - COMMUNITY SERVICE | 1 |
| CARAVAN BURNING | 1 |
| CARAVAN BURNING - COMMUNITY SERVICE | 1 |
| CIRCUIT BOX ON FIRE | 1 |
| COUCH ON FIRE | 1 |
| DOZER ON FIRE | 1 |
| DUMPING SITE FIRE | 9 |
| ELECTRICAL CABLE | 1 |
| ELECTRICAL FIRE | 3 |
| ELECTRICITY POLE BURNING | 1 |
| FENCE ON FIRE | 1 |
| FIRE BREAKS | 7 |
| FIRE BREAKS - COMMUNITY SERVICE | 1 |
| GASS LEAK | 1 |
| GRASS FIRE | 235 |
| GRASS FIRE - COMMUNITY SERVICE | 54 |
| GRASS FIRE - GRASS FIRE | 1 |
| GRASS FIRE- COMMUNITY SERVICE | 1 |
| HOUSE FIRE | 29 |
| HOUSE FIRE - COMMUNITY SERVICE | 6 |
| LAPA BURNING | 4 |
| METAL BURNING | 1 |
| MVA | 1 |
| MVA 3 X FATAL, TRUCK BURNING | 1 |
| PIPE BURNING | 1 |
| PLASTIC BURNING | 1 |
| RUBBISH BURNING | 28 |
| RUBBISH FIRE | 1 |
| SCRAP BURNING | 2 |
| SHACK FIRE | 24 |
| SHACK FIRE - COMMUNITY SERVICE | 9 |
| SPECIAL SERVICE | 1 |
| STRUCTURE FIRE | 23 |
| STRUCTURE FIRE - BACK UP | 1 |
| STRUCTURE FIRE - COMMUNITY SERVICE | 1 |
| TANKER ON FIRE | 1 |
| TAXI ON FIRE | 1 |
| TRANSFORMER | 7 |
| TREE BURNING | 3 |
| TRUCK BURNING | 17 |
| TYRES BURNING | 11 |
| VEHICLE FIRE | 13 |
| WOOD ON FIRE | 1 |

Causes:

| | |
|---------------------------|-----|
| ARSON SUSPECTED | 1 |
| ASSISTING WITH GRASS FIRE | 1 |
| FIRE BREAKS | 6 |
| FISH OIL ON STOVE | 1 |
| OPEN FLAME | 2 |
| OPEN FLAMES | 481 |
| SPECIAL SERVICE | 1 |
| UNKNOWN | 21 |
| WATER | 1 |

Total financial levy for fire fighting services inside area:

| | | |
|------------------|---|------------|
| Fixed charge: | R | 13,463.20 |
| First hour: | R | 29,725.40 |
| Subsequent hour: | R | 23,086.66 |
| Equipment: | R | 6,903.79 |
| Water: | R | 1,536.65 |
| Total Income: | R | 147,090.17 |

Total financial levy for fire fighting services outside area:

| | | |
|------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

Council property: R 125,561.87

| | | |
|---|------------|----|
| Day of fire fighting service call received: | Monday: | 79 |
| | Tuesday: | 68 |
| | Wednesday: | 72 |
| | Thursday: | 73 |
| | Friday: | 73 |
| | Saturday: | 63 |
| | Sunday: | 87 |

Busiest day: Sunday

| | | |
|--|---------------|-----|
| Time of fire fighting service call received: | 00:00 – 03:00 | 24 |
| | 03:00 – 06:00 | 28 |
| | 06:00 – 09:00 | 38 |
| | 09:00 – 12:00 | 71 |
| | 12:00 – 15:00 | 124 |
| | 15:00 – 18:00 | 101 |
| | 18:00 – 21:00 | 79 |
| | 21:00 – 24:00 | 50 |

Busiest time: 12:00 – 15:00

Fatal: N/A

Rescue Services

| | | |
|--|----------------------|----------------|
| Total number of rescue service calls: | | 1,118 |
| Number of calls: | Inside area: | 1,118 |
| | Outside area: | 0 |
| Number of no service calls: | | 0 |
| Number of false calls: | | 0 |
| Hours spent: | Inside area: | 958:37 |
| | Outside area: | 0 |
| | Total: | 752:58 |
| Kilometers traveled: | Inside area: | 33,592 |
| | Outside area: | 0 |
| | Total: | 33,592 |
| Injuries: | Fatal: | 21 |
| | Serious: | 395 |
| | Minor: | 1,356 |
| | Total: | 1,772 |
| Total damage caused: | R | 51,113,781.12 |
| Total value: | R | 165,364,798.50 |

Type of incident:

| | |
|----------------------------|-----|
| AIRPLANE CRASH | 1 |
| BACK UP | 1 |
| COLLAPSED HOUSE | 1 |
| COLLAPSED WALL | 1 |
| DROWNING 1 X FATAL | 1 |
| GRASS FIRE | 2 |
| MVA | 920 |
| MVA - FATAL | 1 |
| MVA 1 FATAL | 1 |
| MVA 1 X FATAL | 39 |
| MVA 2 X FATAL | 3 |
| MVA 3 X FATAL | 2 |
| MVA 4 X FATAL | 1 |
| MVA 5 X FATAL | 1 |
| MVA 6 X FATAL | 1 |
| MVA X FATAL | 1 |
| NVA | 1 |
| PEDESTRIAN ACCID | 115 |
| PEDESTRIAN ACCID 1 X FATAL | 10 |
| RESCUE | 2 |
| ROPE RESCUE | 2 |
| SUICIDE | 1 |
| TRAPPED IN LIFT | 1 |
| TREE BURNING | 1 |
| VEHICLE FIRE | 5 |
| VEHICLE IN DAM | 1 |
| WATER RESCUE | 2 |

Total financial levv for rescue services inside area:

| | | |
|-------------------------|---|------------|
| Fixed charge: | R | 28,017.06 |
| First hour: | R | 61,745.74 |
| Subsequent hour: | R | 26,518.81 |
| Equipment: | R | 26,480.86 |
| Water: | R | 69.35 |
| Total Income: | R | 228,161.41 |

Total financial levv for rescue services outside area:

| | | |
|-------------------------|---|------|
| Fixed charge: | R | 0.00 |
| First hour: | R | 0.00 |
| Subsequent hour: | R | 0.00 |
| Equipment: | R | 0.00 |

| | | |
|----------------------|---|------|
| Personnel: | R | 0.00 |
| Remission: | R | 0.00 |
| Water: | R | 0.00 |
| Total Income: | R | 0.00 |

| | | |
|--------------------------|---|--------|
| Council property: | R | 642.02 |
|--------------------------|---|--------|

| | | |
|---|-------------------|-----|
| Day of rescue service call received: | Monday: | 124 |
| | Tuesday: | 116 |
| | Wednesday: | 114 |
| | Thursday: | 153 |
| | Friday: | 200 |
| | Saturday: | 242 |
| | Sunday: | 169 |

| | |
|---------------------|----------|
| Busiest day: | Saturday |
|---------------------|----------|

| | | |
|--|----------------------|-----|
| Time of rescue service call received: | 00:00 – 03:00 | 69 |
| | 03:00 – 06:00 | 61 |
| | 06:00 – 09:00 | 135 |
| | 09:00 – 12:00 | 101 |
| | 12:00 – 15:00 | 152 |
| | 15:00 – 18:00 | 232 |
| | 18:00 – 21:00 | 244 |
| | 21:00 – 24:00 | 124 |

| | |
|----------------------|---------------|
| Busiest time: | 18:00 - 21:00 |
|----------------------|---------------|

| | |
|---------------|--|
| Fatal: | C/O PROTEA & MEYER STREET DR BEYERS NAUDE STR GROBLERSDAL RD GROBLERSDAL ROAD AT KRANSPOORT HENDRINA OFFRAMP 5KM N4 - HND OFFRAMP OLD BELFAST ROAD |
|---------------|--|

TRAINING

Internal training

| Course name | Number of courses | Number of persons | Hours | Institute |
|--|--------------------------|--------------------------|--------------|------------------|
| Attended | | | | |
| BY-LAWS | 1 | 5 | 5 | |
| FIRE FIGHTING | 1 | 3 | 3 | |
| FIRE PREVENTION PRE INCIDENT PLANNING | 1 | 16 | 32 | |
| HOSES | 1 | 16 | 32 | |
| INCIDENT MANAGEMENT SYSTEM | 1 | 11 | 33 | |
| ROPES AND KNOTS EMERGENCY TENTS | 1 | 11 | 530 | |
| SAESI CLASSES | 1 | 2 | 12 | |
| SOP EMERGENCY DRILL | 1 | 3 | 5 | |
| SOP'S CONTROL ROOM | 1 | 5 | 240 | |
| STANDARD OPERATING PROCEDURES | 1 | 14 | 42 | |
| TENTS | 1 | 6 | 240 | |
| Total | 11 | 92 | 1174 | |

External training courses presented

| Course name | Number of courses | Number of persons | Hours | Institutes |
|--|--------------------------|--------------------------|--------------|--------------------------|
| Attended | | | | |
| 20 HR FIRE FIGHTING MIDDELBURG | 1 | 15 | 240 | SAPS |
| FIRE FIGHTING TYLON | 2 | 28 | 74 | WEEBER |
| FIRE FIGHTING FIRST AID HOSPITAL | 1 | 15 | 240 | MIDMED |
| FIRE PREVENTION EMERGENCY DRILL TYLON | 1 | 20 | 20 | WEEBER |
| HAZARDOUS SUBSTANCES MIDDELBURG, LOCAL | 2 | 86 | 244 | SAPS, MPA, TRAFFIC |
| PRE-SCHOOL DEMONSTRATION | 1 | 200 | 4 | |
| Total | 8 | 364 | 822 | |

External training courses attended

| Course name | Number of courses | Number of persons | Hours | Institutes |
|----------------------------|--------------------------|--------------------------|--------------|-------------------|
| Attended | | | | |
| BAC | 1 | 2 | 80 | |
| COMMUNICATION | 1 | 2 | 48 | |
| DATA CAPTURING IMIS | 1 | 20 | 60 | |
| DEMO FIRE BALL | 1 | 12 | 1 | |
| EMERGENCY DRIL | 1 | 30 | 1 | |
| FIRE FIGHTING TYLON | 1 | 9 | 36 | WEEBER |
| INCIDENT MANAGEMENT SYSTEM | 2 | 7 | 28 | |
| IVECO DRIVERS TRAINING | 1 | 10 | 80 | |
| Total | 9 | 92 | 334 | |

FIRE PREVENTION

| Function | Number of functions |
|---------------------------------|----------------------------|
| BUILDING PLANS APPROVED | 94 |
| BUILDING PLANS DISAPPROVED | 5 |
| BUSINESS LICENCE INSPECTIONS | 5 |
| EIA | 13 |
| EMERGENCY PROCEDURES | 3 |
| EMERGENCY PROCEDURES (MEETINGS) | 5 |
| EP, EIA | 4 |

| | |
|-----------------------------------|------------|
| FIRE PREVENTION INSPECTION | 79 |
| FIRE PREVENTION INSPECTIONS | 61 |
| FLAMMABLE LIQUID INSPECTIONS | 2 |
| FLAMMABLE LIQUID VEHICLES | 1 |
| FLAMMABLE LIQUIDS VEHICLES | 5 |
| INSPECTIONS BUSINESS LICENCE | 4 |
| INSPECTIONS FLAMMABLE LIQUIDS | 17 |
| INSPECTIONS RE: BUSINESS LICENCE | 2 |
| INSPECTIONS RE: FLAMMABLE LIQUIDS | 5 |
| INSPECTIONS: BUSINESS LICENCE | 7 |
| INSPECTIONS: FLAMMABLE LIQUIDS | 40 |
| OCCUPATION CERTIFICATE | 12 |
| OCCUPATION CERTIFICATES | 12 |
| REGISTRATION CERTIFICATE ISSUED | 5 |
| REGISTRATION CERTIFICATES ISSUED | 71 |
| REGISTRATION FIREWORKS | 1 |
| REGISTRATION OF SERVICEMAN | 1 |
| REGISTRATION SERVICEMAN | 1 |
| REGISTRATION: FIRE WORKS | 3 |
| REGISTRATIONS RE: FIREWORKS | |
| DISPLAY | 1 |
| Total | 459 |

| Function | Public Services | |
|-----------------------------|---|---|
| Sub Function | License Department | |
| Reporting Level | Detail | Total |
| Overview | This function mainly ensures the registering and licensing of vehicles and drives for the purpose of maintaining order and legality and to promote Road Safety in general | |
| Description of Activity | <p><u>The license Department of the municipality is administered as follows and include:</u></p> <ul style="list-style-type: none"> • Issuing of licenses for businesses • Testing of learners and driver's licenses • Renewal of credit card type drivers licenses • Renewal of public driving permits • Responsible for the registration and licensing of vehicles and motor cycles • Testing of vehicles for roadworthiness – currently not in operation. <p><u>Strategic objectives of this function:</u></p> <ul style="list-style-type: none"> • To register and license vehicles in accordance with legislation. • To test applicants for learners and drivers licenses in accordance with prescribed procedures • Operate and maintain testing centre of vehicles for roadworthiness <p>Key issues:</p> <ul style="list-style-type: none"> • Proper implementation of the provision of the Road Traffic Act • Improve service delivery by reduce waiting time and proper training of officials • Operate and maintain testing centre for the vehicles for roadworthiness | |
| Analysis of the function | Learners licenses issued Drivers license issued (conversions and new) Learners licenses tested Drivers licenses tests Motor vehicle licenses issued Motor vehicle registered. Amount includes the totals for Hendrina and Middelburg | 10541 2761 4745 5075 70241 21201 |
| Short History of Department | This department consists of 30 permanent staff and 10 temporary staff, which are divided into the following sections: <ul style="list-style-type: none"> • Steve Tshwete Motor Vehicle Registration and licensing • Steve Tshwete Drivers license Testing Centre • Steve Tshwete Motor vehicle testing station – currently not in operation • Hendrina Registration and Licensing • Hendrina Drivers License Testing Centre 13 Officials were trained as Peace officers | |

| | | |
|--|---|--|
| Tasks accomplished in previous year | Although a shortage of qualified staff, the License Department achieved all the objectives in the previous years with regards to the Capital & Operating budget | |
| Tasks accomplished in current year – Capital and operating | The following was accomplished in this current budget year: <ul style="list-style-type: none"> • 2 x Plasma TV Screens were purchased • 5 x Optec Professional vision testers • 3 x Water coolers • Installation of the Q matic system was finalised. | |
| Tasks to be accomplished according to IDP objectives | <ul style="list-style-type: none"> • Waiting time for drivers and learners need to be shortened • Vacant post has to be filled with people that have the correct qualifications. | |

| | | Ordered | Achieved | Amount |
|---------------|---------------------------------------|----------------|-----------------|-------------------|
| 1 | 2 x Plasma TV Screens | 23/08/2007 | 06/09/2007 | R24300-00 |
| 2 | 5 x Optec Professional vision testers | 31/08/2007 | 08/09/2007 | R133950-00 |
| 3 | 3 x Water Coolers | 14/05/2008 | 15/05/2008 | R5997-00 |
| Totals | | | | R164547-00 |

STATISTICAL INFORMATION

Best practice Model Training is done in house. Training for peace officers was held and 13 officials from the Licensing Department attended the course. 13 Officials of the Licensing Department done the peace officer course and awaits the results and certificates. Mrs. A.M.J. Lewis went on the Project Management course in December, still awaits the result.

ANNUAL REPORT 2007 / 2008 – HEALTH

| REPORTING LEVEL | ANALYSIS OF THE FUNCTION | TOTAL |
|---|--|-------|
| <p>1. <u>Overview</u></p> <p>2. <u>Description of Activity</u></p> | <p>The Health Services have two sections namely: Personal Primary Health Services and Environmental Health Services.</p> <p>2.1 Personal Primary Health Care Services</p> <ul style="list-style-type: none"> • There are ten fixed clinics and one mobile rendering the following services: • Maternal child and women health services • Prevention and management of communicable and non-communicable diseases • Mental health services • Community rehabilitation services • Primary oral health services • In-service training for staff, student nurses and Environmental students • Management of emergency cases and refer to hospital • Interacting with Dept of Health through meetings, workshops, surveys, campaigns and awarenesses. • Conducting health awarenesses/campaigns in the community • Implementing of National / Provincial health programmes <p>2.2 Non-personal health services (Environmental Health Services)</p> <ul style="list-style-type: none"> • Inspection and follow-up of pre-schools, schools, crèches, health services, prisons, mortuaries, sources of nuisance, food and milk premises • Investigating of complaints from the public and arrangement for rectification of nuisance conditions e.g. noise and air pollution • Confiscation and / destruction of foodstuff for human consumption • Monitoring program, which includes regular collection of samples to ensure quality e.g. air, water and milk • Ensure law enforcement where applicable e.g. testing of diesel vehicles emitting dark smoke • Assisting with Occupational Health and Safety at the workplace • Education and awareness of communities • Conduct and support the Environmental Health Surveillance • Issuing of health compliance, certificates and condemnation certificates • Drawing application for court orders / interdict with respect to non complying persons • Assisting in drafting and revision of Councils by-laws • Responsible to scrutinize building plans alterations and additions | |

| | | |
|--|--|--|
| <p>3. <u>Analysis of the function</u></p> | <ul style="list-style-type: none"> • Inspection and commenting on business/project application to ensure safe and healthy environment <p>3.1 Management of health staff as follows:-</p> <p>3.1.1 Community Health Nurses</p> <p>3.1.2 Environmental Health Officers</p> <p>3.1.3 Non professional staff</p> <p>3.1.4 Chief Community Health nurses</p> <p>3.2 Approval of budget less than R60 000, staff leave except maternity leave, payment of purchased goods, contracts etc.</p> <p>3.3 Planning of operational, capital and personnel budget</p> <p>3.4 Processing of advertisement of staff posts, planning and conducting interviews and recommend appointments</p> <p>3.5 Monitoring and amendment of budget</p> <p>3.6 Compiling reports on budget, and service delivery</p> <p>3.7 Implementing of disciplinary action within the scope of practice as a Chief Health Services</p> <p>3.8 Promoting skills development of staff to ensure quality service</p> | <p>30</p> <p>4</p> <p>20</p> <p>2</p> |
| <p>4. <u>Key Performance area</u></p> | <p>Performance during the year targets against Actual achieved and plans to improve performance</p> <p><u>Achievements</u></p> <p>4.1 Number and cost of public, private Clinics servicing population</p> <ul style="list-style-type: none"> • Public Clinics (owned by municipality) • Private Clinics (owned by private, fees based) <p>4.2 Total annual patient head count:</p> <ul style="list-style-type: none"> • > 5 years and older • < 5 years <p>4.3 Type and number of grants and subsidies received:</p> <ul style="list-style-type: none"> • Health Clinics • Environmental Health Services <p>4.4 Number and cost of activities:</p> <p>4.4.1 Food premises</p> <ul style="list-style-type: none"> • Restaurants/Canteen • Butcheries • Street food sheds • Milking sheets • Milk shops/depots • Bakeries/confectioneries • Food trans vehicles • Fruit and Vegetables premises • Supermarkets • No. of license applications • Food condemnation | <p>12</p> <p>1</p> <p>175,584</p> <p>46577</p> <p>222161</p> <p>0</p> <p>0</p> <p>174</p> <p>186</p> <p>248</p> <p>18</p> <p>171</p> <p>63</p> <p>23</p> <p>111</p> <p>180</p> |

| | | |
|--|---|--|
| | <p>4.4.2 Accommodation and related facilities</p> <ul style="list-style-type: none"> • Old age home • Hotels • Crèche/Daycare Centres • Centre for disabled • Building plans • Guest houses <p>4.4.3 Public 2 miscellaneous facilities</p> <ul style="list-style-type: none"> • Sports and recreational facilities • Mortuaries/undertakers • Taxi ranks • Vacant stands • Dry cleaners/Laundries • Hair dressers <p>4.4.4 Samples</p> <ul style="list-style-type: none"> • Raw milk • Pasteurized milk • Drinking water • Food samples / swabs <p>4.4.5 Water and sanitation</p> <ul style="list-style-type: none"> • Water treatment plant • Refuse disposal sites • Uncontrolled refuse dumps • Public toilet complexes • Sewage works <p>4.4.6 Environmental Management</p> <ul style="list-style-type: none"> • Air pollution samples • Vehicle emissions test • Noise pollution sample <p>4.4.7 General</p> <ul style="list-style-type: none"> • Complaints • Workshops • Meetings • Student capacitation | <p>57 50</p> <p>2 5 199 3</p> <p>1091 13</p> <p>15 39 96</p> <p>685-R80 124</p> <p>0 10</p> <p>R69 439 R134</p> <p>73 396 22</p> <p>30 62 435 132 3</p> <p>240 18 0</p> <p>1427 6 33 18</p> |
| <p>5. <u>Achievements of Previous Financial Years (2006 / 2007)</u></p> | <p>5.1 Community awareness and development</p> <p>5.1.1 Environmental Health Services</p> <ul style="list-style-type: none"> • Environmental awareness X 20 <p>5.1.2 Health</p> <ul style="list-style-type: none"> • HIV/AIDS/TB awareness X 10 <p>5.2 Capital Projects</p> <p>5.2.1 Environmental Health Services</p> <ul style="list-style-type: none"> • Air monitoring machine X 1 + 2 DEAT • Concrete slab • Fridge electrical | <p>Costs</p> <p>R16 760</p> <p>R33 635</p> |

| | | |
|--|---|--|
| 6. <u>Targets 2008/2009</u> | <ul style="list-style-type: none"> • Two door cabinet steel X 5 • Air monitoring analysers | R339 619 R11 749 R2 500 R6 833 R265 169 |
| | 5.2.2 Health Clinic | |
| | <ul style="list-style-type: none"> • Examination couch X 2 • 2 tier tea trolley X 1 • ENT set X 2 • Microwave X 3 • Rectangular tables X 20 • LG TV colour X1 • Fridges X 2 • Visitors chairs X 20 • Patients chairs X 30 • High-back chairs X 3 • Aqua-coolers 20litre X 2 • Mobile examination light X 2 • Hb photometer X • Building clinic Ext 6 • Desks X 11 • Upgrade Alarm system Simunye clinic | R1 812 R1 216 R5 392 R2 017 R9 690 R1 299 R4 598 R3 762 R2 907 R4 370 R3 798 |
| | 5.3 Operational budget | |
| | - Environmental | 000 |
| | - Clinics | R23 000 |
| | | R9 090 |
| | <u>Equipment for clinics</u> | |
| | | |
| | 6.1 Alarm system Ext 6 clinic | R15 0095 |
| | 6.2 Hb photometer X 5 | 25 |
| | 6.3 Autoclave | R10 688 |
| | 6.4 Mobile examination lights | 218 |
| | 6.5 Folding nose trolley | |
| | 6.6 Examination couches | |
| | 6.7 Patients chairs | |
| | 6.8 Visitors chairs | R16 800 |
| | 6.9 Electrical fridges X 2 | R42 000 |
| | 6.10 BP machines | R50 000 |
| | 6.11 Washing machine X 1 | R15 000 |
| | 6.12 Glucose machines | R4 500 |
| 6.13 Furniture | R2 500 | |
| 6.14 Doptones | R8 090 | |
| 6.15 Replacement kitchen units – Mhluzi clinic | R6 180 | |
| 6.16 Bakkie with canopy | R4 101 | |
| 6.17 4 drawer cabinets | R18 200 | |
| 6.18 Two door cabinets | R6 496 | |
| 6.19 Database patient system | R21 000 | |
| 6.20 Building Ext clinic | R21 000 | |
| 6.21 Trapezoid tables | R10 500 | |
| | R30 000 | |
| | R150 000 | |
| | R5 000 | |
| | R11 300 | |
| | R25 000 | |
| | R400 000 | |
| | R3 000 | |

| Function | Public Services | |
|--------------------------------------|---|--------------|
| Sub Function | Housing Department | |
| Reporting level | Detail | Total |
| Overview | The Chief Housing Services was established in 2002. The main person responsible for the Department is the Chief Housing Services. It renders services for the MP313 community and comprises of the following: | |
| Description of Activity | <p><u>Housing Development</u></p> <ul style="list-style-type: none"> • Facilitation of sustainable housing development programmes. • Administrative functions of housing programmes which involved processes of administration and facilitation of housing projects. <p><u>Informal settlement</u></p> <ul style="list-style-type: none"> • Allocation of stands to evictees. • Implementation of the Prevention of Illegal Eviction from and unlawful Occupation of Land Act No 19 of 1998. • Issuing of notices to illegal occupants of Municipal land. • Providing assistance during impoundment of uncontrolled animals and security duties to Municipal properties and pay points. • Effective eviction in cooperation with the Sheriff's Office <p><u>Rental Housing</u></p> <ul style="list-style-type: none"> • Rendering administrative functions terms of Rental Act of 1999. • Maintain the municipal rental houses • Administration of municipal rental stock • Administration of lease agreements in Newtown, Tokologo, Middelburg Ext 24 & Doornkop (Mampimpane) | |
| Short History of Department | The Chief: Housing Services was established in 2002. The main person responsible for the Department is the Chief: Housing Services. It renders the housing function on the MP313 municipal area. | |
| Tasks accomplished in Previous Years | <p>As a Municipality we are involved in pilot projects for the Mpumalanga Department of Housing and namely:</p> <p>National Database installed which is utilized in the capturing of data, and updating of existing applicants which is a continuous project.</p> <p>A mentor for Consumer Education Programme was trained together with the CDW's. A number of existing beneficiaries were trained on issues related to housing matters, especially those consumers who qualify for assistance from the government.</p> <p><u>Resettlement of Informal Settlers</u></p> <ul style="list-style-type: none"> • To provide for the facilitation of a sustainable housing development this department has allocated formal stands to: <ul style="list-style-type: none"> i) 350 non-restituted groups who invaded the CPA's land. ii) 113 Extension 6 informal settlers were moved to Newtown | |

| | <p><u>Completion of outstanding houses</u></p> <p>9 outstanding RDP houses in Mhluzi Extension 2 were almost completed.</p> <p><u>Control of Land Invasions</u></p> <ul style="list-style-type: none"> • Regular monitoring in Newtown, Caravan Park (Nasaret), Doornkop, Extension 6, and other hot-spot areas to prevent illegal occupation of stands. • Evictions were also conducted from Extension 6 to Newtown. • Resettlement process of Doornkop Phase 1 invaders to Doornkop (Mampimpane) has not been completed. There are those who are still reluctant to move. <p><u>Environmental Management</u></p> <p>The Chief: Health Services implements a programme whereby the Peace Officers are monitoring illegal dumping and issuing fines.</p> <p><u>Housing Projects 2006/2007 (rolling over) Progress Reports to date</u></p> <table border="1" data-bbox="578 856 1315 1593"> <thead> <tr> <th>AREA</th> <th>CONTRACTOR</th> <th>UNITS ALLOCATED</th> <th>UNITS COMPLETED</th> </tr> </thead> <tbody> <tr> <td>Doornkop (Mampimpane)</td> <td>Mali Building Construction</td> <td>300</td> <td>300</td> </tr> <tr> <td>Tokoloko</td> <td>Mabkol</td> <td>320</td> <td>129</td> </tr> <tr> <td>Tokoloko</td> <td>Zamani</td> <td>300</td> <td>146</td> </tr> <tr> <td>Tokoloko & Doornkop</td> <td>Midnight Star</td> <td>66</td> <td>53</td> </tr> <tr> <td>Tokoloko & Mhluzi</td> <td>Mashiadipere</td> <td>350</td> <td>126</td> </tr> <tr> <td>Kwazamokuhle Ext 7</td> <td>Sunrise Construction</td> <td>190</td> <td>157</td> </tr> <tr> <td>Middelburg Ext 24</td> <td>Rahlagane Transport</td> <td>250</td> <td>17</td> </tr> <tr> <td>Middelburg Ext 24</td> <td>Thuthazonke Construction</td> <td>250</td> <td>69</td> </tr> <tr> <td>Middelburg Ext 24</td> <td>Funeka Building Electrical Eng.</td> <td>150</td> <td>50</td> </tr> <tr> <td>Middelburg Ext 24 & Tokoloko</td> <td>Igeja Resource</td> <td>62</td> <td>53</td> </tr> <tr> <td>Tokoloko</td> <td></td> <td>88</td> <td>31</td> </tr> <tr> <td>Mhluzi Ext 6</td> <td>Umndeni Enterprise</td> <td>100</td> <td>96</td> </tr> <tr> <td>Extension 24</td> <td>Igeja Resource</td> <td>100</td> <td>-</td> </tr> <tr> <td>Kwazamokuhle Ext 7</td> <td>Balethavha Business Enterprise</td> <td>300</td> <td>-</td> </tr> <tr> <td>TOTAL</td> <td></td> <td>2748</td> <td>1335</td> </tr> </tbody> </table> | AREA | CONTRACTOR | UNITS ALLOCATED | UNITS COMPLETED | Doornkop (Mampimpane) | Mali Building Construction | 300 | 300 | Tokoloko | Mabkol | 320 | 129 | Tokoloko | Zamani | 300 | 146 | Tokoloko & Doornkop | Midnight Star | 66 | 53 | Tokoloko & Mhluzi | Mashiadipere | 350 | 126 | Kwazamokuhle Ext 7 | Sunrise Construction | 190 | 157 | Middelburg Ext 24 | Rahlagane Transport | 250 | 17 | Middelburg Ext 24 | Thuthazonke Construction | 250 | 69 | Middelburg Ext 24 | Funeka Building Electrical Eng. | 150 | 50 | Middelburg Ext 24 & Tokoloko | Igeja Resource | 62 | 53 | Tokoloko | | 88 | 31 | Mhluzi Ext 6 | Umndeni Enterprise | 100 | 96 | Extension 24 | Igeja Resource | 100 | - | Kwazamokuhle Ext 7 | Balethavha Business Enterprise | 300 | - | TOTAL | | 2748 | 1335 | |
|--|--|-----------------|-----------------|-----------------|-----------------|-----------------------|----------------------------|-----|-----|----------|--------|-----|-----|----------|--------|-----|-----|---------------------|---------------|----|----|-------------------|--------------|-----|-----|--------------------|----------------------|-----|-----|-------------------|---------------------|-----|----|-------------------|--------------------------|-----|----|-------------------|---------------------------------|-----|----|------------------------------|----------------|----|----|----------|--|----|----|--------------|--------------------|-----|----|--------------|----------------|-----|---|--------------------|--------------------------------|-----|---|--------------|--|-------------|-------------|--|
| AREA | CONTRACTOR | UNITS ALLOCATED | UNITS COMPLETED | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Doornkop (Mampimpane) | Mali Building Construction | 300 | 300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tokoloko | Mabkol | 320 | 129 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tokoloko | Zamani | 300 | 146 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tokoloko & Doornkop | Midnight Star | 66 | 53 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tokoloko & Mhluzi | Mashiadipere | 350 | 126 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Kwazamokuhle Ext 7 | Sunrise Construction | 190 | 157 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Middelburg Ext 24 | Rahlagane Transport | 250 | 17 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Middelburg Ext 24 | Thuthazonke Construction | 250 | 69 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Middelburg Ext 24 | Funeka Building Electrical Eng. | 150 | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Middelburg Ext 24 & Tokoloko | Igeja Resource | 62 | 53 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tokoloko | | 88 | 31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mhluzi Ext 6 | Umndeni Enterprise | 100 | 96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Extension 24 | Igeja Resource | 100 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Kwazamokuhle Ext 7 | Balethavha Business Enterprise | 300 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | 2748 | 1335 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tasks accomplished last year – Capital Budget | Purchased 8 X Yamaha TW 200 motorbikes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tasks accomplished - Capital | Purchased vehicle for housing – bakkie ISUZU Two Bulk filers | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tasks to be accomplished according to IDP objectives | Another extension has been given to the contractors to complete projects by end of March 2009. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Function | Public Services 2007/2008 | |
|---------------------------------|---|----------------------------------|
| Sub Function | Library Department | |
| Reporting level | Detail | Total |
| Overview | The main aim of the Library is to render two types of services namely (A) the Technical Service and (B) the Public Service. The latter service is vital important. | |
| Description of Activity | <p>Public Services rendered in the library are the following:</p> <ul style="list-style-type: none"> • Invitations of schools especially from the rural areas to orientate them to the Library and teach them how to retrieve information since these library facilities are not available in their areas. • Provision of information on book material and non-book material (CD-Rom, audio books etc.) to the users. • Provision of computerized information on Internet, Encarta and Britannica. • Provisions of inter library loan on PALS if the library material is not available in the library. The book on demand can be located on libraries within Mpumalanga jurisdiction. • Rendering door to door service for the old age home namely Kosmos, Vergeet-my-nie, St'Jospehs and SAVF. • The services are highly appreciated. • Rendering recreational service for children during school holidays (story telling, videos, puppet shows etc.) | |
| Analysis of the Function | <p>Number and cost of personnel</p> <ul style="list-style-type: none"> • Management (level 0-3) • Professionally qualified and mid management (level 3-6) • Library Assistant Gr.1(Level 7-12) • Senior Library Assistant • Non-professional – semi skilled (level 13 to 16) • Temporary staff • Contract staff | 1 1 17 2 2 5 0 |
| Achievements | <ul style="list-style-type: none"> • Furniture and books has been purchasd for a new library at Mhluzi Ext7. • The Ext7 Library is now operating fully. • Doornkop Library has been extended and completed. • Books have been purchased, furniture received from Province. Library is awaiting official opening. • Senior librarian has been appointed. • Toilets have been built at Reitkuil Library for easy access by the users. • Fax machines have been installed for Kwaza, Mhluzi and Nasaret libraries. • A study area has been established using the offices on the first floor at the main library. • The Reference Section has been improved, giving it a new look and a user-friendly environment to library users. • A new library system called KOHA has been installed so that services are rendered on-line. These include circulation, inter-library loans and library catalogue. • A new circulation desk has been purchased for convenient | |

| | | |
|---------------|--|--|
| | <p>library service.</p> <ul style="list-style-type: none"> • Kwazamokuhle library has been fenced for security purposes. | |
| Target | <ul style="list-style-type: none"> • To help schools with the functioning of their libraries and to increase awareness in reading. • To obtain property for Pullenshope library. • To purchase a mobile library to render services to rural areas e.g. Doornkop etc. • To establish a Community Library at Naledi Village and Chromeville. This is in line with the IDP process. • To be fully automated by the end of this current financial year. | |

MUNICIPAL MANAGER

**GENDER & SOCIAL DEVELOPMENT
COMMUNICATIONS
LED
IDP**

| Function | Municipal Manager | |
|--|---|--------------|
| Sub-Function | Gender and Social Development | |
| Reporting Level | Detail | Total |
| Overview | The Gender and Social Development Unit is responsible to ensure effective and efficient management of social development program, activities and strengthen collaboration with NGO's, relevant Departments etc. to improve service delivery at Steve Tshwete Local Municipality. | |
| Strategic Goals | <p>To improve the quality and equity of service delivery within the municipal area</p> <p>To mitigate the negative impact of HIV and AIDS</p> <p>To reduce poverty through integrated services like LED unit and other economic structures by specifically prioritizing the most vulnerable groups to our locality</p> <p>To rebuild families and communities through policies and program empowering the young, elderly, and people with disabilities as well as women in our municipal area.</p> | |
| Key Issues from July to December 2008 | <p>The Local Aids Council (LAC) was succesfully reviewed, 3 bi-monthly meetings were held, 15 task team meetings were also held</p> <p>Three task team leaders (one from Victim Support Centre, one from Department of Correctional Services and one from People Living with Aids) and the HIV and AIDS acting coordinator from Steve Tshwete Local Municipality attended a 12 day course arranged by GTZ and it was offered by University of Pretoria from August to December 2008</p> <p>The Steve Tshwete Local Municipality HIV and AIDS strategy was reviewed although it is not yet adopted.</p> <p>Day of an African Child was celebrated in style. In June Children with disabilities attended Children's Parliament which started at Steve Tshwete Local Municipality, 2 children represented Steve Tshwete at Mpumalanga Provincial Legislature and they succesfully proceeded to the National Assembly in Cape Town were they were representing Mpumalanga</p> <p>In June again Day of an African Child was celebrated at Kwazamokuhle Stadium, coordinated by Steve Tshwete Local Municipality, Social Development and Early Childhood Development, creches and pre-schools attended</p> <p>In November again 5 Children from our area went to Gert Sibande and proceeded to Kimberly to celebrate the National Children's Day.</p> <p>In July, 10 Women in our municipalilty attended a Women's Parliament which started at Emalahleni, it proceeded to Mpumalanga Provincial Legislature and it ended at the National Parliament in Cape Town were the late Cllr M.G Mathebula represented Mpumalanga.</p> <p>Women's Summit was succesfully held on the 25th and 26th in our</p> | |

| | | |
|--|--|--|
| | <p>municipality, 156 women attended. On the 27, 28 and 29, more than 100 women from Steve Tshwete Local Municipality attended the Southern African Women Inventors and Innovators Symposium at Galleger Estate, supported and transported by our municipality.</p> <p>On the 25 September, Heritage Day was celebrated at Botshabelo where staff members of the municipality, the departments, NGO's and the community were informed about the meaning of the South African Flag, Coat of Arms for Mpumalanga Province, Nkangala District and Steve Tshwete Local Municipality</p> <p>On the 29 October, Steve Tshwete Local Municipality celebrated the Older Persons Month. The Elderly had breakfast and lunch with the Executive Mayor, IMT Mahlangu and they all received gifts from the Mayor.</p> <p>The review for Social Funding Policy was done, although it is not adopted yet.</p> <p>From the 25 November until the 10th December, 16 days of activism for no violence against women and children campaign started together with AIDS Day.</p> | |
|--|--|--|

| Function | Municipal Manager | |
|--------------------------------|--|--------------|
| Sub Function | Communications Manager | |
| Reporting level | Detail | Total |
| Overview | The Communications Department is responsible for internal and external communication functions for the organization. This includes integrating throughout the organization and at times being the communication police to ensure that the entire organization communicates consistently and with relevance. The purpose of the department amongst others entail the management of events, administration of council communication function, community development, publicity, marketing of council facilities, activities and services and advertisements. | |
| Description of Activity | The Communications Department function is administrated as follows: | |
| | <ul style="list-style-type: none"> • Provision of publicity for Council events. • Marketing of Council activities and services. • Management of Council newsletters. • Maintenance of media relations; co-ordination of events such as festivals, ceremonial functions, cultural occasions, campaigns, etc. • Foster inter-governmental relation with other government departments. • Liaising with the national and provincial offices for any occasions that should be co-hosted by the municipality. • Submission of reports with recommendations to the Mayoral Committee. • Dealing with general public enquiries (telephonically, in writing and otherwise). • Management of customer suggestions and complaints system. • Liaison with other structures e.g. NGO's, community based organizations and stakeholders. Representing Council at all relevant structures and formations e.g. Mpumalanga Tourism, Communication of Council policies, Telecommunications administration. • Speech writing for the Executive Mayor | |
| | The strategic objectives of this function are to: | |
| | <ul style="list-style-type: none"> • Ensure public awareness of council activities, events and services • Providing a mechanism through which the general public may submit their concerns and compliments and reacting thereto. • Creating a strong sense of community through festivities and ceremonials occasions. • Ensuring efficient communications electronically and otherwise. • Continuously monitoring customer satisfaction by way of suggestion/complaints/compliments mechanism. • Ensure the provision of effective assistance to the community by referring them through to the correct and relevant department for enquiries. • Marketing of council incentives for possible investments • Media relations | |

| | | |
|----------------------------------|---|--|
| Analysis of the Function: | <ol style="list-style-type: none"> 1. Number of municipal publications <ul style="list-style-type: none"> ❖ External – 6 000 copies ❖ Internal – 1000 copies 2. Slots with the Greater Middelburg FM 3. Publication of council meetings | 10 Bi-monthly Quarterly 1/week as required |
|----------------------------------|---|--|

| | | |
|--|--|---|
| | <ul style="list-style-type: none">4. Press Statements5. Radio statements6. Advertisement of Council activities, e.g. joint effort with SAP against corruption7. Media breakfasts/dinners meetings | <ul style="list-style-type: none">as requiredas requiredas requiredas required |
| | Number of personnel | 1 |

| Function | Municipal Manager |
|--------------------------|---|
| Sub Function | LED |
| Reporting level | Detail |
| Overview | The Local Economic Development Unit is responsible for the socio-economic growth of the whole Steve Tshwete Local Municipality area to better the livelihoods of the communities. The purpose of the department amongst others entails managing projects, liaising with business (big and small) and facilitating LED initiatives. |
| Description of Activity | <p>The LED Unit functions within the municipality and is administered as follows:</p> <ul style="list-style-type: none"> ▪ Liaising with other structures such as private companies, CBO's, NGO's and relevant stakeholders. ▪ Stimulating and facilitating the activities that are LED related. ▪ Liaising with the departments within the municipal and provincial and national governments. |
| Strategic Objectives | <ul style="list-style-type: none"> • Facilitation of job creating projects within the municipal area. • Developing of a LED/marketing strategy that will attract investors to invest locally. • Assist with capacity building especially for the small entrepreneurs. • Identifying of incentives for business and investors. • Creation of an enabling environment for business development. |
| Key issues for 2007/2008 | <ul style="list-style-type: none"> • Youth Advisory Centre in partnership with Umsobomvu Youth Fund is still effectively running to address entrepreneurship and career guidance issues that will benefit the youth at large. • The Thushanang School in Mhluzi is currently being renovated and it will be utilized to provide manufacturing businesses with proper infrastructure to do their business. • MSI skills and entrepreneurship development project is still effectively running. • A Woman in Mining Summit was held under the guidance of the Executive Mayor. • The Ekageng Community Garden was created at Mhluzi. • A Business Linkage Centre was created where SMME's are brought into contact with buying department of the large businesses and mining companies. • Sixteen (16) new industrial stands were created and sold for the development of new industries. • Several Business Breakfast meetings were held with the top management of large local companies as an initiative to improve relationships between the municipality and large businesses. |

| Function | Municipal Manager | |
|------------------------|--|---|
| Sub Function | IDP/PMS | |
| Reporting level | Detail | Total |
| OVERVIEW | The IDP/ PMS unit is the embodiment of the core business of the municipality. It functions across all departments in the municipality expressing the strategic direction the municipality has planned to take. | |
| STRATEGIC GOALS | Development and revision of Council's Integrated Development Plan Development and implementation of Performance Management System | |
| OBJECTIVES | To conduct community meetings in each ward to obtain inputs with regard to the developmental needs of the community. To develop and compile the IDP document. To conduct IDP/ PMS Technical committee meetings. To conduct IDP/ PMS forum meetings for further stakeholder inputs. To provide assistance in the compilation of Managers' Performance Agreements and Performance Reports. | |
| ACTIVITIES | <ul style="list-style-type: none"> - Number of IDP/ PMS technical meetings held. - Number of IDP/ PMS forum meetings held. - Number of community meetings held. - Number of Managers Performance Agreements compiled. - Number of quarterly reports compiled. - Reviewed municipal IDP document. - Revised Performance 2008/2009 KPIs. | <p>2</p> <p>3</p> <p>21</p> <p>3</p> <p>4</p> <p>Approved by March 2008</p> <p>Revision process finalized by May 2008</p> |

FINANCE

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General Information

MEMBERS OF THE MAYORAL COMMITTEE & THEIR PORTFOLIOS

Councillor

| | | |
|------------------------|---|--|
| <i>I.M.T. Mahlangu</i> | : | <i>Executive Mayor</i> |
| R.T. Mabanola | : | MMC Health, Social Services, Culture, Sport & Recreation |
| N.E. Masemola | : | MMC Housing & Agriculture |
| E.F. Mathebula | : | MMC Infrastructure Development & Service Delivery |
| J.B. Mayaba | : | MMC Traffic, Emergency, Transport, Safety & Security |
| H. Pilodia | : | MMC Economic Development, Finance & Audit |
| A.B. Xulu | : | MMC Administration, Human Resource & Audit |

Speaker : Cllr. T.R. Mpye

Chief Whip : Cllr. M.A. Masina

WARD COUNCILLORS

Councillor

| | | | | | |
|----------------|---|---------|-----------------|---|---------|
| N. Monareng | : | Ward 1 | J.P. Pretorius | : | Ward 13 |
| J. Nkambule | : | Ward 2 | D. Botes | : | Ward 14 |
| L. Mahlangu | : | Ward 3 | H.F. Niemann | : | Ward 15 |
| M.G. Mathebola | : | Ward 4 | H. Pilodia | : | Ward 16 |
| T.P. Motau | : | Ward 5 | R. Xaba | : | Ward 17 |
| B. Simelane | : | Ward 6 | T.R. Mpye | : | Ward 18 |
| M.F. Mahlangu | : | Ward 7 | M.T.E. Mnguni | : | Ward 19 |
| M.T. Masango | : | Ward 8 | E.F. Mathebula | : | Ward 20 |
| A.B. Xulu | : | Ward 9 | P.R. Sibanyoni | : | Ward 21 |
| M.A. Masina | : | Ward 10 | T.J. Morotobolo | : | Ward 22 |
| L. Zweni | : | Ward 11 | A.S. Grobler | : | Ward 23 |
| E.A. Swarts | : | Ward 12 | G.C. Mbalane | : | Ward 24 |

COUNCILLORS, PROPORTIONAL

Councillor

| | | |
|-------------|----------------|---------------|
| E.S. Bassed | A.M. Mabena | R. Perumall |
| D. Botha | L.I. Manzini | R.E. Redman |
| M.J. Britz | K.E. Masilela | T.D. Skhosana |
| E. du Toit | C.A. McFarlane | A.G. Stroud |
| H. Knoesen | J.N. Mgedeza | C.T. Tonga |

R. Kunene

B.H. Mokoena

K.P.J. Uys
R.M.D.

Zulu

| |
|----------------------------|
| General Information |
|----------------------------|

GRADING OF LOCAL AUTHORITY : Grade 9

AUDITORS : Auditor-General

BANKERS : ***ABSA Bank***

LEGAL ADVISORS Messrs : Johan Alberts
Ntuli Noble
Van Deventer & Campher

REGISTERED OFFICE : Civic Centre
Wanderers Avenue
P.O. Box 14
MIDDELBURG
1050

TELEPHONE : (013) 249 7000

FACSIMILE : (013) 243 2550

MUNICIPAL MANAGER

Telephone : **W.D. Fouché**
(013) 249 7264
E-Mail Address :
wfouche@stevetshwetelm.gov.za

EXECUTIVE MANAGER FINANCE

Telephone : **F.J. Naudé**
(013) 249 7108
E-Mail Address :
fnaude@stevetshwetelm.gov.za

EXECUTIVE MANAGER CORPORATE SERVICES

Vacant

EXECUTIVE MANAGER PUBLIC SERVICES

Telephone : **P.F. Phiri**
(013) 249 7202
E-Mail Address : fphiri@stevetshwetelm.gov.za

EXECUTIVE MANAGER TECHNICAL & FACILITIES
Vacant

General Information

ENQUIRIES

| | | | |
|------------------|---|-------|-------------|
| Building Plans | : | (013) | 249 7179 |
| Electricity | : | (013) | 249 7223/31 |
| Water & Sewerage | : | (013) | 249 7168 |
| Consumers | : | (013) | 249 7156 |

PAYPOINTS

| | | | | |
|---------------|-----------|---|-------|----------|
| Chromeville | Telephone | : | (013) | 241 2928 |
| Hendrina | Telephone | : | (013) | 293 0000 |
| | Facsimile | : | (013) | 293 0388 |
| Komati | Telephone | : | (013) | 295 3102 |
| Kwazamokuhle | Telephone | : | (013) | 294 1212 |
| Mhluzi | Telephone | : | (013) | 242 1030 |
| Mhluzi Ext. 5 | Telephone | : | (013) | 241 7222 |
| Nasaret | Telephone | : | (013) | 246 1177 |
| Pullenshope | Telephone | : | (013) | 296 1630 |
| Rietkuil | Telephone | : | (013) | 297 1075 |
| Van Calder | Telephone | : | (013) | 243 2400 |

COMMENTS OF SENIOR OFFICIALS AND PARTICULARS OF CORRECTIVE ACTION TO BE TAKEN IN RESPONSE TO ISSUES IN THE REPORTS OF THE AUDITOR-GENERAL

1.1 Report on the Financial Statements

1.1.1 Paragraph 1: *Introduction*

Comments

To be noted.

1.1.2 Paragraph 2: *Responsibility of the accounting officer for the financial statements*

Comments

To be noted.

1.1.3 Paragraph 3, 4, 5, 6, 7 and 8: *Responsibility of the Auditor-General*

Comments

The total audit approach by the Auditor-General is explained under these paragraphs. The Auditor-General considered the audit evidence provided sufficient and appropriate for his audit opinion.

1.1.4 Paragraph 9: *Basis of Accounting*

Comments

To be noted.

1.1.5 Paragraph 10: *Opinion*

Comments

This reflects that there is complied with prescribed accounting practices and legislation and that with regard to the Annual Financial Statements as at 30 June 2008 the Council received a clear audit.

1.2 Other Matters

1.2.1 Paragraph 11: *Matters of Governance*

The key governance responsibilities listed not complied with are the following:

1.2.1.1 Audit Committee

The Audit Committee did not operate the full financial year.

Comments

The Council shares the Audit Committee with the Nkangala District Municipality and the other five (5) local municipalities in the Nkangala region as permitted by Section 166(6) of the MFMA. The Committee was only appointed late in 2007 and only started functioning in January 2008.

- The Audit Committee did not substantially fulfill its responsibilities for the year as set out in Section 166(2) of the MFMA.

Comments

Although all reports as are required were submitted to the Audit Committee, it did not provide the Council with the required advice and opinion throughout the financial year.

- The internal audit function did not operate in terms of an approved internal audit plan.

Comments

The internal audit plan is based on prioritised risks from the Council's annually reviewed risk register. The risks were only workshopped on 29 January 2008 and the audit plan for 2007/2008 subsequently drawn up and approved in April 2008.

- The internal audit function did not substantially fulfill its responsibilities for the year as set out in Section 165 (2) of the MFMA.

Comments

Although the internal audit plan for 2007/2008 was worked through by 30 June 2008, the internal audit function, up to end March 2008, could not attend to any new issues. It is essential that in future the Council's risks be prioritised and an internal audit plan compiled before a financial year commences.

1.2.2 Paragraph 12: *Unaudited Supplementary Schedules*

Comments

The supplementary information being referred to is contained in Appendixes E, F, G and H to the Annual Financial Statements

and contains, for completeness sake, a comparison of actual transactions to what was budgeted and detail of variances that might have occurred.

1.3 **Other reporting responsibilities**

1.3.1 **Report on Performance Information**

1.3.1.1 **Paragraph 14: *Responsibility of the accounting officer for the performance information***

Comments

To be noted.

1.3.1.2 **Paragraphs 15, 16 and 17: *Responsibility of the Auditor-General***

Comments

It needs to be noted that the evidence presented was sufficient and appropriate and there were no significant findings by the Auditor-General.

1.4 **Appreciation**

Comments

The appreciation by the Auditor-General as per paragraph 18 must be noted.

2. It is recommended that the Report by the Auditor-General be considered and accepted as a clean audit report in all aspects.

Introduction

The 2007/2008 Medium Term Budget focused on three key areas on the way to fiscal stability and economic vitality. These areas were:

- To expand economic development.
- Improve quality of life.
- Greater accountability and efficiency in the government of the municipality.

Based on these principles and to align with the national and provincial governments' growth strategies the key service delivery targets for the 2007/2008 financial year were:

- ♦ Continue to build new roads in urban areas.
- ♦ Continue with the maintenance of roads in the urban and rural areas.
- ♦ Further improvement of the quality of electricity supply.
- ♦ Continue with park development along the Mpanama River.
- ♦ Create more industrial stands
- ♦ Creation of rural villages.
- ♦ Servicing of Rockdale.
- ♦ Servicing of stands in Aerorand and Extension 18.
- ♦ Development of Multi-Purpose Community Centre.
- ♦ Upgrade of existing sport facilities.
- ♦ Ensure sufficient and stable water and electricity supply.
- ♦ Improve traffic flow through Middelburg/Mhluzi.
- ♦ Improve disaster management.

Throughout the financial year the municipality strove to utilise all its financial and administrative capacity to achieve its mandate to deliver on these priorities.

The financial strategy recognises that the development and implementation of various financial planning reforms (such as GAMAP/GRAP/GAAP) will fundamentally challenge the municipality in terms of its financial planning for future financial years.

FINANCIAL REPORT

The need for an integrated approach when appropriating resources has become essential for sustainable outcomes, especially taking into account the size and diverse challenges the municipality faces.

It is therefore critical that the results of the past financial year be placed on the firm partnership with our communities to achieve the high level of service delivery. This means that all have honoured their part of the social contract by paying for services which ensure that the municipality remains viable and sustainable.

Background

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Practices (GAMAP) prescribed by the Minister of Finance in terms of the General Notices 991 and 992 of 2005.

Accounting policies for material transaction errors or conditions not covered by the above GRAP and or GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies are based on the South African Standards of Generally Accepted Accounting Practices (SA GAAP).

The Minister of Finance has, in terms of Government Notice 552 of 2007 as per Government Gazette 30013 of 29 June 2007 exempted compliance with certain of the above-mentioned Standards and aspects or parts of these Standards. Details of the exemptions applicable to the municipality have been provided in the notes to the annual financial statements.

Review of Operating Results

1. General

The operating results achieved for the past financial year are extremely favourable as per the Statement of Financial Performance with a surplus for the year that amounts to R114,8-million measured against the budgeted surplus of R97,8-million.

Various transactions which were previously accounted for under appropriations and suspense accounts are now either recognised as revenue or as expenditure. The appropriation of the surplus is accounted for in the Statement of Changes in Net Assets. Should these transactions be taken into consideration the net actual budget surplus for the year is R7,3-million which represents a budget deviation of 1,34% of total operating expenditure.

The following is a reconciliation of the surplus for the year to the actual budgeted surplus:

| |
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| FINANCIAL REPORT |
|-------------------------|

| | | | |
|---|------------------|----------|-------------------|
| ▪ Surplus/(deficit) for the year | | R | 114 865 017 |
| ▪ Other appropriations as recognised in the Statement of Changes in Net Assets: | | | |
| - Less Contributions : Capital Replacement Reserve | | R | (98 941 056) |
| Transfer CRR to acquire PPE | | R | 4 294 355 |
| Revenue from coal reserves | | R | 22 967 214 |
| Sale of erven | | R | 28 909 007 |
| Main service contributions | | R | 7 994 897 |
| Interest received : External investments | | R | 34 775 583 |
| - Plus Capitalisation Reserve | | R | 13 294 113 |
| - Plus Government Grant Reserve | | R | 12 835 446 |
| - Less Contribution to Insurance Reserve | | R | (1 300 362) |
| | Sub-Total | R | 40 753 158 |
| - Less Donated contributions utilised for PPE | | R | (8 972 355) |
| - Less Government grants utilized for PPE | | R | (24 126 548) |
| Actual operating surplus | | R | 7 654 255 |
| Budgeted operating surplus | | R | 360 637 |
| Favourable deviation | | R | 7 293 618 |

The favourable budget deviation mainly relates to savings in employee related costs and general expenditure of R16-million whilst an amount of R8,5-million was contributed to provisions.

Appendix E is a summary of all budget variances with explanations for variances of more than 10% while the detail operating results per department are shown in Appendix D.

2. Operating Revenue

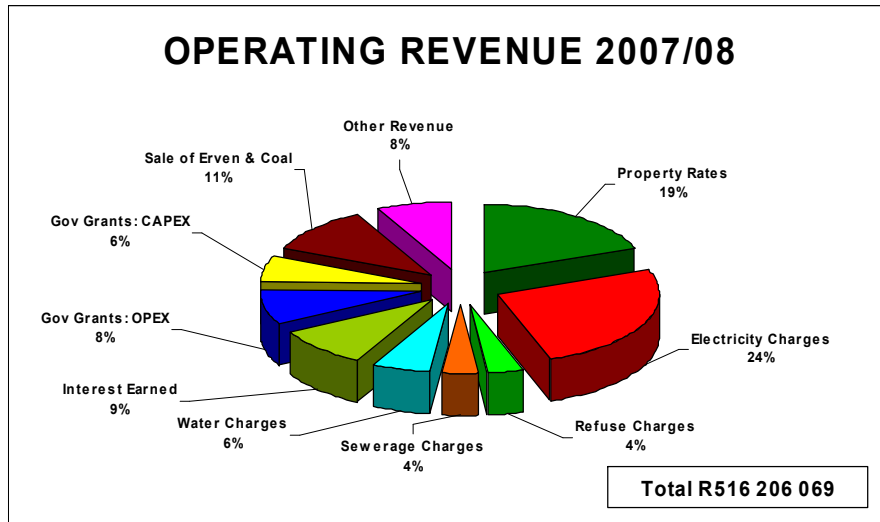
Operating revenue for the year is R516,2-million (2007: R505,9-million) which reflects an increase of 2%. Included in operating revenue is operating government grants to the amount of R41,9-million and capital grants and donated PPE to the amount of R33,3-million (2007: R16,2-million).

Service charges jointly comprise 38,62% of total revenue and property rates 19,20%. The sale of electricity remains the largest source of income and contributes 25,5% to total revenue.

Interest earned has increased with 58,2% from R26,9-million to R46,2-million which can mainly be attributed to surplus cash invested.

FINANCIAL REPORT

The following graph indicates a break down of the largest categories of revenue:



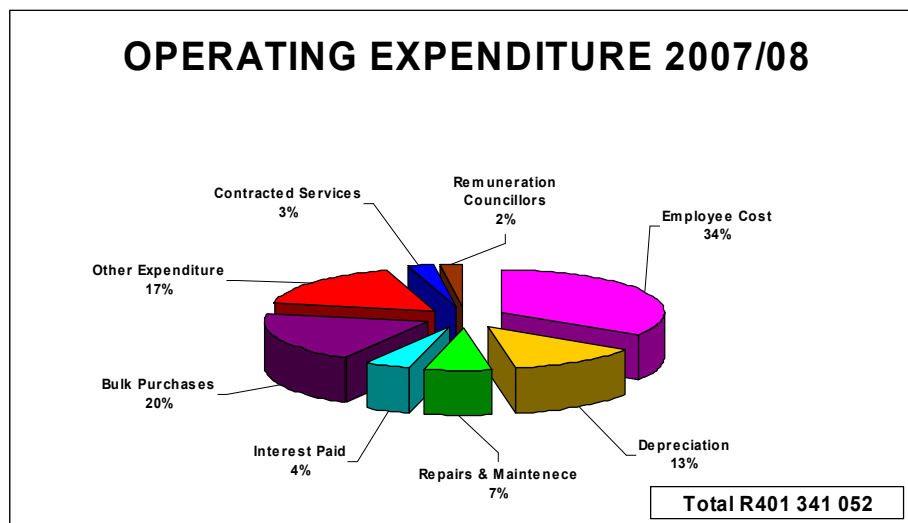
3. Operating Expenditure

The operating expenditure for the year is R401,3-million (2007: R358,4-million) which is 11,9% higher than the 2006/2007 financial year.

The main contributing expenditures are employee related cost at 36,5% and bulk purchases at 19,9%.

Repair and maintenance increase by 25% to R27,2-million (R2007: R21,7-million) and comprise 6,8% of total expenses and 4,4% of the carrying value of its fixed assets.

The graph below indicates the break down per main expenditure group:



4. Debtors

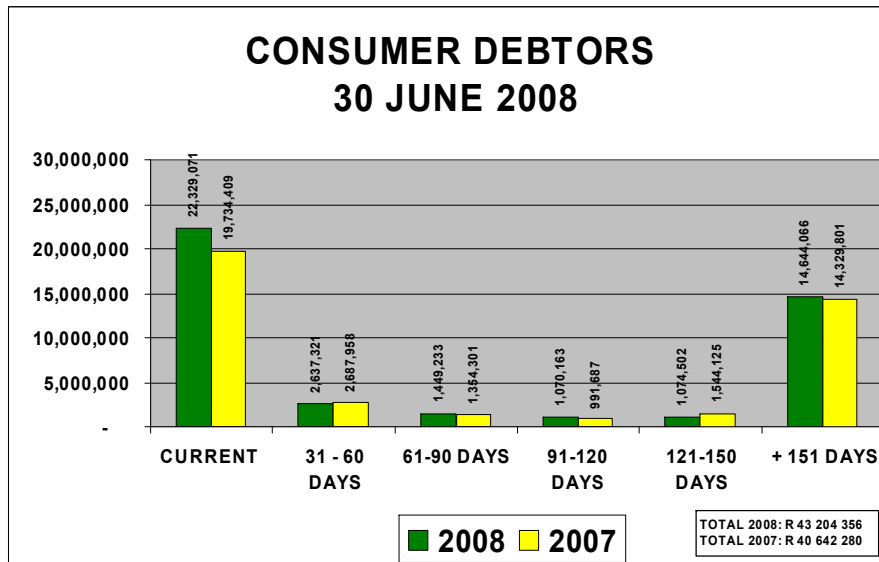
The long term receivables showed a decrease of R5,2-million to R25,6-million (2007: R30,8-million). This decrease can mainly be ascribed to the phasing out of previous estate accounts of R5,2-million.

Other debtors increased in total with R7,3-million to R20,2-million (2007: R12,9-million). The main increase is accruals for external interest of R6,4-million on investments only to be paid out on maturity date and the 2007/2008 health subsidy which was not paid by the Health Department on year-end.

Consumer debtors increased in total with R2,6-million to R43,2-million (2007: R40,6-million), whilst the provision for bad debt increased to R16,4-million (2007: R16,1-million) as a result of provisions made during the financial year. The main increase according to the age analysis grouping is current debtors with R2,6-million. The bulk of outstanding consumer debt pertains to property rates totaling 39,5% in 2008 (2007: 36,4%).

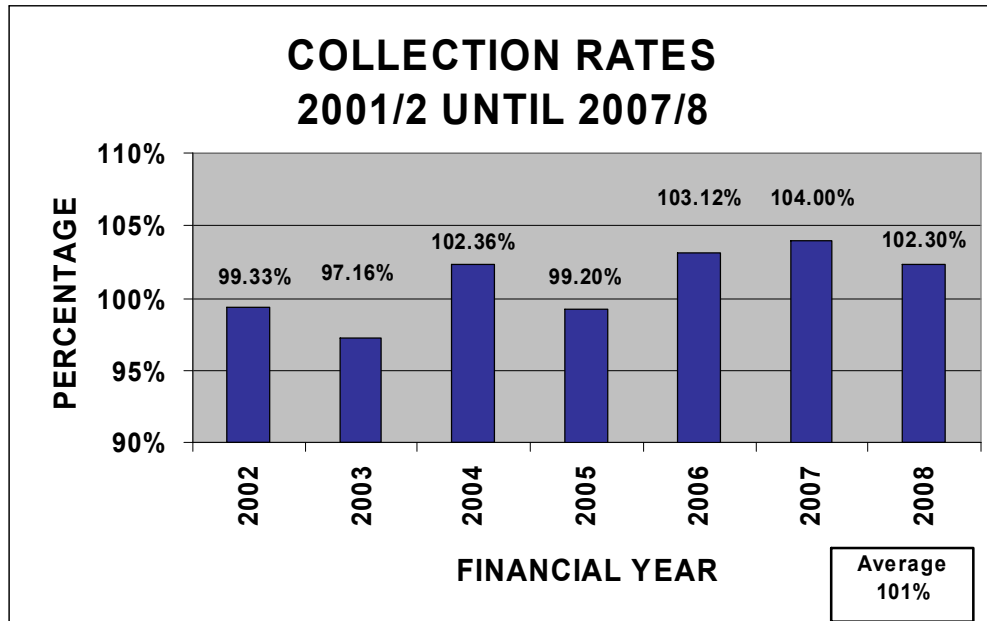
During the year bad debts to the amount of R0,7-million (2007: R0,6-million) were written off.

The increase in consumer debt per ageing analysis is graphically presented as follows:



A collection rate calculated on the total levies for a period compared to the total payments received during the same period is used to measure revenue recovery. The implementation of the credit control policy and continuous strict actions taken in terms of this policy resulting in a collection rate of 102,30% (2007: 104,00%) for the 2007/2008 financial year. The collection period amounted to a very healthy 32 days (2007: 31 days) with a debtors turnover rate of 8,86% (2007: 8,79%) which remain within acceptable norms.

The collection rates are graphically presented as follows:



5. Capital Expenditure and Financing

Actual capital expenditure incurred during the year in respect of property, plant and equipment amounted to R119-million (2007: R83-million).

Although the capital expenditure incurred is only 46,14% of the adjustment budget when comparing the expenditure to the budget, the finance source of capital projects plays an important role. This is summarised in the following table:

| Finance Source | Adjustment Budget | Actual | Actual % of Adjustment Budget |
|---|--------------------|--------------------|-------------------------------|
| | R | R | % |
| Capital Replacement Reserve | 142 646 567 | 67 758 352 | 47,50 |
| External Funding | 38 562 555 | 17 542 332 | 45,49 |
| Municipal Infrastructure Grant | 20 901 442 | 12 717 500 | 60,85 |
| Integrated National Electricity Programme | 11 537 012 | 10 439 455 | 90,49 |
| Nkangala District Municipality | 35 586 978 | 8 951 086 | 25,15 |
| Other | 8 750 000 | 1 617 346 | 18,48 |
| Total | 257 984 554 | 119 026 071 | 46,14 |

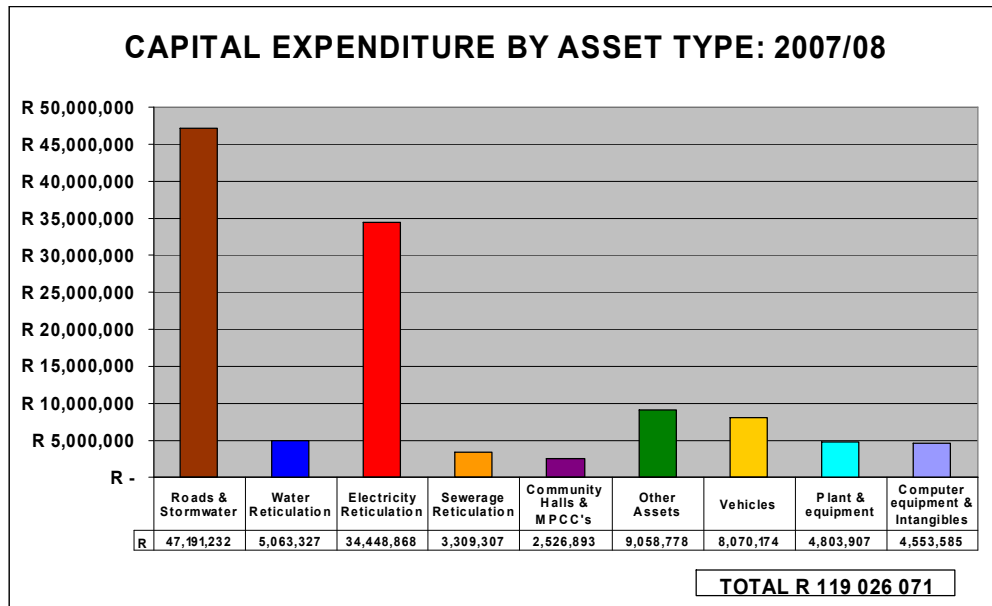
FINANCIAL REPORT

The actual roll overs from the 2007/2008 capital budget are as follows:

| | |
|-----------------------------|--------------------|
| Capital Replacement Reserve | R74 721 405 |
| Government grants | R 1 521 770 |
| External loans | <u>R18 894 400</u> |
| Total: | <u>R95 137 515</u> |

These roll over projects clearly affect the performance of the past financial year. Included in the roll overs is the proposed banquet hall at a budgetary cost of R35-million which constitutes 36,8%.

The following is a graphical presentation of actual capital expenditure according to asset type:



6. Debt Management

For the financial year under review a new external loan facility of R35-million was taken up to supplement the financing of property, plant and equipment resulting that borrowings increase with 18% to R134,4-million (2007: R113,4-million).

Long term loans consist of annuity loans and bear interest at rates between 9,62% and 14,40% per annum. During the year under review loans totaling R14-million were redeemed whilst total long term debt only constitutes 26,5% (2007: 22,42%) of total revenue. Capital cost on external loans is at 7,7% of operating expenditure which is within acceptable norms.

The pressure on capital expenditure is expected to remain high over the medium term. The approved capital expenditure over the next three years amounts to R613,7-million and external borrowing is expected to reach roughly R204-million in 2010.

Cash and short term investments increase by an 18,8% to R444,1-million (2007: R373,9-million) over the past financial year. The cash investments reflects the cash backing of reserves and unspent conditional grants.

7. Other Important Accounting Ratios

The operating capital ratio is a useful indicator when determining the ability to fund operating expenditure. The ratio measures the extent to which the current liabilities are covered by the current assets. A larger coverage means a lower risk since short term debt can be paid out of short term assets. The following table shows the calculation of the operating capital ratio:

| | 2006/2007 | 2007/2008 |
|-------------------------|-------------|-------------|
| Current assets | 168 474 336 | 139 082 246 |
| Current liabilities | 83 019 932 | 92 606 139 |
| Net operating capital | 85 454 404 | 46 476 107 |
| Operating capital ratio | 2,03 : 1 | 1,50 : 1 |

The solvability ratio is total assets to total liabilities and it shows the municipality's ability to meet its obligations in the long term. A ratio of less than one is an indication of insolvency. The following table shows the calculation of the solvency ratio:

| | 2006/2007 | 2007/2008 |
|-------------------|-------------|-------------|
| Total assets | 551 332 234 | 618 097 932 |
| Total liabilities | 226 502 920 | 260 523 148 |
| Solvability ratio | 2,43 : 1 | 2,37 : 1 |

8. Credit Rating

The credit rating is based on the annual financial statements for the year ending 30 June 2007 and the following rating was awarded:

| | |
|------------|--|
| Short term | A1- High certainty of timely payment liquidity factors are strong and supported by good fundamental protection factors. |
| Long term | A- High credit quality protection factors are good. However, risk factors are more variable and greater in periods of economic stress. |

FINANCIAL REPORT

Acknowledgement

During the year under review my department and I received valuable support and guidance from the Executive Mayor and Members of her Committee, Municipal Manager, the other Executive Managers and Heads of Departments. Their invaluable co-operation is dearly appreciated.

All the officials in my department who provided me with loyal assistance and expressed exceptional competency without which I would not have been able to produce this report.

To all I wish to express my sincere appreciation.



F.J. NAUDÉ (Dipl. IAC; F.I.M.F.O.)

EXECUTIVE MANAGER FINANCE

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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1. **OBJECTIVE**

The objective of the annual financial statements is to be a source of information on the financial position, performance and changes in financial status of the Steve Tshwete Local Municipality and demonstrates accountability useful to a wide range of users in making economic or political decisions.

2. **BASIS OF PRESENTATION**

The financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost basis unless otherwise stated. Under this basis the effects of transactions and other events are recognised when they occur and are recorded in the financial statements within the period to which they relate.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of General Notices 991 and 992 of 2005.

These standards are summarised as follows:

- GRAP 1 Presentation of financial statements.
- GRAP 2 Cash flow statements.
- GRAP 3 Accounting policies, changes in accounting estimates and errors.
- GAMAP 4 Effects of changes in foreign exchange rates.
- GAMAP 6 Consolidated financial statements and accounting for controlled entities.
- GAMAP 9 Revenue.
- GAMAP 7 Accounting for investments in associates.
- GAMAP 8 Financial reporting of interests in joint ventures.
- GAMAP 12 Inventories.
- GAMAP 17 Property, plant and equipment.
- GAMAP 19 Provisions, contingent liabilities and contingent assets.

GAMAP 6, 7 and 8 have been complied with to the extent that the requirements in these standards related to the municipality's separate financial statements.

**ACCOUNTING POLICIES
TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

Accounting policies for material transactions, events or conditions not covered by the above GRAP and/or GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such statements issued by the Accounting Practices Board.

The Minister of Finance has, in terms of General Notice 552 of 2007 exempted compliance with certain of the above-mentioned standards and aspects or parts of these standards. Details of the exemptions applicable to the municipality have been provided in the notes to the annual statements. An application for deviating from Gazette 30013 of 29 June 2007 to fully comply with IAS 19/AC 116, IAS 17/AC105 and IAS 38/AC129 for the 2007/2008 financial year was granted by National Treasury.

These accounting policies are consistent with those of the previous financial year.

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

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

3. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand and are rounded to the nearest Rand.

4. GOING CONCERN ASSUMPTION

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

5. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund.

ACCOUNTING POLICIES

**TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

Monies standing to the credit of the Housing Development Fund are used to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

Proceeds from housing development fund schemes which include rental income and sale of houses are recognised as revenue in the statement of financial performance and a corresponding transfer is made to the Fund.

Expenditure allowed in terms of the Housing Act is expensed in the Statement of Financial Performance and a corresponding transfer is made to and from the Fund.

6. RESERVES

6.1 Capital Replacement Reserve (CRR)

The purpose of the CRR is to set aside cash to provide infrastructure and other items of property, plant and equipment from internal sources. All cash received from the Council's coal reserves is being transferred to the CRR account. All surplus cash on the sale of erven are also transferred to the CRR to set aside cash for future property developments.

The cash is transferred to a designated CRR account and can only be used to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised. The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

6.2 Capitalisation Reserve

The purpose of this Reserve is to promote consumer equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of these items of property, plant and equipment are offset by transfers from the Capitalisation Reserve to the accumulated surplus/(deficit).

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

**ACCOUNTING POLICIES
TO THE ANNUAL FINANCIAL STATEMENTS**

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

6.3 Government Grant Reserve

When items of property, plant and equipment are purchased from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury.

When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit).

The purpose of this reserve is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation expenses that will be incurred over the estimated useful lives of the items of property, plant and equipment funded from government grants.

When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grants Reserve to the accumulated surplus/(deficit).

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

6.4 Donations and Public Contributions Reserve

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Donations and Public Contributions Reserve equal to the donations and public contributions recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury.

The purpose of this reserve is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the future depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from donations and public contributions.

When such items of property, plant and equipment are depreciated, a transfer is made from the Donations and Public Contributions Reserve to the accumulated surplus/(deficit).

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

6.5 Self-Insurance Reserve

A Self-Insurance Reserve has been established and, subject to external insurance where, deemed necessary, covers claims that may occur.

Premiums are charged to the respective services taking into account claims history and replacement value of the insured assets.

The balance of the Self-Insurance Reserve is determined based on surpluses accumulated since inception. These surpluses arose from the differences between premiums charged against claims paid and various administrative expenditure incurred.

The Self-Insurance Reserve is maintained to provide for non-claimable losses as well as for motor vehicle claims until aggregated excess payment to the amount of R200 000 per annum is reached.

The Self-Insurance Reserve for electricity is mainly used for theft of distribution networks and cables, which are uncovered items in terms of the insurance contract of Council.

Contributions to and from the reserve are transferred via the Statement of Changes in Net Assets. The total amount of insurance premiums paid to external insurers are regarded as expense and is shown in the Statement of Financial Performance. Repair and replacement costs not covered by external insurance are financed from the insurance reserve. This cost is regarded as an expense and is reflected in the Insurance Reserve.

The balance of the Self-Insurance Reserve is fully cash backed and invested in fixed and negotiable deposits.

7. **PROPERTY, PLANT & EQUIPMENT**

An item of property, plant and equipment which qualifies for recognition as an asset shall initially be measured at cost. Property, plant and equipment is stated at historical cost, less accumulated depreciation and impairment losses. Such assets are financed either by external loans, capital replacement reserve, government grants and contributions and donations.

The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to working condition for its intended use.

Any trade discounts and rebates are deducted in arriving at the purchase price.

Directly attributable costs include the following:

- Cost of site preparation.
- Initial delivery and handling costs.
- Installation cost.
- Professional fees.
- Estimated cost of dismantling the asset.

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

Subsequent expenditure is capitalised when the recognition and measurement criteria of an asset are met. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed.

Where an item of property, plant and equipment is acquired at no cost, it is initially recognised at its fair value as at the date of acquisition.

Incomplete construction work is stated at historical cost and depreciated only when the asset is commissioned into use, and are accounted for in accordance with the exemptions in terms of Gazette 30013 of 29 June 2007.

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

Residual value

The residual value of an asset is determined as the estimate amount that could currently be obtained from the disposal of the asset. The residual values of assets are reviewed at each financial year end.

Depreciation

Depreciation is calculated at historical cost, using the straight-line method over the useful lives of the asset. Assets will be depreciated according to their annual depreciation rates based on the following estimated asset lives:

| <u>Infrastructure Assets</u> | <u>Years</u> |
|---|--------------|
| Roads, pavements, bridges and storm water | 10-30 |
| Street names, signs and parking meters | 5 |
| Water reservoirs and reticulation | 15-20 |
| Water meters | 7 |
| Car parks, bus terminals and taxi ranks | 20 |
| Electricity reticulation | 15-30 |
| Electricity meters | 10 |
| Sewerage purification and reticulation | 15-20 |
| Housing | 30 |
| Street lighting | 20-25 |
| Refuse sites | 30 |

| <u>Community Assets</u> | <u>Years</u> |
|-------------------------|--------------|
| Parks and gardens | 10-30 |
| Sport fields | 20-30 |
| Community halls | 30 |
| Libraries | 30 |
| Recreation facilities | 20-30 |
| Clinics | 30 |
| Fire services | 30 |
| Cemeteries | 30 |

**ACCOUNTING POLICIES
TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

Other Assets

Years

| | |
|----------------------|-------|
| Motor vehicles | 4-7 |
| Plant and equipment | 2-15 |
| Security measures | 3-10 |
| Buildings | 30 |
| IT equipment | 3-5 |
| Office equipment | 3-7 |
| Specialised vehicles | 15-20 |

Land is not depreciated as it is regarded as having an infinite life.

The useful life or depreciation method for items of property, plant and equipment that have been recognised was not reviewed as permitted in terms of Gazette 30013 of 29 June 2007.

Impairment

The testing for and impairing of any items of property, plant and equipment were not accounted for as permitted in terms of Gazette 30013 of 29 June 2007

Heritage assets

These are assets that are defined as culturally significant resources and are not depreciated as they are regarded as having an infinite life. However, if improvements to heritage assets are conducted and registered as sub-assets and the useful life of the improvements can be determined, the depreciation charge of the relevant property, plant and equipment category is used for the depreciation of the sub-asset which was capitalised against the heritage asset.

Disposal of property, plant and equipment

- The book values of assets are written off on disposal.
- The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the Statement of Financial Performance.

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| ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 |
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8. INTANGIBLE ASSETS

After initial recognition, an intangible asset is carried at its cost less any accumulated impairment losses and amortisation. Amortisation is charged on a straight-line basis over their useful life which is estimated to be between 3 and 5 years. The useful life of an intangible asset is the period over which that asset is expected to be available for use of by the municipality. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised, but are tested for impairment annually and impaired if necessary.

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

The estimated useful life and amortisation methods are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Intangible assets are recognised at cost. Cost is defined as the amount of cash or cash equivalents paid or the fair value of the other considerations given to acquire the asset at the time of its acquisition or construction. Only cost incurred on computer software and websites that meet the definition of an intangible asset are recognised as permitted in terms of Gazette 30013 of 29 June 2007. All other cost incurred on intangible assets during the exemption period has been expensed.

9. **INVESTMENT PROPERTY**

Investment property as property (land or a building or part of a building or both) held to earn rentals or capital appreciation is stated at cost. Where an investment property is acquired at no cost, or for a nominal cost, its cost is recognised at its fair value as at the date of acquisition.

Depreciation is calculated on cost, using the straight-line method over the useful life of the property.

The process for identifying investment property had not been finalised and items that may meet the definition was accounted for in terms of GAMAP 17 under property, plant and equipment as permitted in terms of Gazette 30013 of 29 June 2007.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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10. **FINANCIAL INSTRUMENTS**

There are four categories of financial instruments: fair value through profit or loss (which includes trading), loans and receivables, held-to-maturity and available for sale. All financial assets that are within the scope of IAS 39 are classified into one of the four categories.

Financial instruments include cash and bank balance, investments, trade receivables and borrowings. The municipality classifies its financial assets as loans and receivables. Financial instruments are accounted for in accordance with the exemptions in terms of Gazette 30013 of 29 June 2007.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are included in current assets, except for maturities in excess of 12 months. These are classified as non-current assets.

Loans and receivables are classified as “trade and other receivables” in the Statement of Financial Position.

Loans and receivables are recognised initially at cost which represents fair value. After initial recognition financial assets are measured at amortised cost using the effective interest rate.

Accounts receivable

Trade and other receivables are recognised initially at cost which represents fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties of the debtor and default or delinquency in payments of all debt outstanding for more than 150 days are considered indicators that the trade receivables are impaired. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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When an under recovery occurs during the year an additional contribution for impairment is made from the accumulated surplus at year end.

Bad debts are written off during the year in which they are identified as irrecoverable.

Financial liabilities

Financial liabilities are recognised initially at cost which represents fair value. After initial recognition financial liabilities are measured at amortised cost using the effective interest rate.

Gains and losses

Gains and losses arising from changes in financial assets or financial liabilities at amortised cost are recognised in profit and loss when the financial asset or liability is derecognised or impaired through the amortisation process.

Investments held-to-maturity

Subsequent to initial recognition, held-to-maturity assets are measured at amortised cost calculated using the effective interest method.

Investments which include listed government bonds, unlisted municipal bonds, fixed deposits and short term deposits invested in registered banks are stated at cost.

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

Surplus funds are invested in terms of Council's Investment Policy. Investments are only made with financial institutions registered in terms of the Deposit Taking Institutions Act of 1990 with an A1 or similar rating institution for safe investment purposes.

The investment period should be such that it will not be necessary to borrow funds against the investments at a penalty interest rate to meet commitments.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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Leases

Property, plant and equipment subjected to finance lease agreements are capitalised at their cost equivalent and the corresponding liabilities are raised.

The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life.

Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease payments or receipts are recognised as an expense or revenue on a straight-line basis over the lease period.

11. **INVENTORY**

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

Consumable stores, raw materials, work in progress, unused water, and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities.

Redundant and slow-moving stock are identified and written down with regard to their estimated economic or realisable values and sold by public auction. Consumables are written down with regard to age, condition and utility.

Unsold properties are valued at the lower of cost and net realisable value on a specific identification cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

Water and purified effluent are valued at purified cost insofar as it is stored (controlled) in reservoirs and distribution networks at year end.

The process to identify immovable capital assets as inventory/stock are not finalised yet and were accounted for in terms of GAMAP 17 as permitted in terms of Gazette 30013 of 29 June 2007.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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12. **TRADE CREDITORS**

Trade creditors are recognised initially at cost price as permitted in terms of Gazette 30013 of 29 June 2007.

13. **REVENUE RECOGNITION**

Revenue shall be measured at the fair value of the consideration received or receivable. No settlement discount is applicable.

Rendering of service

When the outcome of a transaction can be estimated reliably relating to the rendering of a service, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the reporting date.

The outcome of the transaction can be measured reliably when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or services potential associated with the transaction will flow to the entity;
- The stage of completion of the transaction at the reporting date can be measured reliably; and
- The cost incurred for the transaction and the cost to complete the transaction can be measured reliably.

This principle also applies to tariffs or charges.

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

Sale of goods

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

- The municipality has transferred to the purchaser the significant risks and rewards of ownership of goods;
- The municipality retains neither continuing managerial involvement to the degree associated with ownership nor effective control over the goods sold;

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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- The amount of revenue can be measured reliably;

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Finance income from sold housing by way of instalment sales agreements is recognised on a time proportion basis.

Revenue from the sale of erven is recognised when all conditions associated with the deed of sale have been met.

Rates, including collection charges and penalty interest

Revenue from rates including collection charges and penalty interest, shall be recognised when all the following conditions have been satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- There has been compliance with the relevant legal requirements.

The Steve Tshwete Local Municipality uses a differentiated site value assessment rate system. According to this assessment rates are levied on the land value of properties and rebates are granted according to the usage of a particular property.

Rebates are respectively granted, to owners of land on which not more than two dwelling units are erected provided that such dwelling units are solely used for residential purposes. Additional relief is granted to needy, aged and/or disabled owners, based on income

Assessment rates income is recognised once a rates account has been issued to ratepayers. Adjustments or interim rates are recognised once the municipal valuer has valued the change to properties.

Service charges

Flat rate service charges and consumption-based service charges shall be recognised when:

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

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| <p>ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
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Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when

invoiced. Provisional estimates of consumptions are made monthly when meter readings have not been performed and are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read.

Revenue from the sale of electricity prepaid meter credit is recognised at the point of sale.

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

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

Fines

Revenue from the issuing of fines is recognised when:

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

Revenue from fines is recognised when payment is received and the revenue from the issuing of summonses is recognised when collected.

Government Grants

Government Grants can be in the form of grants to acquire or construct fixed assets (capital grants), grants for the furtherance of national and provincial government policy objectives and general grants to subsidise the cost incurred by municipalities rendering services.

Capital grants and general grants for the furtherance of government policy objectives are usually restricted revenue in that stipulations are imposed in their use.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
|--|

Government grants are recognised as revenue when:

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

Other grants and donations received

Other grants and donations shall be recognised as revenue when:

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

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

Revenue from public contributions is recognised when all conditions have been met or where the contribution to property, plant and equipment is recognised when such items of property, plant and equipment are brought into use.

Where public contributions have been received but the conditions were not met, a liability is recognised.

Levies

Levies shall be recognised as revenue when:

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

Interest, royalties and dividends

Revenue arising from the use of assets by others of the municipal assets yielding interest royalties and dividends shall be recognised when:

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

| |
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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
|--|

Interest shall be recognised on a time proportionate basis that takes into account the effective yield on the asset;

Royalties shall be recognised as they are earned in accordance with the substance of the relevant agreement; and

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

Collection charges are recognised when such amounts are incurred.

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

Revenue from the recovery of unauthorised irregular, fruitless and wasteful expenditure is based on legislated procedures.

Revenue is initially recognised at cost as permitted in terms of Gazette 30013 of 29 June 2007.

14. PROVISIONS

Provisions are recognised when the municipality has a present or constructive obligation, as a result of past events, that is probable to cause an outflow of resources embodying economic benefits required to settle the obligation and a reliable estimate of the provision can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

15. CONTINGENT ASSETS

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality. Contingent assets are not recognised as assets.

| |
|--|
| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
|--|

16. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised as liabilities.

17. CONDITIONAL GRANTS AND RECEIPTS

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

18. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term investments that are held with registered banking institutions with maturities of 32 days or daily calls.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts. Bank overdrafts are recorded on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

19. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act 56 of 2003).

Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

| |
|--|
| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
|--|

20. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Act (Act 56 of 2003), the Municipal Systems Act (Act 32 of 2000), the Public Office Bearers Act (Act 20 of 1998) or is in contravention of the municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

21. FRUITLESS AND WASTEFUL EXPENDITURE

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

22. COMPARATIVE INFORMATION

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

23. RETIREMENT BENEFITS

The municipality contributes towards retirement benefits of its employees and councillors to the under-mentioned pension funds:

- Joint Municipal Pension Fund
- Municipal Employees Pension Fund
- Municipal Gratuity Fund
- SALA Pension Fund

Councillors are members of the Municipal Councillor's Pension Fund that was established in terms of the Remuneration of Public Office Bearers Act 1998 (Act 20 of 1998).

| |
|---|
| ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 |
|---|

- (i) Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

Contributions to the defined contribution pension plan in respect of service in a particular period are included in the employees' total cost of employment and are charged to the statement of financial performance in the year to which they relate as part of cost of employment.

(ii) Post employment medical care benefits

The municipality provides post employment medical care benefits to its employees and their legitimate spouses. The entitlement to post-retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The expected cost, of these benefits is accrued over the period of employment.

Post employment medical care benefits are accounted for in accordance with the exemptions in terms of Gazette 30013 of 29 June 2007.

24. BORROWING COSTS

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

25. CONSUMER DEPOSITS

Consumer deposits are a partial security for a future payment of an account. All consumers are therefore required to pay a deposit equal to two months consumption of electricity and water services. Deposits are considered a liability as the deposit is only refunded once the service is terminated. No interest is paid on deposits.

26. EVENTS AFTER BALANCE SHEET DATE

Recognised amounts in the financial statements are adjusted to reflect events arising after the balance sheet date that provide evidence of conditions that existed at the balance sheet date. Events after the balance sheet date that are indicative of conditions that arose after the balance sheet date are dealt with by way of a note to the financial statements.

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| <p style="text-align: center;">ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008</p> |
|--|

27. VALUE ADDED TAX

The municipality accounts for Value Added Tax on the cash basis.

28. **TAXATION**

The Steve Tshwete Local Municipality are exempted from tax in terms of Section 10(1)cB(i)(ff) of the Income Tax Act.

STATEMENT OF FINANCIAL POSITION

as at
30 JUNE 2008

| | | 30-06-2008 | 30-06-2007 |
|--|------|--------------------------|--------------------------|
| | Note | R | R |
| <i>NET ASSETS & LIABILITIES</i> | | | |
| Net Assets | | 906 688 169 | 800 581 663 |
| Housing development fund | 1 | 7 069 400 | 6 291 568 |
| Accumulated surplus/(deficit) | 2 | 899 618 769 | 794 290 095 |
| Non-current liabilities | | 167 917 009 | 143 482 987 |
| Long-term liabilities | 3 | 118 850 678 | 100 556 054 |
| Finance lease obligations | 4 | 360 311 | 341 652 |
| Post employment benefits | 5 | 47 177 000 | 41 103 000 |
| Non-current provisions | 6 | 1 529 019 | 1 482 281 |
| <i>Current liabilities</i> | | 92 606 139 | 83 019 932 |
| Consumer deposits | 7 | 19 797 804 | 17 463 744 |
| Provisions | 8 | 1 008 848 | 468 564 |
| Creditors | 9 | 44 768 406 | 47 516 925 |
| Unspent conditional grants and receipts | 10 | 11 112 769 | 4 414 595 |
| Current portion of long term liabilities | 3 | 15 578 263 | 12 890 670 |
| Current portion of finance lease obligations | 4 | 322 049 | 265 434 |
| Total Net Assets and Liabilities | | 1 167 211 316 | 1 027 084 582 |
| <i>ASSETS</i> | | | |
| <i>Non-current assets</i> | | | |
| Property, plant & equipment | 11 | 616 742 212 | 549 657 780 |
| Intangible assets | 12 | 1 355 720 | 1 674 454 |
| Investments | 13 | 12 741 653 | 11 612 479 |
| Long-term receivables | 14 | 1 289 485 | 1 665 533 |
| <i>Current assets</i> | | 535 082 246 | 462 474 336 |
| Short term investments | 13 | 396 000 000 | 294 000 000 |
| Deferred leases | 15 | 185 740 | 168 431 |
| Inventory | 16 | 34 866 965 | 34 465 306 |
| Consumer debtors | 17 | 26 778 979 | 24 591 669 |
| Other debtors | 18 | 17 552 398 | 11 813 906 |
| Current portion of long-term loans | 14 | 24 324 199 | 29 183 886 |
| Bank balances and cash | 19 | 35 373 965 | 68 251 138 |
| Total Assets | | 1 167 211 316 | 1 027 084 582 |



**F.J. NAUDÉ (Dipl. IAC; F.I.M.F.O.)
I.T.C.)**

EXECUTIVE MANAGER FINANCE



W.D. FOUCHÉ (B.A.;

MUNICIPAL MANAGER

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended
30 June 2008

| BUDGET | | | | ACTUAL | |
|--------------------|--------------------|---|----|--------------------|--------------------|
| 2007 R | 2008 R | | | 2008 R | 2007 R |
| REVENUE | | | | | |
| <i>Note</i> | | | | | |
| 86 816 047 | 98 250 390 | Property rates | 20 | 99 143 999 | 87 679 521 |
| | | Service charges: | | | |
| 113 359 780 | 130 903 231 | Electricity | 21 | 131 875 561 | 121 399 833 |
| 16 742 915 | 18 168 511 | Refuse Removal | 21 | 18 283 405 | 16 789 529 |
| 17 472 539 | 19 130 743 | Sewerage | 21 | 19 243 332 | 17 606 858 |
| 32 509 951 | 30 995 739 | Water | 21 | 29 988 487 | 34 646 560 |
| 1 497 193 | 1 602 617 | Rental of facilities and equipment | | 1 705 266 | 1 840 584 |
| 16 800 000 | 29 500 000 | Interest earned – external investments | 22 | 46 261 299 | 26 960 138 |
| 2 613 564 | 2 089 399 | Interest earned – outstanding debtors | 22 | 2 112 732 | 1 703 384 |
| 3 782 000 | 2 662 304 | Fines | | 3 638 936 | 3 345 607 |
| 2 920 500 | 3 559 200 | Licenses and permits | | 4 240 758 | 3 228 248 |
| 4 150 000 | 4 400 000 | Income for agency services | | 5 544 491 | 5 023 898 |
| 38 504 000 | 45 775 185 | Government grants and subsidies received - operating | 23 | 41 893 680 | 36 998 627 |
| 15 331 200 | 32 448 454 | Government grants and subsidies received - capital | 23 | 24 126 548 | 12 455 942 |
| 18 820 000 | 35 586 978 | Public contributions, donated and contributed property, plant and equipment | 24 | 9 149 384 | 4 022 521 |
| 103 066 491 | 57 520 663 | Other revenue | 25 | 78 605 059 | 132 252 460 |
| 250 000 | 250 000 | Gain on disposal of property, plant and equipment | | 393 132 | 1 499 |
| 474 636 180 | 512 843 414 | Total Revenue | | 516 206 069 | 505 955 208 |
| EXPENDITURE | | | | | |
| <i>Note</i> | | | | | |
| 125 727 816 | 143 698 055 | Employee related costs | 26 | 137 386 709 | 121 965 642 |
| 10 061 280 | 9 838 320 | Remuneration of councillors | 27 | 9 415 656 | 9 452 422 |
| 2 833 680 | 2 904 330 | Bad debts | | 2 904 330 | 2 833 680 |
| 350 000 | 130 000 | Collection costs | | 49 263 | 319 698 |
| 52 868 662 | 53 259 526 | Depreciation | | 52 021 327 | 47 482 193 |
| 23 441 540 | 28 858 353 | Repairs and maintenance | | 27 244 763 | 21 797 569 |
| 15 227 591 | 16 709 085 | Interest paid | 28 | 17 160 253 | 15 236 357 |
| | | Bulk purchases | | | |
| | | Electricity | 29 | 77 601 486 | 69 800 821 |
| 65 228 390 | 77 906 034 | Water | 29 | 2 271 056 | 2 245 373 |
| 3 055 000 | 3 739 720 | Contracted services | | 9 774 987 | 8 857 622 |
| 10 239 630 | 11 196 405 | Grants and subsidies paid | 30 | 1 606 806 | 1 671 264 |
| 1 971 063 | 1 787 000 | General expenses (including abnormal expenses) | 31 | 54 265 066 | 51 344 966 |
| 64 532 145 | 63 992 490 | Loss on disposal of property, plant and equipment | | 91 219 | 1 744 602 |
| - | - | Contributions to/(from) provisions | 32 | 9 548 131 | 3 679 725 |
| 1 424 349 | 1 016 808 | Total Expenditure | | 401 341 052 | 358 431 935 |
| 97 675 034 | 97 807 288 | Surplus/(deficit) for the year | | 114 865 017 | 147 523 273 |
| - | - | Appropriations for the year | | - | - |
| 97 675 034 | 97 807 288 | NET SURPLUS/(DEFICIT) FOR THE YEAR | 30 | 114 865 017 | 147 523 273 |

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 30 June 2008

| | | Housing Development Fund R | Capital Replacement Reserve R | Capitalisation Reserve R | Government Grant Reserve R | Donation & Public Contribution Reserve R | Self Insurance Reserve R | Revaluation Reserve R | Accumulated Surplus/ (Deficit) R | Total R |
|---|------|-------------------------------------|--|--------------------------------|-------------------------------------|--|-----------------------------------|-----------------------------|---|--------------------|
| | Note | 1 | 33 | 34 | 35 | 36 | 37 | | 38 | |
| 2007 | | | | | | | | | | |
| Opening balance | | 6 419 539 | 210 051 408 | 112 180 739 | 48 416 628 | 105 737 628 | 1 631 765 | - | 176 559 264 | 660 996 971 |
| Correction of error (note 29) | | - | - | 3 492 889 | 39 074 | 482 006 | - | - | 774 518 | 4 788 487 |
| Correction of error (note 29) | | - | - | - | - | - | - | - | - | - |
| Changes in accounting policy (note 36) | | - | - | - | - | - | - | - | 1 790 819 | 1 790 819 |
| Changes in accounting policy (note 36) | | - | - | - | - | - | - | - | - | - |
| Changes in accounting policy (note 36) | | - | - | - | - | - | - | - | - | - |
| Restated balance | | 6 419 539 | 210 051 408 | 115 673 628 | 48 455 702 | 106 219 634 | 1 631 765 | - | 179 124 601 | 667 576 277 |
| Net surplus for the year | | - | - | - | - | - | - | - | 147 523 273 | 147 523 273 |
| Appropriations | | - | - | - | - | - | - | - | (26 258 074) | (26 258 074) |
| Other income/expenditure | | (145 280) | (1 734 328) | - | - | - | 159 509 | - | 81 606 | (1 638 493) |
| Transfer to CRR | | - | 136 013 386 | - | - | - | - | - | (136 013 386) | - |
| Property, plant and equipment purchased | | - | (54 080 290) | - | - | - | - | - | 54 080 290 | - |
| Capital grants used to purchase PPE | | - | - | - | 12 655 945 | - | - | - | (12 655 945) | - |
| Donated/contributed PPE | | - | - | - | - | 8 037 183 | - | - | (3 808 628) | 4 228 555 |
| Contributions to insurance reserve | | - | - | - | - | - | 909 169 | - | (909 169) | - |
| Insurance claims processed | | - | - | - | - | - | (763 941) | - | - | (763 941) |
| Transfer to Housing Development Fund | | 17 309 | - | - | - | - | - | - | - | 17 309 |
| Asset disposals | | - | - | (974 649) | - | (135 681) | - | - | 1 110 330 | - |
| Offsetting of depreciation | | - | - | (14 801 079) | (3 744 381) | (8 420 742) | - | - | 26 966 202 | - |
| Balance at 30 June 2007 | | 6 291 568 | 290 250 176 | 99 897 900 | 57 367 266 | 105 700 394 | 1 936 502 | - | 229 241 100 | 790 684 906 |
| 2008 | | | | | | | | | | |
| Correction of error (note 29) | 39 | - | - | - | - | - | - | - | (1 614 268) | (1 614 268) |
| Changes in accounting policy | 40 | - | - | - | - | - | - | - | 98 076 | 98 076 |
| Changes in accounting estimate | 41 | - | - | - | - | - | - | - | 11 412 950 | 11 412 950 |
| Restated balance | | 6 291 568 | 290 250 176 | 99 897 900 | 57 367 266 | 105 700 394 | 1 936 502 | - | 239 137 858 | 800 581 665 |
| Net surplus for the year | | - | - | - | - | - | - | - | 114 865 017 | 114 865 017 |
| Appropriations | | - | - | - | - | - | - | - | 133 015 | 133 015 |
| Other income/expenditure | | 761 032 | (8 809 161) | - | - | - | (19 167) | - | (730 285) | (8 797 579) |
| Transfer to CRR | | - | 98 118 857 | - | - | - | - | - | (98 118 857) | - |
| Property, plant and equipment purchased | | - | (67 625 337) | - | - | - | (233 416) | - | 67 858 753 | - |
| Capital grants used to purchase PPE | | - | - | - | 24 135 409 | - | - | - | (24 135 409) | - |
| Donated/contributed PPE | | - | - | - | - | 9 096 514 | - | - | (9 096 514) | - |
| Contributions to insurance reserve | | - | - | - | - | - | 1 300 362 | - | (1 300 362) | - |
| Insurance claims processed | | - | - | - | - | - | (110 746) | - | - | (110 746) |
| Transfer to Housing Development Fund | | 16 799 | - | - | - | - | - | - | - | 16 799 |
| Asset disposals | | - | - | (154 476) | (35) | (2 315) | - | - | 156 826 | - |
| Offsetting of depreciation | | - | - | (13 202 229) | (4 306 934) | (8 528 512) | - | - | 26 037 675 | - |
| Balance at 30 June 2008 | | 7 069 399 | 311 934 535 | 86 541 195 | 77 195 706 | 106 266 081 | 2 873 535 | - | 314 807 717 | 906 688 169 |

CASH FLOW STATEMENT
for the year ended
30 JUNE 2008

| | | 2008 | 2007 |
|---|------|----------------------|----------------------|
| | Note | R | R |
| <i>CASH FLOW FROM OPERATING ACTIVITIES</i> | | | |
| Cash received from ratepayers, government and others | | 466 354 688 | 473 303 427 |
| Cash paid to suppliers and employees | | (337 310 811) | (294 376 509) |
| <i>Cash generated from / (utilised in) operations</i> | 42 | 129 043 877 | 178 926 918 |
| Interest received | | 48 374 031 | 28 663 522 |
| Interest paid | | (17 160 253) | (15 236 357) |
| <i>Net cash from operating activities</i> | | 160 257 655 | 192 354 083 |
| <i>CASH FLOW FROM INVESTMENT ACTIVITIES</i> | | | |
| Purchase of property, plant and equipment | | (119 026 072) | (83 000 141) |
| Proceeds on disposal of property, plant and equipment | | 393 132 | 1 499 |
| (Increase)/decrease in non-current loans | | 5 235 735 | 5 624 348 |
| (Increase)/decrease in investments | | (103 129 174) | (103 129 174) |
| <i>Net cash from investment activities</i> | | (216 526 379) | (180 503 468) |
| <i>CASH FLOW FROM FINANCING ACTIVITIES</i> | | | |
| Increase/(decrease) in long term loans | | 21 057 491 | (11 678 767) |
| Increase/(decrease) in deposits | | 2 334 060 | 2 446 334 |
| <i>Net cash from financing activities</i> | | 23 391 551 | (9 232 433) |
| Increase/(decrease) in cash and cash equivalents | 43 | (32 877 173) | 2 618 182 |
| Cash and cash equivalents at beginning of the year | | 68 251 138 | 65 632 955 |
| Cash and cash equivalents at end of the year | | 35 373 965 | 68 251 138 |

NOTES

to the Financial Statements

for the year ended 30 June 2008

| | 30 June 2008 | 30 June 2007 |
|------------------------------------|------------------|------------------|
| | R | R |
| 1. HOUSING DEVELOPMENT FUND | 7 069 400 | 6 291 568 |
| Balance at beginning of the year | 6 291 569 | 6 419 540 |
| Contributions | 16 799 | 17 309 |
| Income | 947 015 | 124 382 |
| Operating expenditure | (185 983) | (269 663) |

| | 30 June 2008 | 30 June 2007 |
|--|--------------------|--------------------|
| | R | R |
| 2. ACCUMULATED SURPLUS/(DEFICIT) | | |
| Accumulated surplus/(deficit) | 314 807 717 | 239 137 858 |
| Capital replacement reserve | 311 934 535 | 290 250 176 |
| Capitalisation reserve | 86 541 195 | 99 897 900 |
| Government grant reserve | 77 195 706 | 57 367 266 |
| Donations & public contribution reserve | 106 266 081 | 105 700 394 |
| Self-insurance reserve | 2 873 535 | 1 936 502 |
| Total accumulated surplus/(deficit) | 899 618 769 | 794 290 096 |

Refer to note 38, 39, 40 and 41 for more detail.

| | 30 June 2008 | 30 June 2007 |
|--|--------------------|--------------------|
| | R | R |
| 3. NON-CURRENT LIABILITIES | | |
| LONG TERM LIABILITIES | | |
| Annuity loans | 134 428 941 | 113 446 724 |
| Sub-Total | 134 428 941 | 113 446 724 |
| Less: Current portion transferred to current liabilities | (15 578 263) | (12 890 670) |
| Annuity loans | (15 578 263) | (12 890 670) |
| Total External Loans | 118 850 678 | 100 556 054 |

Refer to Appendix A for more detail on long term liabilities.

R12 741 653 (2007: R11 612 479) has been invested specifically as **security** for the repayment of long term liabilities.

See note 11 for more detail.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|-----------------------|-----------------------|
| | R | R |
| 4. FINANCE LEASE OBLIGATIONS | | |
| Minimum lease payments due | | |
| - within one year | 404 752 | 357 935 |
| - in second to fifth year inclusive | 425 127 | 382 855 |
| | <u>829 879</u> | <u>740 790</u> |
| Less: future finance charges | (147 520) | (133 704) |
| Present value of minimum lease payments | <u>682 360</u> | <u>607 086</u> |
| Present value of minimum lease payments due | | |
| - within one year | 322 049 | 265 434 |
| - in second to fifth year inclusive | 360 311 | 341 652 |
| | <u>682 360</u> | <u>607 086</u> |
| Non-current liabilities | 360 311 | 341 652 |
| Current liabilities | 322 049 | 265 434 |
| | <u>682 360</u> | <u>607 086</u> |

| | 30 June 2008 | 30 June 2007 |
|---|--------------------------|--------------------------|
| | R | R |
| 5. POST EMPLOYMENT BENEFITS | | |
| Accrued liability beginning of year | 41 103 000 | |
| Services cost | 2 015 000 | |
| Interest cost | 3 230 000 | |
| Contribution payments | (1 472 000) | |
| Actuarial (gain)/loss | 2 301 000 | |
| Accrued liability at end of year | <u>47 177 000</u> | <u>41 103 000</u> |
| PAST SERVICE (ACCRUED) LIABILITY | | |
| Main assumptions | | |
| Discount rate | 10,25% | 8,00% |
| Health care cost inflation | 9,25% | 7,00% |
| Accrued liability | | |
| Active members | 20 774 000 | 18 583 000 |
| CAWMS liability | 26 403 000 | 22 520 000 |
| Accrued liability at end of year | <u>47 177 000</u> | <u>41 103 000</u> |
| FUTURE SERVICE LIABILITY | | |
| Main assumptions | | |
| Discount rate | 10,25% | 8,00% |
| Health care cost inflation | 9,25% | 7,00% |
| Accrued liability | | |
| Active members | 28 243 000 | 27 160 000 |
| CAWMS liability | 28 243 000 | 27 160 000 |
| Accrued liability at end of year | <u>28 243 000</u> | <u>27 160 000</u> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|------------------------------------|------------------|------------------|
| | R | R |
| 6. NON-CURRENT PROVISIONS | | |
| Provision for long services | | |
| Balance at beginning of year | 1 482 281 | |
| Contribution to provision | 1 188 686 | |
| Expenditure incurred | (572 781) | |
| Transfer to current provisions | (569 167) | |
| Balance at end of year | 1 529 019 | 1 482 281 |

| | 30 June 2008 | 30 June 2007 |
|--|-------------------|-------------------|
| | R | R |
| 7. CONSUMER DEPOSITS | | |
| Electricity | 11 665 483 | 10 945 436 |
| Water | 4 501 077 | 3 679 929 |
| Other | 3 631 244 | 2 838 379 |
| Total consumer deposits | 19 797 804 | 17 463 744 |
| <i>No interest is paid on deposits.</i> | | |
| <i>Guarantees held in lieu of electricity and water deposits</i> | 4 351 357 | 4 404 142 |

| | 30 June 2008 | 30 June 2007 |
|--------------------------------|------------------|----------------|
| | R | R |
| 8. PROVISIONS | | |
| Performance Bonus | | |
| Balance at beginning of year | 468 564 | 896 780 |
| Contribution to provision | 357 857 | - |
| Expenditure incurred | (386 740) | (428 216) |
| Balance at end of year | 439 681 | 468 564 |
| Current portion: long services | 569 167 | |
| Total provisions | 1 008 848 | 468 564 |

Performance bonuses are paid one year in arrears. The assessment of eligible employees had not taken place at the reporting date. The provision is an estimate of the amount according to the performance agreements at the reporting date.

See note 6 for more detail on long service provision.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

30 June 2008

30 June 2007

| | <u>R</u> | <u>R</u> |
|------------------------------|--------------------------|--------------------------|
| 9. CREDITORS | | |
| Trade Creditors | 21 607 041 | 20 430 663 |
| Amounts received in advance: | | |
| Consumer debtors | 4 491 552 | 9 996 421 |
| Sundry debtors | 131 077 | 97 577 |
| Other | 1 810 495 | 1 054 967 |
| VAT | 2 811 515 | 2 966 381 |
| RDP development | 3 884 190 | 3 804 745 |
| Other government grants | 546 675 | 423 705 |
| Staff leave | 6 420 293 | 5 482 021 |
| Retention money | 3 083 568 | 3 127 429 |
| Community facilities | - | 133 015 |
| Total | <u>44 786 406</u> | <u>47 516 925</u> |

Creditors are recognised at cost and no interest was recognised as a result of any time value of money adjustments as permitted per gazette 30013 of 29 June 2007.

| | 30 June 2008 | 30 June 2007 |
|--|--------------------------|-------------------------|
| | R | R |
| 10. UNSPENT CONDITIONAL GRANTS & RECEIPTS | | |
| Finance management grant | 2 739 972 | 2 643 572 |
| Municipal systems improvement grant | 490 776 | 485 146 |
| Municipal support grant | 11 652 | 11 652 |
| VUNA awards | - | - |
| Local government transitional grant | 344 389 | 632 641 |
| Cleanest town competition | 900 000 | - |
| Municipal infrastructure grant | 5 528 423 | 9 819 |
| Integrated national electricity programme | 1 097 557 | 631 765 |
| Total conditional grants and receipts | <u>11 112 769</u> | <u>4 435 592</u> |

See note 23 for reconciliation of grants. These amounts are invested until utilised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

11. PROPERTY, PLANT & EQUIPMENT

11.1 Owned Assets

| | Land and Buildings | Infrastructure | Community Assets | Other Assets | Housing Development Fund | Total |
|--|--------------------|--------------------|-------------------|-------------------|--------------------------|--------------------|
| | R | R | R | R | R | R |
| Reconciliation of Carrying Value | | | | | | |
| Carrying values at 1 July 2007 | 87 365 207 | 385 232 784 | 27 085 353 | 49 426 131 | 548 305 | 549 657 780 |
| Cost | 105 695 201 | 663 662 848 | 36 755 652 | 112 408 625 | 1 312 550 | 919 834 876 |
| Cost – finance leases | - | - | - | 1 159 603 | - | 1 159 603 |
| Accumulated depreciation – cost | (18 329 994) | (278 430 064) | (9 670 299) | (63 519 225) | (764 245) | (370 713 827) |
| Accumulated depreciation – cost finance leases | - | - | - | (622 872) | - | (622 872) |
| Acquisitions | 2 385 368 | 74 579 034 | 1 266 787 | 16 198 901 | - | 94 430 090 |
| Acquisitions – finance leases | - | - | - | 393 064 | - | 393 064 |
| Capital under construction | 81 697 | 17 448 863 | 4 193 358 | 1 708 925 | - | 23 432 843 |
| Depreciation – based on cost | (1 926 560) | (36 642 948) | (1 157 002) | (10 885 352) | (26 101) | (50 637 963) |
| Depreciation – based on cost – finance leases | - | - | - | (294 554) | - | (294 554) |
| Carrying value of disposals | - | - | - | (239 048) | - | (239 048) |
| Cost | - | - | - | (2 260 251) | - | (2 260 251) |
| Accumulated depreciation | - | - | - | 2 021 203 | - | 2 021 204 |
| Other movements | - | - | - | - | - | - |
| Carrying values at 30 June 2008 | 87 905 712 | 440 617 733 | 31 388 496 | 56 308 067 | 522 204 | 616 742 212 |
| Cost | 108 162 266 | 755 690 745 | 42 215 797 | 129 215 803 | 1 312 550 | 1 036 597 161 |
| Cost – finance lease | - | - | - | 393 064 | - | 393 064 |
| Accumulated depreciation – cost | (20 256 554) | (315 073 012) | (10 827 301) | (73 006 246) | (790 346) | (419 953 459) |
| Accumulated depreciation – cost – finance leases | - | - | - | (294 554) | - | (294 554) |

Reconciliation of Carrying Value

| | | | | | | |
|--|-------------------|--------------------|-------------------|-------------------|----------------|--------------------|
| Carrying values at 1 July 2006 | 88 714 344 | 356 202 453 | 21 375 859 | 46 736 541 | 574 406 | 513 603 603 |
| Cost | 105 295 285 | 601 507 703 | 30 608 452 | 104 530 580 | 1 312 550 | 843 254 570 |
| Accumulated depreciation – cost | (16 580 941) | (245 305 250) | (9 232 593) | (57 794 039) | (738 144) | (329 650 967) |
| Acquisitions | 743 477 | 54 475 773 | 1 002 876 | 11 399 691 | - | 67 621 817 |
| Capital under construction | - | 8 684 940 | 5 863 306 | 114 402 | - | 14 662 648 |
| Depreciation – based on cost | (1 902 393) | (33 816 555) | (1 087 959) | (8 420 615) | (26 101) | (45 253 623) |
| Carrying value of disposals | (190 221) | (117 250) | (68 729) | (1 446 654) | - | (1 822 854) |
| Cost | (343 561) | (396 215) | (718 982) | (5 487 586) | - | (6 946 344) |
| Accumulated depreciation | 153 340 | 278 965 | 650 253 | 4 040 932 | - | 5 123 490 |
| Other movements | - | (196 577) | - | 1 042 766 | - | 846 189 |
| Carrying values at 30 June 2007 | 87 365 207 | 385 232 784 | 27 085 353 | 49 426 131 | 548 305 | 549 657 780 |
| Cost | 105 695 201 | 663 662 848 | 36 755 652 | 112 408 625 | 1 312 550 | 919 834 876 |
| Cost – finance lease | - | - | - | 1 159 603 | - | 1 159 603 |
| Accumulated depreciation – cost | (18 329 994) | (278 430 064) | (9 670 299) | (63 519 225) | (764 245) | (370 713 827) |
| Accumulated depreciation – cost – finance leases | - | - | - | (622 872) | - | (622 872) |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

Refer to Appendices B and C for more detail.

The municipality has taken advantage of the transitional provisions set out in GAMAP 17. The municipality is in the process of itemizing all infrastructural and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2009. The municipality has taken advantage of the exemptions granted in gazette 30013 of 29 June 2007 and the following should be disclosed:

- The useful life or depreciation method used was not reviewed.
- Items of property, plant and equipment were not assessed for impairment and are not aware of any impairments to assets.
- Included in land and buildings are items that may meet the definition of investment property.
- Included in PPE are items that may meet the definition of inventory.

12. INTANGIBLE ASSETS

Reconciliation of carrying value

| | Computer Software | Total |
|--|--------------------------|------------------|
| | R | R |
| Carrying values at 1 July 2007 | 1 674 454 | 1 674 454 |
| Cost | 10 173 834 | 10 173 834 |
| Accumulated impairment | - | - |
| Accumulated depreciation – cost | (8 499 380) | (8 499 380) |
| Acquisitions | 770 076 | 770 076 |
| Amortisation | (1 088 810) | (1 088 810) |
| Impairment loss – recognised/reversed | - | - |
| Borrowing costs capitalized | - | - |
| Disposals | - | - |
| Other movements | - | - |
| Carrying values at 30 June 2008 | 1 355 720 | 1 355 720 |
| Cost | 10 943 910 | 10 943 910 |
| Accumulated depreciation – cost | (9 588 190) | (9 588 190) |

Reconciliation of carrying value

| | Computer Software | Total |
|--|--------------------------|------------------|
| | R | R |
| Carrying values at 1 July 2006 | 3 496 805 | 3 496 805 |
| Cost | 10 700 342 | 10 700 342 |
| Accumulated impairment | - | - |
| Accumulated depreciation – cost | (7 203 537) | (7 203 537) |
| Acquisitions | 715 676 | 715 676 |
| Amortisation | (2 228 569) | (2 228 569) |
| Impairment loss – recognised/reversed | - | - |
| Borrowing costs capitalized | - | - |
| Disposals | - | - |
| Other movements | (309 458) | (309 458) |
| Carrying values at 30 June 2007 | 1 674 454 | 1 674 454 |
| Cost | 10 173 834 | 10 173 834 |
| Accumulated depreciation – cost | (8 499 380) | (8 499 380) |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|------------------------------------|---------------------------|---------------------------|
| | R | R |
| 13. FINANCIAL INSTRUMENTS | | |
| Short Term Fixed Deposits | 396 000 000 | 294 000 000 |
| ABSA Bank | 90 000 000 | 63 000 000 |
| First National Bank | 54 000 000 | 45 000 000 |
| Investec Bank | 72 000 000 | 60 000 000 |
| Nedbank | 90 000 000 | 63 000 000 |
| Standard Bank | 90 000 000 | 63 000 000 |
| Long Term Fixed Deposits | 12 741 653 | 11 612 479 |
| ABSA Bank | 12 741 653 | 11 612 479 |
| Total Investments | <u>408 741 653</u> | <u>305 612 479</u> |
| | | |
| Average rate of return | 9,72% | 7,83% |
| Council's valuation of investments | 408 741 653 | 305 612 479 |

No investments have been written off during the year

The Absa zero bond serves as security for the Absa Annuity Loan.
Refer to Appendix A for more detail on external loans.

| | 30 June 2008 | 30 June 2007 |
|---|-------------------------|-------------------------|
| | R | R |
| 14. LONG TERM RECEIVABLES | | |
| Motor car loans | 16 418 | 190 958 |
| Housing selling scheme loans | 5 530 | 94 887 |
| Sale of erven loans | 25 258 573 | 30 549 934 |
| Engineering services | 333 164 | 13 640 |
| Sub-total | 25 613 684 | 30 849 420 |
| | | |
| Less: current portion transferred to current receivables | (24 324 199) | (29 183 887) |
| | | |
| Motor car loans | (16 418) | (177 035) |
| Housing selling scheme loans | (5 530) | (19 497) |
| Sale of erven loans | (23 969 088) | (28 976 326) |
| Engineering services | (333 164) | (13 640) |
| Total non-current loans | <u>1 289 485</u> | <u>1 665 533</u> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

Motor car loans

Senior personnel were previously entitled to car loans which attract interest at 8,5% per annum and which are repayable over a maximum period of five (5) years. In terms of the MFMA no new loans are granted and the existing loans will be repaid by the year 2009.

Engineering services

To encourage property owners to develop Council grants them an incentive for the payment of engineering services at prime and repayable over a maximum period of one (1) year.

Housing selling scheme loans

Housing loans are granted to qualifying individuals in terms of the Housing Act. These loans attract differentiated interest rates and are repayable over twenty (20) years. No new loans are granted and existing loans will continue until repaid.

Sale of erven

Loans were given at a low interest rate of 7,5% per annum repayable over four (4) years to encourage development through the sale of vacant erven. In terms of the MFMA no new loans are granted.

| | 30 June 2008 | 30 June 2007 |
|-------------------------------------|------------------|------------------|
| | R | R |
| 15. OPERATING LEASES: LESSOR | | |
| Opening balance | 168 431 | |
| Change in accounting policy | | 168 431 |
| Movement for the year | 17 310 | |
| Closing balance | 185 740 | 168 431 |
| Minimum lease income due | | |
| - within one year | 403 691 | 500 884 |
| - second to fifth year | 1 001 105 | 1 247 510 |
| - after five years | 294 715 | 452 002 |
| Total | 1 699 511 | 2 200 396 |

Included in the operating lease revenue are the following significant contracts:

1. Pole Add SA – rental of street poles for the purpose of displaying of advertisements.
The contract expires on 30 September 2016.
Actual income levied 2007/2008 R75 297
Expected levy income 2008/2009 R79 062
Annual straight lining R91 106
2. Department of Public Works – rental of building to be used as a Police Station.
The contract expires on 30 November 2009.
Actual income levied 2007/2008 R86 670
Expected levy income 2008/2009 R95 336
Annual straight lining R90 105
3. Optimum Collieries – rental of land for parking purposes.
The contract expires on 30 April 2010.
Actual income levied 2007/2008 R61 561
Expected levy income 2008/2009 R70 796
Annual straight lining R45 833

| | 30 June 2008 | 30 June 2007 |
|---|--------------------------|--------------------------|
| | R | R |
| 16. INVENTORY | | |
| Consumable stock | 8 814 501 | 5 509 481 |
| Unsold properties | 25 987 471 | 28 893 521 |
| Water at cost | 64 993 | 62 304 |
| Total | <u>34 866 965</u> | <u>34 465 306</u> |
| Stock shortages written off during the year | 450 698 | 320 166 |
| Stock surpluses for the year | (100 480) | (127 691) |
| Net stock result | <u>350 218</u> | <u>192 475</u> |

17. CONSUMER DEBTORS

| | Gross Balance | Provision for Bad Debt | Net Balance |
|---|--------------------------|-------------------------------|--------------------------|
| | R | R | R |
| 30 June 2008 | | | |
| Service debtors: | 36 036 081 | 12 195 267 | 23 840 814 |
| Property rates | 17 087 115 | 8 516 219 | 8 570 897 |
| Electricity | 9 582 947 | 705 187 | 8 877 760 |
| Water | 4 465 330 | 1 604 494 | 2 860 836 |
| Sewerage | 2 862 262 | 924 689 | 1 937 572 |
| Refuse | 2 038 427 | 444 678 | 1 593 749 |
| Estates | 450 275 | - | 450 275 |
| Other | 6 718 000 | 4 230 110 | 2 487 890 |
| Total | <u>43 204 356</u> | <u>16 425 377</u> | <u>26 778 979</u> |
| Contribution to bad debt provision | | | 2 904 330 |
| Debt written off for the year | | | 699 069 |
| Property rates | | | 258 903 |
| Electricity | | | 20 458 |
| Water | | | 54 286 |
| Sewerage | | | 26 980 |
| Refuse | | | 9 758 |
| Other | | | 328 684 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | Gross Balance | Provision for Bad Debt | Net Balance |
|---------------------|-------------------|------------------------|-------------------|
| | R | R | R |
| 30 June 2007 | | | |
| Service debtors: | 33 573 368 | 12 246 329 | 21 327 039 |
| Property rates | 14 787 049 | 7 654 782 | 7 132 267 |
| Electricity | 9 299 497 | 1 059 183 | 8 240 314 |
| Water | 4 918 845 | 1 958 384 | 2 960 461 |
| Sewerage | 2 672 733 | 1 055 442 | 1 617 291 |
| Refuse | 1 895 243 | 518 537 | 1 376 706 |
| Estates | 769 730 | - | 769 730 |
| Other | 6 299 182 | 3 804 282 | 2 494 900 |
| Total | 40 642 280 | 16 050 611 | 24 591 669 |

Contribution to bad debt provision

2 833 680

Debt written off for the year

666 746

| | |
|----------------|---------|
| Property rates | 411 833 |
| Electricity | 5 123 |
| Water | 27 031 |
| Sewerage | 31 257 |
| Refuse | 4 069 |
| Other | 187 433 |

30 June 2008

R

30 June 2007

R

AGEING OF CONSUMER DEBTORS

Property Rates

| | | |
|---------------------|-------------------|-------------------|
| Current (0-30 days) | 6 807 168 | 5 673 285 |
| 31-60 days | 1 128 400 | 909 488 |
| 61-90 days | 671 959 | 527 955 |
| 91-120 days | 504 781 | 413 648 |
| 121-150 days | 382 161 | 428 572 |
| 151+ days | 7 592 646 | 6 834 101 |
| Sub-total | 17 087 115 | 14 787 049 |

Services

| | | |
|---------------------|-------------------|-------------------|
| Current (0-30 days) | 13 517 158 | 12 065 039 |
| 31-60 days | 1 089 411 | 1 318 083 |
| 61-90 days | 529 375 | 568 905 |
| 91-120 days | 305 927 | 376 596 |
| 121-150 days | 227 035 | 358 416 |
| 151+ days | 3 280 060 | 4 099 280 |
| Sub-total | 18 948 966 | 18 786 319 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|-------------------------------|-------------------|-------------------|
| | R | R |
| <i>Estates</i> | | |
| Current (0-30 days) | - | - |
| 31-60 days | 69 906 | 99 430 |
| 61-90 days | 17 821 | 79 343 |
| 91-120 days | 57 957 | 60 495 |
| 121-150 days | 304 590 | 530 462 |
| 151+ days | - | - |
| Sub-total | 450 275 | 769 730 |
| <i>Other</i> | | |
| Current (0-30 days) | 2 004 745 | 1 996 086 |
| 31-60 days | 349 604 | 360 957 |
| 61-90 days | 230 077 | 178 098 |
| 91-120 days | 201 497 | 140 947 |
| 121-150 days | 160 717 | 226 675 |
| 151+ days | 3 771 360 | 3 396 419 |
| Sub-total | 6 718 000 | 6 299 182 |
| Total consumer debtors | 43 204 356 | 40 642 280 |
| <i>Made up as follows:</i> | | |
| Current (0-30 days) | 22 329 071 | 19 734 410 |
| 31-60 days | 2 637 321 | 2 687 958 |
| 61-90 days | 1 449 233 | 1 354 301 |
| 91-120 days | 1 070 163 | 991 686 |
| 121-150 days | 1 074 502 | 1 544 125 |
| 151+ days | 14 644 066 | 14 329 800 |
| Total | 43 204 356 | 40 642 280 |

| | 30 June 2008 | 30 June 2007 |
|--------------------------------------|-------------------|-------------------|
| | R | R |
| 18. OTHER DEBTORS | | |
| Other debtors | 7 835 309 | 6 936 905 |
| Government capital grants | 262 629 | - |
| Sundry debtors | 5 274 936 | 5 576 604 |
| Deposits | 221 680 | 214 839 |
| Other public donations | 300 000 | - |
| Insurance | 1 877 543 | 211 521 |
| Provision for other debt | (2 662 699) | (1 125 963) |
| Health subsidy | 4 443 000 | - |
| Total Other Debtors | 17 552 398 | 11 813 906 |
| Debt written off for the year | 293 759 | 735 533 |

| | 30 June 2008 | 30 June 2007 |
|--|-------------------|-------------------|
| | R | R |
| 19. BANK BALANCES & CASH | | |
| Cash book balance at beginning of year | 68 218 457 | 65 600 900 |
| Increase/(decrease) in cash book balance | (32 877 173) | 2 617 557 |
| Cash book balance at end of year | 35 341 284 | 68 218 457 |
| Petty cash | | |
| Balance at beginning of year | 32 681 | 32 056 |
| Increase/(decrease) of petty cash | | 625 |
| Balance at end of year | 32 681 | 32 681 |
| Total cash resources | 35 373 965 | 68 251 138 |

20. **PROPERTY RATES**

| | Site Valuations | Revenue 2007/2008 | Revenue 2006/2007 |
|--------------------------|--------------------|--------------------|--------------------|
| | R | R | R |
| <u>Middelburg</u> | | | |
| Residential | 384 370 651 | 84 416 654 | 72 904 310 |
| Pensioners | 6 452 785 | 1 444 044 | 1 521 591 |
| Commercial | 170 373 066 | 39 396 125 | 35 994 104 |
| Exempted | 61 616 667 | 13 752 840 | 6 175 935 |
| Total | 622 813 169 | 139 009 664 | 116 595 940 |
| <u>Government</u> | | | |
| Middelburg | 26 901 095 | 6 004 326 | 5 513 647 |
| Hendrina | 351 194 | 146 659 | 135 259 |
| Pullenshope | 18 750 | 13 140 | 12 060 |
| Total | 27 271 039 | 6 164 124 | 5 660 966 |
| <u>Hendrina</u> | | | |
| Residential | 13 428 922 | 5 513 881 | 5 010 441 |
| Pensioners | 216 900 | 95 648 | 94 384 |
| Commercial | 1 958 352 | 751 896 | 845 462 |
| Exempted | 118 046 | 49 296 | 45 213 |
| Total | 15 722 220 | 6 410 721 | 5 995 500 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

20. *PROPERTY RATES*

| | Site Valuations | Revenue 2007/2008 | Revenue 2006/2007 |
|-----------------------------|----------------------------|------------------------------|------------------------------|
| | R | R | R |
| <u>Blinkpan</u> | | | |
| Residential | 1 526 100 | 342 028 | 317 694 |
| Commercial | 171 350 | 36 125 | 30 225 |
| Total | 1 697 450 | 378 153 | 347 919 |
| <u>Komati</u> | | | |
| Residential | 659 329 | 778 257 | 719 037 |
| Pensioners | 33 350 | 39 506 | 42 367 |
| Commercial | 162 066 | 191 367 | 172 331 |
| Exempted | 8 520 | 10 060 | |
| Total | 854 745 | 1 019 191 | 933 735 |
| <u>Rietkuil</u> | | | |
| Residential | 1 690 266 | 846 058 | 776 944 |
| Pensioners | 12 950 | 6 195 | 5 032 |
| Commercial | 551 786 | 276 776 | 254 263 |
| Total | 2 255 002 | 1 129 028 | 1 036 239 |
| <u>Pullenshope</u> | | | |
| Residential | 1 609 129 | 1 128 134 | 1 034 612 |
| Pensioners | 50 667 | 34 276 | 30 174 |
| Commercial | 470 372 | 329 637 | 302 543 |
| Total | 2 130 168 | 1 492 046 | 1 367 329 |
| <u>Presidentsrus</u> | | | |
| Residential | 2 066 580 | 43 903 | 39 936 |
| Commercial | 324 250 | 6 887 | 6 264 |
| Total | 2 390 830 | 50 790 | 46 200 |
| <u>Kranspoort</u> | | | |
| Residential | 11 279 215 | 135 354 | 98 939 |
| Commercial | 27 346 | 328 | 9 956 |
| Total | 11 306 561 | 135 682 | 108 895 |
| Rural Areas | | | |
| | <i>Site Valuations</i> | | |
| Commercial | 13 977 055 | 1 080 811 | 903 331 |
| | <i>Improvements</i> | | |
| | 141 840 820 | | |
| Total | 155 817 875 | 1 080 811 | 903 331 |
| Sub-Total | | 156 870 210 | 132 996 052 |

Less:

Income Forgone (45 975 395) (35 517 273)

| | | | |
|-------------|-------------|--------------|--------------|
| Middelburg | Residential | (44 338 948) | (34 007 612) |
| | Government | (1 388 913) | (1 281 022) |
| Hendrina | Residential | (68 261) | (64 147) |
| | Government | (27 365) | (25 478) |
| Blinkpan | Residential | (123 209) | (113 681) |
| Komati | Residential | (17 970) | (15 859) |
| Pullenshope | Residential | (6 867) | (6 035) |
| | Government | (2 633) | (2 412) |
| Rietkuil | Residential | (1 230) | (1 028) |

Less: **Indigent Support**

MP313 area (11 750 816) (9 799 259)

Final Total

99 143 999 87 679 521

VALUATIONS

| | | 2007/2008 | 2006/2007 |
|------------------|-----------------------|--------------------|--------------------|
| Residential | Site valuation | 423 396 844 | 400 334 442 |
| Government | Site valuation | 27 271 039 | 27 271 039 |
| Commercial | Site valuation | 188 015 643 | 196 522 884 |
| Rural Commercial | Improvement valuation | 141 840 820 | 141 840 820 |
| Exempted | | 61 734 713 | 30 250 133 |
| | | 842 259 059 | 796 219 318 |

30 June 2008

30 June 2007

R

R

21. SERVICE CHARGES

| | | |
|---------------------------------|----------------------|----------------------|
| Sale of electricity | (131 875 561) | (121 399 833) |
| Sale of water | (29 988 487) | (34 646 560) |
| Refuse removal | (18 283 405) | (16 789 529) |
| Sewerage and sanitation charges | (19 243 332) | (17 606 858) |
| Total service charges | (199 390 785) | (190 442 779) |

| | 30 June 2008 | 30 June 2007 |
|------------------------------|---------------------|---------------------|
| | R | R |
| 22. INTEREST EARNED | | |
| EXTERNAL INVESTMENTS | 46 261 299 | 26 960 138 |
| Current account | 11 560 716 | 7 391 414 |
| External investments | 34 700 583 | 19 568 724 |
| OUTSTANDING DEBTORS | 2 112 732 | 1 703 384 |
| Sundry loans | 6 976 | 55 966 |
| Sundry debtors | 285 905 | 242 038 |
| Sale of erven | 30 136 | 97 104 |
| Services: | 667 035 | 546 870 |
| Electricity | 196 250 | 188 264 |
| Sewerage | 154 692 | 112 322 |
| Refuse Removal | 77 595 | 57 572 |
| Water | 238 498 | 188 712 |
| Property rates | 1 122 680 | 761 406 |
| Total interest earned | 48 374 031 | 28 663 522 |

In terms of Council's accounting policy interest earned on external investments are allocated to the Capital Replacement Reserve.

| | 30 June 2008 | 30 June 2007 |
|--|---------------------|---------------------|
| | R | R |
| 23. GOVERNMENT GRANTS & SUBSIDIES | | |
| <i>Operating Grants</i> | 41 893 680 | 36 998 627 |
| Equitable share | 36 445 367 | 30 611 474 |
| Provincial health subsidies | 4 443 000 | 4 593 000 |
| Finance management grant (FMG) | 403 600 | 650 961 |
| Local government transition grant (LGTF) | 288 252 | - |
| Local government capacity building grant | - | 51 159 |
| Municipal systems improvement grant (MSIG) | 3 084 | 1 092 033 |
| Municipal infrastructural grant (MIG) | 310 377 | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|-------------------|-------------------|
| | R | R |
| 23. GOVERNMENT GRANTS & SUBSIDIES | | |
| Capital Grants | 24 126 548 | 12 455 942 |
| Municipal systems improvement grant (MSIG) | 725 286 | - |
| Municipal infrastructural grant (MIG) | 12 717 500 | 10 712 630 |
| Integrated national electrification grant (INEP) | 10 439 450 | 993 312 |
| Vuna awards | 244 312 | 750 000 |
| Total Government Grants & Subsidies | 66 020 227 | 49 454 569 |

Equitable Share

This grant is an unconditionally grant and is partially utilised for the provision of indigent support through free basic services. Registered indigents receive a rebate of 100% on discounted assessment rates and a monthly subsidy of R124 (2007: R115) on the cost of other services which are funded from this grant.

Provincial Health Subsidy

| | | |
|--|-------------|-------------|
| Current year receipts | 4 443 000 | 4 593 000 |
| Conditions met – transferred to revenue | (4 443 000) | (4 593 000) |
| Unspent amount transferred to liabilities | - | - |
| (see note 10) | | |

The municipality renders health services on behalf of the provincial government and is refunded approximately 41,65% of total expenditure incurred. This grant has been used exclusively to fund clinical services. The conditions of this grant have been met and there was no delay or withholding of the subsidy.

Finance Management Grant

| | | |
|--|------------------|------------------|
| Balance unspent at beginning of year | 2 643 571 | 2 794 532 |
| Current year receipts | 500 000 | 500 000 |
| Conditions met – transferred to revenue | (403 600) | (650 961) |
| Unspent amount transferred to liabilities | 2 739 971 | 2 643 571 |
| (see note 10) | | |

This grant was used to promote and support reforms to municipal financial management and the implementation of the MFMA, 2003. Other than the unspent amount, the conditions of the grant were met and no funds have been withheld.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|----------------|----------------|
| | R | R |
| 23. GOVERNMENT GRANTS & SUBSIDIES | | |
| <i>Local Government Transition Grant (LGTF)</i> | | |
| Balance unspent at beginning of year | 632 641 | 632 641 |
| Conditions met – transferred to revenue | (288 252) | - |
| Unspent amount transferred to liabilities | 344 389 | 632 641 |
| (see note 10) | | |

This grant was used to implement new systems as provided in the Municipal Systems Act, 2000. Other than the unspent amount, the conditions of the grant were met.

Local Government Capacity Building Grant

| | | |
|--|---------------|---------------|
| Balance unspent at beginning of year | 11 653 | 62 812 |
| Conditions met – transferred to revenue | | (51 159) |
| Unspent amount transferred to liabilities | 11 653 | 11 653 |
| (see note 10) | | |

This grant was used to build in-house capacity to perform their functions and improve governance systems. Other than the unspent amount, the conditions of the grant were met and no funds have been withheld.

Municipal Systems Improvement Grant (MSIG)

| | | |
|--|----------------|----------------|
| Balance unspent at beginning of year | 485 146 | 843 180 |
| Current year receipts | 734 000 | 734 000 |
| Conditions met – transferred to revenue | (728 370) | (1 092 034) |
| Unspent amount transferred to liabilities | 490 776 | 485 146 |
| (see note 10) | | |

This grant was used to build in-house capacity to perform their functions and stabilise institutional and governance systems. Other than the unspent amount, the conditions of the grant were met and no funds have been withheld.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|------------------|---------------|
| | R | R |
| 23. GOVERNMENT GRANTS & SUBSIDIES | | |
| <i>Municipal Infrastructure Grant (MIG)</i> | | |
| Balance unspent at beginning of year | 9 818 | 269 271 |
| Current year receipts | 18 546 481 | 10 474 175 |
| Conditions met – transferred to revenue | (13 027 876) | (10 712 630) |
| Unspent amount transferred to liabilities | 5 528 423 | 30 816 |
| (see note 10) | | |

This grant was used to construct basic municipal infrastructure to provide basic services for the benefit of poor households. Other than the unspent amount, the conditions of the grant were met and no funds have been withheld.

Integrated National Electrification Grant (INEP)

| | | |
|--|------------------|----------------|
| Balance unspent at beginning of year | 631 765 | - |
| Current year receipts | 10 905 247 | 1 625 077 |
| Conditions met – transferred to revenue | (10 439 455) | (993 312) |
| Unspent amount transferred to liabilities | 1 097 557 | 631 765 |
| (see note 10) | | |

This grant was used to address the electrification backlog of permanently occupied residential dwellings. The conditions of the grant were met and no funds have been withheld.

Vuna Awards

| | | |
|--|----------|-----------|
| Balance unspent at beginning of year | - | 750 000 |
| Current year receipts | 244 312 | - |
| Conditions met – transferred to revenue | 244 312 | (750 000) |
| Unspent amount transferred to liabilities | - | - |
| (see note 10) | | |

This grant is observed as a contribution to the construction of a Multi-Purpose Community Centre.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|---------------------|---------------------|
| | R | R |
| 24. PUBLIC CONTRIBUTIONS, DONATED & CONTRIBUTED PROPERTY, PLANT & EQUIPMENT | | |
| Nkangala District Municipality | 8 951 086 | 3 388 628 |
| National Lottery Distribution Fund | - | 420 000 |
| Other grants | 198 298 | 213 893 |
| Total donated property, plant & equipment | 9 149 384 | 4 022 521 |

| | 30 June 2008 | 30 June 2007 |
|----------------------------------|---------------------|---------------------|
| | R | R |
| 25. OTHER REVENUE | | |
| Building plan fees | 1 330 162 | 1 066 540 |
| Connection fees | 5 784 140 | 5 025 715 |
| Entrance fees | 12 793 | 40 059 |
| Internal fees | - | - |
| Insurance claims | 3 641 810 | 1 496 899 |
| Community service fees | 982 826 | 517 708 |
| Sale of coal (coal rights) | 22 967 214 | 23 453 246 |
| Refund skills development (SETA) | 490 106 | 589 226 |
| Festival fees | - | 51 356 |
| Sundry income | 1 738 548 | 1 463 778 |
| Dumping site fees | 651 543 | 638 006 |
| Admin fees | 1 611 497 | 1 744 889 |
| Sale of erven | 31 851 016 | 93 189 929 |
| Main services contributions | 7 543 404 | 2 975 110 |
| Total | 78 605 059 | 132 252 460 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|------------------------------------|---------------------|---------------------|
| | R | R |
| 26. EMPLOYEE RELATED COSTS | | |
| Salaries and wages | 110 920 638 | 97 974 323 |
| Social contributions: | 28 219 676 | 25 676 386 |
| Pension deductions | 17 581 613 | 16 249 489 |
| Medical aid funds | 5 883 273 | 5 020 011 |
| Group insurance | 787 808 | 768 906 |
| Housing subsidy | 1 681 331 | 1 550 214 |
| Unemployment Insurance Fund | 979 909 | 875 560 |
| Workmen's compensation | 1 305 742 | 1 212 206 |
| Less: employee cost capitalised | (1 025 505) | (965 967) |
| Less: employee cost to operating | (728 100) | (719 100) |
| Total employee related cost | 137 386 709 | 121 965 642 |

| | 30 June 2008 | 30 June 2007 |
|--|---------------------|---------------------|
| | R | R |
| 27. REMUNERATION OF COUNCILLORS | | |
| Councillor's remuneration | 5 595 209 | 5 469 809 |
| Pension fund | 806 564 | 879 259 |
| Medical aid | 230 986 | 169 721 |
| Housing subsidy | - | - |
| Travelling allowance | 2 238 603 | 2 399 833 |
| Cellphone allowance | 482 635 | 475 689 |
| UIF | 61 659 | 58 110 |
| Total councillor's remuneration | 9 415 656 | 9 452 422 |

| | 30 June 2008 | 30 June 2007 |
|---|---------------------|---------------------|
| | R | R |
| 28. INTEREST PAID ON EXTERNAL BORROWINGS | | |
| Annuity loan | 17 023 610 | 15 236 357 |
| Lease liability | 136 643 | - |
| Total | 17 160 253 | 15 236 357 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---------------------------|-------------------|-------------------|
| | R | R |
| 29. BULK PURCHASES | | |
| Electricity | 77 601 486 | 69 800 821 |
| Water | 2 271 056 | 2 245 373 |
| Total | 79 872 542 | 72 046 194 |
| Electricity losses | 10,46% | 8,84% |
| Water losses | 19,95% | 15,76% |

| | 30 June 2008 | 30 June 2007 |
|---|------------------|------------------|
| | R | R |
| 30. GRANTS & SUBSIDIES PAID | | |
| Middelburg Tourist Information | 95 000 | 90 000 |
| Middelburg Country Club | - | 24 307 |
| Assessment rates: Various organisations | 316 000 | 462 359 |
| Municipal Sports Games | 106 204 | 108 300 |
| Animal care : SPCA | 138 000 | 132 000 |
| Columbus Marathon | 15 000 | 16 000 |
| Welfare organisation | 11 652 | 11 224 |
| Arts & culture organisation | 3 000 | - |
| Local Economic Development | 105 000 | 12 000 |
| Sport and recreation | - | 7 760 |
| Education | 16 950 | - |
| Tourism | 800 000 | 807 314 |
| Total | 1 606 806 | 1 671 264 |

Disclosure in terms of MFMA, 2003 Section 123(b)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|-----------------------------|--------------|--------------|
| | R | R |
| 31. GENERAL EXPENSES | _____ | _____ |

| | | |
|-------------------------------|-------------------|-------------------|
| Advertising | 1 825 057 | 1 628 600 |
| Audit fees | 1 443 377 | 1 250 581 |
| Bank charges | 611 187 | 417 065 |
| Communications | 2 458 257 | 2 243 158 |
| Insurance | 6 823 863 | 4 722 623 |
| Legal fees | 800 957 | 455 426 |
| Travel & accommodation | 7 561 969 | 6 800 218 |
| Materials & supplies | 13 703 661 | 11 159 949 |
| Skills development & training | 2 393 174 | 1 902 293 |
| Transportation | 1 967 100 | 1 490 360 |
| Licensing | 717 962 | 954 445 |
| Rental fees | 315 657 | 747 189 |
| Consulting fees | 3 418 358 | 3 228 551 |
| Postage | 868 456 | 762 778 |
| Other | 6 317 857 | 4 991 944 |
| Inventory | 3 038 176 | 8 589 786 |
| Total | 54 265 066 | 51 344 966 |

| | 30 June 2008 | 30 June 2007 |
|---|------------------|------------------|
| | R | R |
| 32. CONTRIBUTIONS TO/(FROM) PROVISIONS | | |
| Employee stated benefit | 6 074 000 | - |
| Long service awards | 615 905 | - |
| Staff leave | 2 841 427 | 3 662 416 |
| Housing development fund | 16 799 | 17 309 |
| Total contributions to provisions | 9 548 131 | 3 679 725 |

Staff leave is an accrual and the full staff leave obligation at year end has been raised as a current liability regardless how the obligation will be settled at a future date.
See note 9.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|--------------------|--------------------|
| | R | R |
| 33. CAPITAL REPLACEMENT RESERVE | 311 934 535 | 290 250 176 |
| Capital Replacement Reserve | 125 166 100 | 99 843 249 |
| Balance at beginning of the year | 99 843 249 | 73 346 797 |
| Contributions | 76 719 300 | 64 400 905 |

| | | |
|----------------------------------|--------------------|--------------------|
| Transfer between reserves | - | 1 304 962 |
| Expenditure | (493 670) | - |
| Property, plant & equipment | (50 902 779) | (39 209 415) |
| CRR: Land Trust Fund | 65 865 398 | 65 859 994 |
| Balance at beginning of the year | 65 859 994 | 76 784 997 |
| Contributions | 2 972 754 | 1 011 808 |
| Transfer between reserves | - | (10 767 190) |
| Expenditure | (17 000) | (284 868) |
| Revenue | 41 538 | - |
| Property, plant & equipment | (2 991 888) | (884 752) |
| CRR: Property Development | 120 903 037 | 124 546 933 |
| Balance at beginning of the year | 124 546 933 | 59 919 614 |
| Contributions | 20 214 568 | 70 600 674 |
| Transfer between reserves | - | 9 462 228 |
| Expenditure | (10 128 272) | (1 499 460) |
| Revenue | 478 | - |
| Property, plant & equipment | (13 730 670) | (13 986 123) |

| | 30 June 2008 | 30 June 2007 |
|-----------------------------------|---------------------|---------------------|
| | R | R |
| 34. CAPITALISATION RESERVE | 86 541 195 | 99 897 900 |
| Balance at beginning of the year | 99 897 900 | 115 673 628 |
| PPE purchased | - | - |
| Offsetting of depreciation | (13 202 229) | (14 801 079) |
| Disposal | (154 476) | (974 649) |
| Correction of error | - | - |

| | 30 June 2008 | 30 June 2007 |
|-------------------------------------|---------------------|---------------------|
| | R | R |
| 35. GOVERNMENT GRANT RESERVE | 77 195 706 | 57 367 266 |
| Balance at beginning of the year | 57 367 266 | 48 455 702 |
| PPE purchased | 24 135 409 | 12 655 945 |
| Offsetting of depreciation | (4 306 934) | (3 744 381) |
| Disposal | (35) | - |
| Correction of error | - | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|---------------------|---------------------|
| | R | R |
| 36. DONATIONS & PUBLIC CONTRIBUTION RESERVE | 106 266 081 | 105 700 394 |
| Balance at beginning of the year | 105 700 394 | 106 219 634 |
| Donated/contributed PPE | 9 096 514 | 8 037 182 |
| Offsetting of depreciation | (8 528 512) | (8 420 742) |

| | | |
|---------------------|---------|-----------|
| Disposal | (2 315) | (135 681) |
| Correction of error | - | - |

| | 30 June 2008 | 30 June 2007 |
|--------------------------------------|------------------|------------------|
| | R | R |
| 37. SELF-INSURANCE RESERVE | 2 873 535 | 1 936 501 |
| Insurance Reserve Electricity | 964 122 | 894 868 |
| Balance at beginning of the year | 894 868 | 1 005 016 |
| Contributions | 180 000 | 150 000 |
| Other income | - | 39 941 |
| Insurance claims processed | (110 746) | (300 089) |
| Insurance Reserve General | 1 909 413 | 1 041 634 |
| Balance at beginning of the year | 1 041 634 | 626 749 |
| Other income | 1 120 362 | 878 737 |
| Other expenditure | (19 167) | - |
| Purchase PPE | (233 416) | - |
| Insurance claims processed | - | (463 852) |

| | 30 June 2008 | 30 June 2007 |
|---|---------------------------|---------------------------|
| | R | R |
| 38. ACCUMULATED SURPLUS/(DEFICIT) | | |
| Accumulated surplus: beginning of the year | 239 137 859 | 179 124 601 |
| Net surplus of the year | 114 865 017 | 147 523 273 |
| Changes in net assets | (39 195 159) | (97 406 774) |
| Correction of error | - | (1 614 267) |
| Change in accounting policy | - | 98 076 |
| Change in accounting estimates | - | 11 412 950 |
| Accumulated surplus: end of year | <u>314 807 717</u> | <u>239 137 859</u> |

Refer to note 39 and 41 for more detail.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

39. CORRECTION OF ERROR

- In the previous set of financial statements for the year ending 30 June 2007 the figures indicated under “*Unspent Conditional Grants and Receipts*”, and “*Other Debtors*” were incorrectly stated. The operating balance for the current financial year has been adjusted as follows:

Statement of Financial Position

2007

Current liabilities

| | |
|----------------------------|------------------|
| Unspent conditional grants | |
| Closing balance | 4 435 593 |
| Correction | (20 998) |
| Restated balance | 4 414 595 |

Refer to note 10

Current assets

| | |
|-------------------------|-------------------|
| Other debtors | |
| Closing balance | 11 834 904 |
| Correction | (20 998) |
| Restated balance | 11 813 906 |

Refer to note 18

This correction has a net effect of zero on the Statement of Financial Position.

2. Transactions regarding stock on hand were incorrectly stated. The following corrected had to be made:

| | |
|--|------------------|
| Statement of Financial Position | 2007 |
| Inventory | |
| Consumable stock | |
| Closing balance | 5 641 468 |
| Correction | (131 986) |
| Restated balance | 5 509 482 |

Refer to note 16

3. No provision as made for long service benefits. The following correction was made:

| | |
|--|--------------------|
| Non-current provisions | 2007 |
| Closing balance | - |
| Correction | (1 482 282) |
| Restated balance | (1 484 282) |
| Refer to note 6 | |
| Net effect on Statement of Financial Position | |
| Consumable stock | (131 986) |
| Long service provision | (1 482 282) |
| | (1 614 268) |

The above correction of error reduced the closing balance of total net assets in the Statement of Changes in Net Assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

39. CORRECTION OF ERROR

4. Assets previously recognised as intangible assets transferred to property, plant and equipment.

| | |
|-----------------------------------|------------------|
| Non-current provisions | 2007 |
| Intangible assets | |
| Opening balance : historical cost | 11 416 018 |
| Less: depreciation | (9 432 106) |
| Book value | 1 983 912 |

| | |
|-----------------------------|----------------|
| Historical cost transferred | 1 242 184 |
| Less: depreciation | (932 726) |
| Total transferred | 309 458 |

Restated book value : intangible assets **1 674 454**

| | |
|-------------------------------|---------------|
| Property, plant and equipment | |
| Historical cost | 918 592 691 |
| Less: depreciation | (369 781 100) |

Book value **548 811 591**

| | |
|---------------------------------|---------|
| Transfer from intangible assets | 309 458 |
| Finance leased assets | 536 731 |

Restated book value : property, plant and equipment **549 657 780**

Refer to notes 11 and 40.

This correction has a net effect of zero on the Statement of Financial Position.

40. CHANGES IN ACCOUNTING POLICY

- Previously operating lease receipts were recognised as rental income on a basis of actual cash inflows in terms of the lease contracts as permitted per Government Gazette 30013 dated 29 June 2007. In Council's implementation plan for accounting standards, it is indicated that the prescriptions of IAS17/AC105 leases will be implemented for 2007/2008 financial year. As a result of the change in accounting policy the following adjustments were made:

| Statement of Financial Position | 2007 |
|--|----------------|
| Current assets | |
| Deferred leases | |
| Opening balance | - |
| Correction | 168 431 |
| Opening balance | 168 431 |

Refer to note 15

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

40. CHANGES IN ACCOUNTING POLICY

- Previously rental of office equipment was recognised as operating rental expenditure in terms of actual cash outflows as per rental agreements. In Councils implementation plan for accounting standards it is indicated that the prescriptions of IAS17/AC105 leases will be implemented for 2007/2008 financial year. As a result of the change in accounting policy, the following adjustments were made:

| | |
|---|-------------|
| Create finance leased assets and finance leased obligations | 2007 |
| Non-current assets | |
| Finance leased assets | 1 159 603 |

| | |
|--|----------------|
| Accumulated depreciation | (622 872) |
| Opening balance | 536 731 |
| Non-current liabilities | |
| Finance leased obligations | 1 159 603 |
| Redemption | (522 517) |
| Less: current portion of finance leased obligation | (265 434) |
| New opening balance | 341 652 |
| Net effect on Statement of Changes in Net Assets | |
| Deferred leases | 168 431 |
| Accumulated depreciation | (622 872) |
| Redemption | 552 517 |
| | 98 076 |
| Refer note 11. | |

41. **CHANGES IN ACCOUNTING ESTIMATES**

1. In the previous set of financial statements for the year ending 30 June 2007 the figures indicated under post-employment benefits” had been overstated. The following adjustments had been made:

| | |
|--|-------------------|
| Statement of Financial Position | 2007 |
| Non-current liabilities | |
| Post-employment benefits | |
| Closing balance | 52 515 950 |
| Correction | (11 412 950) |
| Restated balance | 41 103 000 |
| Refer note 5. | |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|--------------------|--------------------|
| | R | R |
| 42. CASH GENERATED FROM/(UTILISED IN) OPERATIONS | | |
| Net surplus for the year | 114 865 017 | 147 523 273 |
| Adjustment for: | | |
| Depreciation | 52 260 375 | 49 305 046 |
| Gain on disposal of property, plant and equipment | (393 132) | (1 499) |
| Contributions to bad debt | 1 911 502 | (2 833 680) |

| | | |
|---|--------------------|--------------------|
| Interest received | (48 374 031) | (28 663 522) |
| Interest paid | 17 160 253 | 15 236 357 |
| Non-operating income | 6 841 583 | 6 331 091 |
| Non-operating expenditure | (8 956 383) | (650 798) |
| Operating surplus before working capital changes | 135 315 184 | 186 246 268 |
| (Increase)/decrease in inventories | (401 659) | 5 567 780 |
| (Increase)/decrease in debtors | (2 562 076) | (3 099 900) |
| (Increase)/decrease in other debtors | (7 275 227) | (4 384 271) |
| Increase/(decrease) in creditors | 3 967 655 | (5 402 959) |
| Cash generated by operations | 129 043 877 | 178 926 918 |

| | 30 June 2008 | 30 June 2007 |
|---|---------------------|------------------|
| | R | R |
| 43. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | |
| Balance at the end of the year | 68 251 138 | 65 632 955 |
| Balance at the beginning of the year | 35 373 965 | 68 251 138 |
| Net increase/(decrease) in cash and cash equivalents | (32 877 173) | 2 618 182 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|-------------------|--------------------|
| | R | R |
| 44. UTILISATION OF LONG TERM LIABILITIES RECONCILIATION | | |
| Long term liabilities (see note 4) | (134 428 941) | (113 446 724) |
| Used to finance property, plant and equipment at cost | 133 586 457 | 110 103 952 |
| Sub-Total | (842 484) | (3 342 772) |
| Cash set aside for the repayment of long term liabilities (see note 11) | 12 741 654 | 11 612 479 |
| Cash set aside for the acquiring of property, plant & equipment | 842 484 | 3 342 772 |
| Cash invested for the repayment of long term liabilities | 12 741 654 | 11 612 479 |

| | 30 June 2008 | 30 June 2007 |
|--|-------------------|-------------------|
| | R | R |
| 45. CAPITAL COMMITMENTS | | |
| Commitments in respect of capital expenditure: | | |
| Approved and contracted for | 32 069 575 | 21 383 600 |
| Infrastructure | 24 136 270 | 10 822 600 |
| Community assets | 1 630 400 | 9 648 000 |
| Other assets | 3 502 905 | 913 000 |
| Specialised vehicles | 2 800 000 | - |
| Approved but not yet contracted for | 28 068 000 | 29 076 413 |
| Land and buildings | - | 700 000 |
| Infrastructure | 23 195 000 | 11 221 013 |
| Community assets | 728 000 | 14 565 400 |
| Other assets | 4 145 000 | 890 000 |
| Specialised vehicles | - | 1 700 000 |
| Total | 60 137 575 | 50 460 013 |
| This expenditure will be financed from | | |
| External loans | 18 894 400 | - |
| Capital replacement reserve | 39 721 405 | 48 073 090 |
| Government grants | 1 521 770 | 2 386 923 |
| Total | 60 137 575 | 50 460 013 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|-------------------|------------------|
| | R | R |
| 46. CONTINGENT ASSETS | | |
| Nkangala District Municipality executes capital projects which will be donated to Council on completion. At balance sheet date, the following uncompleted capital projects were identified for the following asset classes: | | |
| Water | 2 782 134 | - |
| Sewerage | 4 036 811 | 1 270 357 |
| Roads & Stormwater | 6 700 110 | 4 675 847 |
| Electricity | - | 1 455 787 |
| Town Planning & Urban Development | 1 133 504 | 739 105 |
| | 14 652 559 | 8 141 096 |

47. CERTIFICATION BY MUNICIPAL MANAGER ON COUNCILLORS' REMUNERATION

I, WILHELM DIEDERICK FOUCHÉ, municipal manager, certify that the remuneration of councillors are in accordance with the Public Office Bearers Act, Act 20 of 1998 and the

Minister of Provincial and Local Government's determination of the upper limits of the salaries, allowances and benefits as promulgated by government notice no. R1227, dated 18 December 2007.



**W.D. FOUCHÉ
MUNICIPAL MANAGER**

Disclosure in terms of MFMA, 2003, Section 124(1)(a).

| | 30 June 2008 | 30 June 2007 |
|--|---------------------|---------------------|
| | R | R |
| 48. DISCLOSURE ON COUNCILLORS' REMUNERATION | | |
| Executive Mayor | 515 314 | 499 905 |
| Speaker | 412 230 | 389 850 |
| Chief Whip | 380 482 | 368 213 |
| Mayoral Committee Members | 2 326 011 | 2 225 141 |
| Councillors | 5 719 960 | 5 911 203 |
| UIF | 61 659 | 58 110 |
| Total councillor's remuneration | 9 415 656 | 9 452 422 |

The Executive Mayor, Speaker, Chief Whip and Mayoral Committee Members are full time. Each is provided with an office and secretarial support at the cost of Council. The Executive Mayor has use of a Council owned vehicle and driver for official duties. The Executive Mayor has a personal assistant to assist her in her duties.
Disclosure in terms of the MFMA, 2003, Section 124(1)(a).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|---------------------|---------------------|
| | R | R |
| 49. DISCLOSURE ON ARREARS BY COUNCILLORS' | | |
| The following councillors had arrear accounts outstanding for more than 90 days as at 30 June 2008 | | |
| Councillor BB Simelane | 4 297 | |
| Account 13-2354-0X | 2 519 | |
| Account 15-9960-6X | 1 778 | |
| Councillor RM Xaba | 2 130 | |
| Account 80-3048-9X | 1 129 | |
| Account 80-3053-8X | 1 001 | |
| Councillor TM Masango | 1 333 | |
| Account 86-0748-0X | | |

| | |
|--|-----|
| Councillor TG Nkamba Account 86-5739-7X | 810 |
|--|-----|

| | |
|--|-------|
| Councillor L Zweni Account 44-2686-5X | 3 869 |
|--|-------|

| | | |
|--------------|---------------------|---------------------|
| Total | <u>7 760</u> | <u>4 679</u> |
|--------------|---------------------|---------------------|

During the year the following councillors had arrear accounts outstanding for more than 90 days

| | | |
|------------------------|----------|----------|
| | 180 days | 150 days |
| Councillor BB Simelane | | |
| Account 13-2354-0X | 2 519 | 2 504 |
| Account 15-9960-6X | 1 778 | 5 274 |
| | 120 days | |
| Councillor L Mahlangu | | |
| Account 80-3048-9X | 169 | |

Disclosure in terms of the MFMA, 2003, Section 124(1)(b)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|-------------------------|-------------------------|
| | R | R |
| 50. REMUNERATION OF MANAGERS | | |
| Municipal Manager | 798 556 | 912 869 |
| Annual remuneration | 798 556 | 749 818 |
| Performance bonus | - | 163 051 |
| Executive Manager Finance | 691 701 | 810 585 |
| Annual remuneration | 620 000 | 637 344 |
| Performance bonus | 71 701 | 173 241 |
| Executive Manager Corporate Services | 748 839 | 810 585 |
| Annual remuneration | 620 000 | 637 344 |
| Performance bonus | 128 839 | 83 894 |
| Executive Manager Public Services | 748 839 | 704 459 |
| Annual remuneration | 620 000 | 637 344 |
| Performance bonus | 128 839 | 67 115 |
| Executive Manager Technical & Facilities | 677 361 | 721 238 |
| Annual remuneration | 620 000 | 637 344 |
| Performance bonus | 57 361 | 173 241 |
| Total | <u>3 665 296</u> | <u>3 959 736</u> |

During the year performance bonuses were paid out in terms of Section 57 of the Municipal Systems Act.

Disclosure in terms of the MFMA, 2003, Section 124(1)(c).

| | 30 June 2008 | 30 June 2007 |
|---|--------------|--------------|
| | R | R |
| 51. ADDITIONAL MFMA DISCLOSURES | | |
| <u>Section 125(1)(b)</u> | | |
| Contribution to SALGA | | |
| Membership fees payable | 533 044 | 458 943 |
| Amount paid current year | (533 044) | (458 943) |
| | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> |
| <u>Section 125(1)(c)</u> | | |
| Audit Fees | | |
| Current year audit fees | 764 929 | 541 216 |
| Amount paid current year | (764 929) | (541 216) |
| | <u>-</u> | <u>-</u> |
| Balance unpaid (included in creditors) | <u>-</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|---|--------------|--------------|
| | R | R |
| 51. ADDITIONAL MFMA DISCLOSURES | | |
| <u>Section 125(1)(c)</u> | | |
| VAT | | |
| Output Tax | | |
| Opening balance | (2 966 381) | (2 397 347) |
| Closing balance | (2 811 515) | (2 966 381) |
| Input Tax | | |
| Amount claimed from SARS | 1 069 395 | - |
| Amount received from SARS | (1 069 395) | - |
| Amount payable to SARS | 7 044 378 | 21 061 513 |
| Amount paid current year | (7 044 378) | (21 061 513) |
| | <u>-</u> | <u>-</u> |
| Balance outstanding (to)/from SARS | <u>-</u> | <u>-</u> |
| Pay As You Earn (PAYE) | | |

| | | |
|---|--------------|--------------|
| Current year payroll deductions | 14 831 695 | 13 527 467 |
| Amount paid current year | (14 831 695) | (13 527 467) |
| Balance unpaid (included in creditors) | - | - |
| Unemployment Insurance Fund (UIF) | | |
| Current year payroll deductions | 1 959 819 | 1 883 665 |
| Amount paid current year | (1 959 819) | (1 883 665) |
| Balance unpaid (included in creditors) | - | - |
| Medical Aid | | |
| Current year payroll deductions | 10 303 441 | 8 749 284 |
| Amount paid current year | (10 303 441) | (8 749 284) |
| Balance unpaid (included in creditors) | - | - |
| Pension Fund | | |
| Current year payroll deductions | 25 655 134 | 23 581 690 |
| Amount paid current year | (25 655 134) | (23 581 690) |
| Balance unpaid (included in creditors) | - | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

30 June 2008

R

30 June 2007

R

52. BANKING DETAILS

The municipality has the following bank accounts:

**Current account
(primary bank account)**

Absa Bank : *Nelspruit*
Account number : 1040 000 077
Type : cheque account

| | | |
|---|------------|------------|
| Bank statement balance at beginning of year | 82 564 423 | 75 372 450 |
|---|------------|------------|

| | | |
|---------------------------------------|------------|------------|
| Bank statement balance at end of year | 47 578 278 | 82 564 423 |
|---------------------------------------|------------|------------|

Other accounts

Absa Bank : *Nelspruit*
Account number : 4053570755
Type : cheque account

| | | |
|---|---|---|
| Bank statement balance at beginning of year | - | - |
| Bank statement balance at end of year | - | - |

Disclosure in terms of the MFMA, 2003, Section 125(2)(a).

| | 30 June 2008 | 30 June 2007 |
|---|---------------|--------------|
| | R | R |
| 53. SUMMARY OF INVESTMENTS | | |
| The municipality has the following investments: | | |
| <u>Short term fixed deposits</u> | | |
| Absa Bank | | |
| Balance at beginning of the year | 63 000 000 | 36 000 000 |
| Investments made | 198 000 000 | 117 000 000 |
| Investments matured | (171 000 000) | (90 000 000) |
| Balance at end of the year | 90 000 000 | 63 000 000 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

| | 30 June 2008 | 30 June 2007 |
|--|--------------------|--------------------|
| | R | R |
| 53. SUMMARY OF INVESTMENTS | | |
| First National Bank | | |
| Balance at beginning of the year | 45 000 000 | 18 000 000 |
| Investments made | 189 000 000 | 126 000 000 |
| Investments matured | (180 000 000) | (99 000 000) |
| Balance at end of the year | 54 000 000 | 45 000 000 |
| Investec | | |
| Balance at beginning of the year | 60 000 000 | 42 000 000 |
| Investments made | 152 000 000 | 204 000 000 |
| Investments matured | (140 000 000) | (186 000 000) |
| Balance at end of the year | 72 000 000 | 60 000 000 |
| Nedbank | | |
| Balance at beginning of the year | 63 000 000 | 51 000 000 |
| Investments made | 189 000 000 | 126 000 000 |
| Investments matured | (162 000 000) | (114 000 000) |
| Balance at end of the year | 90 000 000 | 63 000 000 |
| Standard Bank | | |
| Balance at beginning of the year | 63 000 000 | 45 000 000 |
| Investments made | 189 000 000 | 99 000 000 |
| Investments matured | (162 000 000) | (81 000 000) |
| Balance at end of the year | 90 000 000 | 63 000 000 |
| <u>Long term fixed deposits</u> | | |
| Absa Bank | | |
| Balance at beginning of the year | 11 612 479 | 10 483 305 |
| Interest made | 1 129 174 | 1 129 174 |
| Balance at end of the year | 12 741 653 | 11 612 479 |
| Sub-Total | 12 741 653 | 11 612 479 |
| Total | 408 741 653 | 305 612 479 |

Disclosure in terms of the MFMA, 2003, Section 125(2)(a).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

54. CONTINGENT LIABILITIES

The Council may still have a contractual obligation to repay 25% of the purchase prices of church erven, to an amount of R24 233, on completion of church buildings to the purchasers.

Forthwith is a list of possible liability claims where the outcome was unknown at year end:

1. **M.M. Selala** on behalf of Phillip Selala – this is a claim for damages in the amount of **R175 000,00** against the municipality for the loose pavement which injured the child resulting in the amputation of his three foot toes.
2. **N.J. & R.D. Mahlaba** – this is a claim for damages in the amount of **R100 000,00** whereby a nurse in the employment of the municipality incorrectly diagnosed a patient as being HIV positive.
3. **T.A.C. Wesson** – this is a claim for the amount of **R100 000,00** for unlawful arrest in a traffic related incident.
4. **ABSA Technology Finance Solutions (Pty) Ltd** - this is a claim of **R22 000,00** as the sum owing at the date of termination of the Master Rental Agreement.
5. **Steven Mahlangu** – this is a claim for the amount of **R100 000,00** for unlawful arrest in a traffic related incident.
6. **H.E. Scheepers** – this is a claim for the amount of **R300 000,00** for unlawful arrest in a traffic related incident. Mr. Scheeper's attorney is awaiting outcome of criminal appeal before deciding whether to pursue with the civil claim against the municipality or not
7. **J.B. Mahlangu** – this is a claim for the amount of **R50 000,00** wherein the fire department vehicle negligently collided with a minibus taxi
8. **Apostolic Church in South Africa** – in this matter the church has obtained a High Court Order with costs against the municipality regarding the removal of a condition in the title deed. The municipality was served with a writ of execution and bill of costs to the amount of approximately **R10 000,00** to be paid during the next financial year
9. **Medina Meats** – in this matter the High Court has dismissed the municipality's application to evict the illegal butchery and granted costs against the Council. The bill of costs exceeds **R24 000,00** and will be taxed by the Taxing Master during August 2008
10. **MIDMALANGA** – this is a civil claim in the High Court for an approximate amount of **R1-million** or retransfer of property to the municipality. The condition of contract of sale was breached as the municipality's permission was not obtained prior to selling the property.
11. **D.F. Dibiloane** – a court order was obtained against the municipality for infringing the right of privacy. An unknown amount of costs is outstanding and will only be known once the bill of costs has been taxed by the court
12. **Midway Mall (Pty) Ltd** – this is a High Court case for the claim of **R5-million** for the cancellation of a deed of sale. Property was subsequently alienated to La Roca (Pty) Ltd.
13. **Lurco Investment (Pty) Ltd** – an appeal hearing against the municipality's decision not to approve the rezoning application. Mpumalanga Township Board made recommendation to uphold the appeal and to grant a High Court Costs Order against the municipality. Should the MEC for Mpumalanga Provincial Government Department of Agriculture and Land Administration agree with the recommendation, costs to the amount of **±R500 000** will be payable

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

54. CONTINGENT LIABILITIES

14. **Weaving Combined** – this is a High Court application for a Declaratory Order declaring the entire legal process followed by the municipality against the company to attach and sell Erf 2, Nasaret to be null and void. The municipality is defending the matter. Should the High Court grant the Declaratory Order, the municipality will have to pay the costs of ±R50 000,00.

| | 30 June 2008 | 30 June 2007 |
|--|------------------|------------------|
| | R | R |
| 55. DISCLOSURE ON ARREARS BY GOVERNMENT | | |
| Department of Education | 706 652 | 1 063 591 |
| Current | 169 825 | 106 096 |
| Arrear | 536 827 | 957 495 |
| Department of Public Works (Roads) | 221 369 | 54 062 |
| Current | 71 289 | 29 512 |
| Arrear | 150 080 | 24 550 |
| Department of Public Works (Other) | 101 912 | 263 659 |
| Current | 86 994 | 111 201 |
| Arrear | 14 918 | 152 458 |
| Other government institutions | 284 369 | 353 572 |
| Current | 194 899 | 143 992 |
| Arrear | 89 470 | 209 580 |
| Total | 1 314 302 | 1 734 884 |
| Current | 523 007 | 390 801 |
| Arrear | 791 295 | 1 344 083 |

APPENDIX A

SCHEDULE OF EXTERNAL LOANS

as at 30 June 2008

| External Loans | | Loan No. | Redeemable | Balance at 30 June 2007 | Interest paid during the period | Received during the period | Redeemed or written off during the period | Balance at 30 June 2008 | Carrying value of Property, Plant & Equipment | Other costs in accordance with the MFMA |
|-----------------------------|----------|--------------|------------|----------------------------|---------------------------------------|----------------------------------|--|----------------------------|--|---|
| | | | | R | R | R | R | R | R | |
| ANNUITY LOANS | | | | | | | | | | |
| DBSA | @ 13,41% | LALF 15309 | 31-12-2009 | 1 937 827 | 238 326 | | 700 153 | 1 237 674 | 417 347 | - |
| DBSA | @ 11,25% | LALF 11902 | 30-06-2009 | 63 708 | 6 378 | | 30 100 | 33 608 | 238 286 | - |
| INCA | @ 12,80% | MIDD-00-0003 | 31-12-2012 | 21 133 353 | 2 624 872 | | 2 847 727 | 18 285 626 | 15 372 660 | - |
| ABSA | @ 14,40% | 40-5934-1607 | 24-11-2011 | 34 098 285 | 4 690 825 | | 5 940 330 | 28 157 955 | 32 399 012 | - |
| INCA | @ 12,50% | MIDD-00-0004 | 30-06-2019 | 27 334 840 | 3 394 567 | | 1 065 915 | 26 268 925 | 24 460 396 | - |
| SCMB | @ 9,62% | 87016-348242 | 01-09-2015 | 28 878 711 | 2 747 657 | | 2 306 446 | 26 572 265 | 38 191 588 | - |
| INCA | @ 9,59% | MIDD-00-0005 | 30-06-2022 | - | 3 320 985 | 35 000 000 | 1 127 112 | 33 872 888 | 14 183 624 | - |
| <i>Total Annuity Loans</i> | | | | 113 446 724 | 17 023 610 | 35 000 000 | 14 017 783 | 134 428 941 | 125 262 913 | - |
| <i>Total External Loans</i> | | | | 113 446 724 | 17 023 610 | 35 000 000 | 14 017 783 | 134 428 941 | 125 262 913 | - |

APPENDIX B

ANALYSIS OF PROPERTY, PLANT & EQUIPMENT

as at 30 June 2008

| | HISTORICAL COST | | | | | ACCUMULATED DEPRECIATION | | | | Carrying Value | Budget Additions 2008 |
|--|--------------------|---------------------|--------------------|------------------|----------------------|--------------------------|---------------------|------------------|--------------------|--------------------|-----------------------|
| | Opening Balance | Additions/Transfers | Under Construction | Disposals | Closing Balance | Opening Balance | Additions/Transfers | Disposals | Closing Balance | | |
| | R | R | R | R | R | R | R | R | R | | |
| INFRASTRUCTURE | 664 975 398 | 74 579 034 | 17 448 863 | - | 757 003 295 | 279 194 309 | 36 669 049 | - | 315 863 358 | 441 139 937 | 186 293 754 |
| Roads, pavements, bridges & stormwater | 259 805 915 | 42 410 867 | 4 780 365 | - | 306 997 147 | 126 219 550 | 16 848 381 | - | 143 067 931 | 163 929 216 | 61 113 696 |
| Water reservoirs & reticulation | 123 974 867 | 4 813 631 | 249 696 | - | 129 038 194 | 62 152 472 | 6 180 148 | - | 68 332 620 | 60 705 574 | 22 507 654 |
| Car parks, bus terminals & taxi ranks | 4 107 245 | - | - | - | 4 107 245 | 1 722 465 | 195 067 | - | 1 917 532 | 2 189 713 | - |
| Electricity reticulation | 160 020 906 | 21 978 299 | 11 022 765 | - | 193 021 970 | 50 613 339 | 7 712 034 | - | 58 325 373 | 134 696 597 | 74 177 423 |
| Sewerage purification & reticulation | 75 532 371 | 2 267 128 | 1 042 179 | - | 78 841 678 | 26 200 033 | 3 338 352 | - | 29 538 385 | 49 303 293 | 19 971 326 |
| Housing | 6 234 847 | - | - | - | 6 234 847 | 2 645 629 | 183 541 | - | 2 829 170 | 3 405 677 | - |
| Street lighting | 21 332 302 | 1 264 360 | 183 844 | - | 22 780 506 | 3 622 653 | 856 301 | - | 4 478 954 | 18 301 552 | 3 694 055 |
| Refuse sites | 4 434 876 | 100 250 | 170 014 | - | 4 705 140 | 441 796 | 148 245 | - | 590 041 | 4 115 099 | 470 250 |
| Other (town planning & development) | 9 532 069 | 1 744 499 | - | - | 11 276 568 | 5 576 372 | 1 206 980 | - | 6 783 352 | 4 493 216 | 4 359 350 |
| COMMUNITY ASSETS | 36 755 652 | 1 266 787 | 4 193 358 | - | 42 215 797 | 9 670 299 | 1 157 002 | - | 10 827 301 | 31 388 496 | 39 248 708 |
| Establishment of parks & gardens | 6 942 288 | 161 574 | 170 000 | - | 7 273 862 | 2 131 310 | 262 975 | - | 2 394 285 | 4 879 577 | 1 195 400 |
| Sports fields | 7 731 701 | 416 624 | 193 845 | - | 8 342 170 | 2 938 126 | 330 148 | - | 3 268 274 | 5 073 896 | 1 119 596 |
| Community halls | 8 530 888 | 688 589 | 1 838 304 | - | 11 057 781 | 765 347 | 116 513 | - | 881 860 | 10 175 921 | 32 820 015 |
| Libraries | 3 888 841 | - | - | - | 3 888 841 | 1 820 952 | 129 983 | - | 1 950 935 | 1 937 906 | 280 000 |
| Recreational facilities | 175 106 | - | - | - | 175 106 | 57 000 | 6 765 | - | 63 765 | 111 341 | 217 450 |
| Clinics | 3 739 729 | - | 1 991 209 | - | 5 730 938 | 647 267 | 118 581 | - | 765 848 | 4 965 090 | 3 188 247 |
| Museums & art galleries | - | - | - | - | - | - | - | - | - | - | - |
| Other (fire services & cemeteries) | 5 747 099 | - | - | - | 5 747 099 | 1 310 297 | 192 037 | - | 1 502 334 | 4 244 765 | 428 000 |
| OTHER ASSETS | 201 858 723 | 16 229 280 | 580 622 | 2 260 251 | 216 408 374 | 77 109 354 | 12 022 236 | 2 021 203 | 87 110 387 | 129 297 987 | 24 347 804 |
| Other motor vehicles | 25 130 692 | 4 112 121 | - | 888 793 | 28 354 020 | 12 535 549 | 2 530 638 | 734 278 | 14 331 909 | 14 022 111 | 5 468 935 |
| Plant & equipment | 43 365 669 | 3 159 314 | 488 965 | 322 018 | 46 691 930 | 27 447 057 | 4 494 331 | 248 990 | 31 692 398 | 14 999 532 | 6 486 956 |
| Plant & equipment – finance lease | 100 554 | - | - | - | 100 554 | 48 601 | 20 111 | - | 68 712 | 31 842 | - |
| Office equipment | 6 189 639 | 762 564 | - | 118 741 | 6 833 462 | 4 674 910 | 446 219 | 118 231 | 5 002 898 | 1 830 564 | 1 269 262 |
| Office equipment – finance lease | 1 059 049 | 393 064 | - | - | 1 452 113 | 574 271 | 274 443 | - | 848 714 | 603 399 | - |
| Abattoirs | 72 233 | - | - | - | 72 233 | 56 562 | 2 245 | - | 58 807 | 13 426 | - |
| Security measures (including fencing) | 7 567 121 | 1 643 299 | - | 435 | 9 209 985 | 4 926 910 | 759 239 | 435 | 5 685 714 | 3 524 271 | 1 475 857 |
| Civic land & buildings | 39 210 526 | 639 452 | 7 032 | - | 39 857 010 | 11 622 539 | 1 302 407 | - | 12 924 946 | 26 932 064 | 2 196 100 |
| Other land & buildings | 66 484 675 | 1 745 916 | 74 665 | - | 68 305 256 | 6 707 455 | 624 153 | - | 7 331 608 | 60 973 648 | 4 244 244 |
| Other (including IT) | 12 678 565 | 3 773 550 | 9 960 | 930 264 | 15 531 811 | 8 515 500 | 1 568 450 | 919 269 | 9 164 681 | 6 367 130 | 3 206 450 |
| SPECIALISED VEHICLES | 17 404 706 | 2 748 053 | 1 210 000 | - | 21 362 759 | 5 362 737 | 1 084 230 | - | 6 446 967 | 14 915 792 | 6 284 788 |
| Refuse | 10 421 658 | 1 128 240 | - | - | 11 549 898 | 3 702 697 | 680 678 | - | 4 383 375 | 7 166 523 | 1 840 000 |
| Fire | 6 983 048 | 1 619 813 | 1 210 000 | - | 9 812 861 | 1 660 040 | 403 552 | - | 2 063 592 | 7 749 269 | 4 444 788 |
| TOTAL | 920 994 479 | 94 823 154 | 23 432 843 | 2 260 251 | 1 036 990 225 | 371 336 699 | 50 932 517 | 2 021 203 | 420 248 013 | 616 742 212 | 256 175 054 |

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT

as at 30 June 2008

| | HISTORICAL COST | | | | | ACCUMULATED DEPRECIATION | | | | Carrying Value | Budget Additions 2007 |
|--|--------------------|----------------------|--------------------|------------------|----------------------|--------------------------|----------------------|------------------|--------------------|--------------------|-----------------------|
| | Opening Balance | Additions/ Transfers | Under Construction | Disposals | Closing Balance | Opening Balance | Additions/ Transfers | Disposals | Closing Balance | | |
| | R | R | R | R | R | R | R | R | R | | |
| EXECUTIVE COUNCIL | 4 676 757 | 484 404 | - | 122 305 | 5 038 856 | 3 093 591 | 510 314 | 102 845 | 3 501 060 | 1 537 796 | 846 200 |
| Executive Council | 4 676 757 | 484 404 | - | 122 305 | 5 038 856 | 3 093 591 | 510 314 | 102 845 | 3 501 060 | 1 537 796 | 846 200 |
| FINANCE & ADMINISTRATION | 116 716 838 | 6 588 330 | 74 665 | 848 323 | 122 531 510 | 31 783 440 | 4 706 853 | 766 513 | 35 723 780 | 86 807 730 | 10 350 667 |
| Finance | 5 771 176 | 1 373 499 | 20 015 | 195 816 | 6 968 874 | 4 210 111 | 598 543 | 187 983 | 4 620 671 | 2 348 203 | 982 000 |
| Information technology | 2 541 439 | 2 400 251 | - | 450 770 | 4 490 920 | 1 166 920 | 518 487 | 450 250 | 1 235 157 | 3 255 763 | 3 629 556 |
| Human resources | 283 661 | 156 156 | - | 3 164 | 436 653 | 179 876 | 29 790 | 3 162 | 206 504 | 230 149 | 164 520 |
| Property services | 98 081 499 | 1 662 362 | 54 650 | 138 375 | 99 660 136 | 19 730 354 | 2 733 243 | 67 880 | 22 395 717 | 77 264 419 | 3 782 240 |
| Other & admin | 10 039 063 | 996 062 | - | 60 198 | 10 974 927 | 6 496 179 | 826 790 | 57 238 | 7 265 731 | 3 709 196 | 1 792 351 |
| PLANNING & DEVELOPMENT | 6 772 127 | 2 336 983 | - | 34 390 | 9 074 720 | 3 392 536 | 979 230 | 34 371 | 4 337 395 | 4 737 325 | 5 909 744 |
| Integrated Development Plan | 12 316 | - | - | - | 12 316 | 4 095 | 2 316 | - | 6 411 | 5 905 | - |
| Local Economic Development | 126 957 | 1 204 881 | - | 4 031 | 1 327 807 | 90 185 | 8 919 | 4 030 | 95 074 | 1 232 733 | 1 148 804 |
| Planning & development | 6 632 854 | 1 132 102 | - | 30 359 | 7 734 597 | 3 298 256 | 967 995 | 30 341 | 4 235 910 | 3 498 687 | 4 760 940 |
| ROAD TRANSPORT | 259 217 055 | 40 997 827 | 3 672 437 | 76 086 | 303 811 233 | 128 445 134 | 16 652 716 | 71 968 | 145 025 882 | 158 785 351 | 59 268 263 |
| Vehicle licensing & testing | 2 754 903 | 820 865 | - | 71 587 | 3 504 181 | 1 176 332 | 231 306 | 67 470 | 1 340 168 | 2 164 013 | 1 245 200 |
| Roads & stormwater | 254 548 563 | 40 176 962 | 3 672 437 | 4 499 | 298 393 463 | 126 459 829 | 16 341 163 | 4 498 | 142 796 494 | 155 596 969 | 58 023 063 |
| Roads other | 1 913 589 | - | - | - | 1 913 589 | 808 973 | 80 247 | - | 889 220 | 1 024 369 | - |
| HEALTH | 7 430 646 | 157 442 | 2 835 435 | 115 436 | 10 308 087 | 3 112 982 | 422 737 | 113 603 | 3 422 116 | 6 885 971 | 4 009 991 |
| Clinics | 6 304 129 | 123 939 | 2 336 510 | 65 331 | 8 699 247 | 2 357 345 | 250 985 | 63 560 | 2 544 770 | 6 154 477 | 3 312 860 |
| Health other | 1 126 517 | 33 503 | 498 925 | 50 105 | 1 608 840 | 755 637 | 171 752 | 50 043 | 877 346 | 731 494 | 697 131 |
| COMMUNITY & SOCIAL SERVICES | 23 371 266 | 3 782 509 | 1 838 304 | 16 508 | 28 975 571 | 5 948 366 | 1 070 739 | 16 491 | 7 002 614 | 21 972 957 | 35 048 160 |
| Libraries & archives | 5 775 230 | 958 783 | - | 7 756 | 6 726 257 | 3 219 194 | 309 320 | 7 742 | 3 520 772 | 3 205 485 | 1 027 595 |
| Community halls & facilities | 9 725 321 | 2 597 959 | 1 838 304 | 8 752 | 14 152 832 | 1 059 870 | 304 270 | 8 749 | 1 355 391 | 12 797 441 | 33 300 015 |
| Cemeteries & crematoriums | 7 870 715 | 225 767 | - | - | 8 096 482 | 1 669 302 | 457 149 | - | 2 126 451 | 5 970 031 | 720 550 |
| PUBLIC SAFETY | 25 825 204 | 3 375 130 | 1 972 627 | 475 143 | 30 697 818 | 9 708 755 | 2 007 292 | 411 635 | 11 304 412 | 19 393 406 | 8 578 321 |
| Fire | 16 380 221 | 2 404 203 | 1 210 000 | 21 394 | 19 973 030 | 5 125 901 | 1 179 646 | 21 376 | 6 284 171 | 13 688 859 | 5 006 834 |
| Traffic | 9 444 983 | 970 927 | 762 627 | 453 749 | 10 724 788 | 4 582 854 | 827 646 | 390 259 | 5 020 241 | 5 704 547 | 3 571 487 |
| SPORT & RECREATION | 41 204 421 | 2 322 680 | 363 845 | 50 502 | 43 840 444 | 18 239 758 | 2 320 808 | 48 192 | 20 512 374 | 23 328 070 | 3 873 272 |
| Sport & recreation | 41 204 421 | 2 322 680 | 363 845 | 50 502 | 43 840 444 | 18 239 758 | 2 320 808 | 48 192 | 20 512 374 | 23 328 070 | 3 873 272 |
| WASTE WATER MANAGEMENT | 81 311 422 | 2 409 064 | 1 042 179 | 13 401 | 84 749 264 | 28 425 228 | 3 863 524 | 13 395 | 32 275 357 | 52 473 907 | 20 211 889 |
| Sewerage | 81 182 773 | 2 409 064 | 1 042 179 | 13 401 | 84 620 615 | 28 377 355 | 3 859 224 | 13 395 | 32 223 184 | 52 397 431 | 20 211 889 |
| Public toilets | 128 649 | - | - | - | 128 649 | 47 873 | 4 300 | - | 52 173 | 76 476 | - |
| WASTE MANAGEMENT | 20 121 492 | 2 044 672 | 170 014 | 27 464 | 22 308 714 | 6 761 644 | 1 187 122 | 24 848 | 7 923 918 | 14 384 796 | 2 785 000 |
| Solid waste | 20 121 492 | 2 044 672 | 170 014 | 27 464 | 22 308 714 | 6 761 644 | 1 187 122 | 24 848 | 7 923 918 | 14 384 796 | 2 785 000 |
| HOUSING | 9 918 649 | 834 744 | - | 73 683 | 10 679 710 | 5 526 764 | 390 125 | 73 676 | 5 843 213 | 4 836 497 | 867 600 |
| Housing | 9 918 649 | 834 744 | - | 73 683 | 10 679 710 | 5 526 764 | 390 125 | 73 676 | 5 843 213 | 4 836 497 | 867 600 |
| WATER | 130 737 733 | 5 320 364 | 249 696 | 28 418 | 136 279 375 | 65 062 734 | 6 784 485 | 28 218 | 71 819 001 | 64 460 374 | 23 840 482 |
| Water distribution | 97 717 474 | 4 587 021 | 179 697 | 3 529 | 102 480 663 | 43 134 167 | 5 389 024 | 3 526 | 48 519 665 | 53 960 998 | 22 531 070 |
| Water storage | 33 020 259 | 733 343 | 69 999 | 24 889 | 33 798 712 | 21 928 567 | 1 395 461 | 24 692 | 23 299 336 | 10 499 376 | 1 309 412 |
| ELECTRICITY | 193 690 869 | 24 169 005 | 11 213 641 | 378 592 | 228 694 923 | 61 835 767 | 10 036 572 | 315 448 | 71 556 891 | 157 138 032 | 80 585 465 |
| Electricity distribution | 174 996 865 | 22 904 645 | 11 029 797 | 378 592 | 208 552 715 | 59 198 752 | 9 283 677 | 315 448 | 68 186 981 | 140 385 734 | 76 891 410 |
| Street lighting | 18 694 004 | 1 264 360 | 183 844 | - | 20 142 208 | 2 637 015 | 752 895 | - | 3 389 910 | 16 752 298 | 3 694 055 |
| TOTAL | 920 994 478 | 94 823 154 | 23 432 843 | 2 260 250 | 1 036 977 812 | 371 336 699 | 50 932 517 | 2 021 203 | 420 248 013 | 616 742 212 | 256 175 054 |

APPENDIX D

DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2008

| 2007 Actual Income | 2007 Actual Expenditure | 2007 Actual Surplus/ (Deficit) | | 2008 Actual Income | 2008 Actual Expenditure | 2008 Actual Surplus/ (Deficit) |
|--------------------------|-------------------------------|---|--|--------------------------|-------------------------------|---|
| <i>R</i> | <i>R</i> | <i>(Deficit)</i> <i>R</i> | | <i>R</i> | <i>R</i> | <i>R</i> |
| 18 964 624 | 30 439 139 | (11 474 515) | <i>Executive & Council</i> | 22 321 488 | 38 408 505 | (16 087 017) |
| 18 964 624 | 30 439 139 | (11 474 515) | Executive & Council | 22 321 488 | 38 408 505 | (16 087 017) |
| 292 362 492 | 85 236 535 | 207 125 957 | <i>Finance & Admin</i> | 265 190 327 | 86 967 409 | 178 222 918 |
| 170 229 477 | 34 703 920 | 135 525 557 | Finance | 203 708 293 | 38 943 761 | 164 764 532 |
| 4 190 050 | 4 154 637 | 35 413 | Human Resources | 4 003 425 | 3 980 990 | 22 435 |
| 1 960 916 | 4 172 003 | (2 211 087) | Information Technology | 2 040 512 | 4 367 359 | (2 326 847) |
| 101 433 178 | 20 148 580 | 81 284 598 | Property Services | 40 663 860 | 16 900 059 | 23 763 801 |
| 14 548 871 | 22 057 395 | (7 508 524) | Other Admin | 14 774 237 | 22 775 240 | (8 001 003) |
| 1 058 040 | 6 069 674 | (5 011 634) | <i>Planning & Development</i> | 2 938 330 | 6 374 783 | (3 436 453) |
| - | 638 043 | (638 043) | Integrated Development Plan | - | 548 887 | (548 887) |
| - | 664 155 | (664 155) | Local Economic Development | 1 197 341 | 621 223 | 576 118 |
| 1 058 040 | 4 767 476 | (3 709 436) | Planning & Development | 1 740 989 | 5 204 673 | (3 463 684) |
| 4 599 354 | 12 449 074 | (7 849 720) | <i>Health</i> | 4 530 876 | 13 123 302 | (8 592 426) |
| 4 593 000 | 10 212 924 | (5 619 924) | Clinics | 4 443 000 | 10 668 589 | (6 225 589) |
| 6 354 | 2 236 150 | (2 229 796) | Health Other | 87 876 | 2 454 713 | (2 366 837) |
| 1 718 643 | 7 393 113 | (5 674 470) | <i>Community Services</i> | 1 010 779 | 8 486 419 | (7 475 640) |
| 93 780 | 3 699 382 | (3 605 602) | Libraries | 70 782 | 4 358 127 | (4 287 345) |
| 815 520 | 1 041 851 | (226 331) | Community Halls & Facilities | 325 609 | 1 228 485 | (902 876) |
| 809 343 | 2 651 880 | (1 842 537) | Cemeteries | 614 388 | 2 899 807 | (2 285 419) |
| 776 579 | 4 712 286 | (3 935 707) | <i>Housing</i> | 718 107 | 5 009 117 | (4 291 010) |
| 776 579 | 4 712 286 | (3 935 707) | Housing | 718 107 | 5 009 117 | (4 291 010) |
| 3 391 809 | 23 939 180 | (20 547 371) | <i>Public Safety</i> | 3 826 879 | 29 112 597 | (25 285 718) |
| 176 685 | 10 274 680 | (10 097 995) | Fire Services | 231 849 | 13 607 276 | (13 375 427) |
| 3 215 124 | 13 664 500 | (10 449 376) | Traffic | 3 595 030 | 15 505 321 | (11 910 291) |

APPENDIX D

DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2008

| 2007 Actual Income | 2007 Actual Expenditure | 2007 Actual Surplus/ (Deficit) | | 2008 Actual Income | 2008 Actual Expenditure | 2008 Actual Surplus/ (Deficit) |
|--------------------------|-------------------------------|---|---|--------------------------|-------------------------------|---|
| <i>R</i> | <i>R</i> | <i>R</i> | | <i>R</i> | <i>R</i> | <i>R</i> |
| 5 178 053 | 27 964 443 | (22 786 390) | <i>Parks & Recreation</i> | 5 439 572 | 29 839 198 | (24 399 626) |
| 5 178 053 | 27 964 443 | (22 786 390) | Parks & Recreation | 5 439 572 | 29 839 198 | (24 399 626) |
| 50 792 655 | 45 231 897 | 5 560 758 | <i>Waste Management</i> | 51 715 130 | 49 620 531 | 2 094 599 |
| 27 050 748 | 20 304 832 | 6 745 916 | Sewerage | 25 373 524 | 21 821 695 | 3 551 829 |
| - | 821 023 | (821 023) | Public Toilets | - | 930 893 | (930 893) |
| 23 741 907 | 24 106 042 | (364 135) | Refuse Removal | 26 341 606 | 26 867 943 | (526 337) |
| 13 645 613 | 40 943 100 | (27 297 487) | <i>Roads Transport</i> | 28 440 299 | 44 586 294 | (16 145 995) |
| 5 263 492 | 33 683 367 | (28 419 875) | Roads | 18 506 624 | 35 701 910 | (17 195 286) |
| 8 345 515 | 6 434 086 | 1 911 429 | Vehicle Licenses & Traffic | 9 897 069 | 7 951 765 | 1 945 304 |
| 36 606 | 825 647 | (789 041) | Transport Other | 36 606 | 932 619 | (896 013) |
| 41 140 125 | 26 937 648 | 14 202 477 | <i>Water</i> | 35 042 961 | 29 161 844 | 5 881 117 |
| 41 134 031 | 17 170 867 | 23 963 164 | Water Distribution | 35 040 272 | 18 640 574 | 16 399 698 |
| 6 094 | 9 766 781 | (9 760 687) | Water Purification | 2 689 | 10 521 270 | (10 518 581) |
| 140 635 613 | 115 424 238 | 25 211 375 | <i>Electricity</i> | 164 181 889 | 129 801 621 | 34 380 268 |
| 139 971 640 | 109 962 150 | 30 009 490 | Electricity Distribution | 163 500 267 | 124 361 654 | 39 138 613 |
| 663 973 | 5 462 088 | (4 798 115) | Street Lighting | 681 622 | 5 439 967 | (4 758 345) |
| 574 263 600 | 426 740 327 | 147 523 273 | Sub-Total | 585 356 637 | 470 491 620 | 114 865 017 |
| (68 308 392) | (68 308 392) | - | <i>Less: Inter-Departmental Charges</i> | (69 150 567) | (69 150 567) | |
| 505 955 208 | 358 431 935 | 147 523 273 | Total | 516 206 070 | 401 341 053 | 114 865 017 |

APPENDIX E
ACTUAL OPERATING VERSUS BUDGET
for the year ended 30 June 2008

| | 2008 Actual R | 2008 Budget R | 2008 Variance R | 2008 Variance % | Explanations of significant variances greater than 10% versus budget |
|---|---------------------|---------------------|-----------------------|-----------------------|--|
| REVENUE | | | | | |
| Property rates | 99 143 999 | 98 250 390 | 893 609 | 0,91 | |
| Service charges : Electricity | 131 875 561 | 130 903 231 | 972 330 | 0,74 | |
| Refuse removal | 18 283 405 | 18 168 511 | 114 894 | 0,63 | |
| Sewerage | 19 243 332 | 19 130 743 | 112 589 | 0,59 | |
| Water | 29 988 487 | 30 995 739 | (1 007 252) | (3,25) | |
| Rental of facilities and equipment | 1 705 266 | 1 602 617 | 102 649 | 6,41 | |
| Interest earned – external investments | 46 261 299 | 29 500 000 | 16 761 299 | 56,82 | Surplus cash invested at higher interest rates than expected. |
| Interest earned – outstanding debtors | 2 112 732 | 2 089 399 | 23 333 | 1,12 | |
| Fines | 3 638 936 | 2 662 304 | 976 632 | 36,68 | More summonses issued/effective procedures introduced at court to streamline income. |
| Licensing & permits | 4 240 758 | 3 559 200 | 681 558 | 19,15 | Increase in licensing fees resulted in more revenue. |
| Revenue for agency services | 5 544 491 | 4 400 000 | 1 144 491 | 26,01 | Increase in licensing fees resulted in more revenue which realised as commission. |
| Government grants & subsidies – operating | 41 893 680 | 45 775 185 | (3 881 505) | (8,48) | |
| Government grants & subsidies – capital | 24 126 548 | 32 448 454 | (8 321 906) | (25,65) | INEP grant not fully utilised due to rolled over projects as well as first quarter MIG expenditure which did not realise as planned. |
| Public contributions, donated and contributed property, plant and equipment | 9 149 384 | 35 586 978 | (26 437 594) | (74,29) | Projects from NDM did not realise as budgeted for. |
| Other revenue | 77 501 416 | 57 520 663 | 19 980 753 | 34,74 | Higher revenue realised as a result of sale of erven. |
| Gains on disposal of property, plant & equipment | 393 132 | 250 000 | 143 132 | 57,25 | Higher income than expected realised from the two auctions held for the sale of redundant assets. |
| Total Revenue | 515 102 426 | 512 843 414 | 2 259 012 | 0,44 | |

APPENDIX E
ACTUAL OPERATING VERSUS BUDGET
for the year ended 30 June 2008

| | 2008 Actual R | 2008 Budget R | 2008 Variance R | 2008 Variance % | Explanations of significant variances greater than 10% versus budget |
|---|---------------------|---------------------|-----------------------|-----------------------|--|
| EXPENDITURE | | | | | |
| Employee related costs | 137 386 709 | 143 698 055 | (6 311 346) | (4,39) | |
| Remuneration of councillors | 9 415 656 | 9 838 320 | (422 664) | (4,30) | |
| Bad debts | 2 904 330 | 2 904 330 | - | - | |
| Collection costs | 49 263 | 130 000 | (80 737) | (62,11) | Legal costs are recovered from defaulters handed over for legal action or collection of arrears. |
| Depreciation | 52 021 327 | 53 259 526 | (1 238 199) | (2,32) | |
| Repairs & maintenance | 27 244 763 | 28 858 353 | (1 613 590) | (5,59) | |
| Interest of external borrowings | 17 160 253 | 16 709 085 | 451 168 | 2,70 | |
| Bulk purchases : Electricity | 77 601 486 | 77 906 034 | (304 548) | (0,39) | |
| Water | 2 271 056 | 3 739 720 | (1 468 664) | (39,27) | Limited water consumption at Hendrina/Kwaza as a result of water restrictions. Thus saving of expenditure. |
| Contracted services | 9 774 987 | 11 196 405 | (1 421 418) | (12,70) | Savings realised on the costs of security and cleaning services and services : private contracts. |
| Grants & subsidies paid | 1 606 806 | 1 787 000 | (180 194) | (10,08) | In terms of Councils policy, grants can only be paid to registered umbrella organisations. Not all the organisations which were budgeted for, managed to register. This resulted in less grants and subsidies paid. |
| General expenses | 54 265 066 | 63 992 490 | (9 727 424) | (15,20) | Savings realised on inventory of saleable land, town planning costs, consulting fees, transport allowances, purification materials, inventory items, ward committees, skills development, MIG business plan, meter inspections and bursaries to personnel. |
| Loss on disposal of property, plant & equipment | 91 219 | - | 91 219 | 100,00 | Damaged and redundant items written off through the annual auction. |
| Contributions to/(transfers from) provisions | 9 548 131 | 1 016 808 | 8 531 323 | 839,03 | Additional contribution for post employment, medical aid benefits made in accordance with actuarial assessment. |

| | | | | |
|------------------------------------|-------------|-------------|--------------|--------|
| Total Expenditure | 401 341 052 | 415 036 126 | (13 695 074) | (3,30) |
| NET SURPLUS/(DEFICIT) FOR THE YEAR | 113 761 374 | 97 807 288 | 15 954 086 | 16,31 |

APPENDIX F
ACTUAL CAPITAL VERSUS BUDGET
Acquisition of Property, Plant and Equipment
for the year ended 30 June 2008

| | 2008 Actual R | 2008 Under Construction R | 2008 Total Additions R | 2008 Budget R | 2008 Variance R | 2008 Variance % | Explanations of significant variances greater than 5% versus budget |
|-------------------------------------|------------------------------|--|---|------------------------------|--------------------------------|--------------------------------|--|
| EXECUTIVE & COUNCIL | 632 619 | - | 632 619 | 1 496 200 | (863 581) | (57,72) | |
| Executive & Council | 632 619 | - | 632 619 | 1 496 200 | (863 581) | (57,72) | Purchasing of executive support vehicle rolled over to 2008/2009. |
| FINANCE & ADMINISTRATION | 7 018 271 | 74 665 | 7 092 936 | 10 855 667 | (3 762 731) | (34,66) | |
| Finance | 1 376 495 | 20 015 | 1 396 510 | 982 000 | 414 510 | 42,21 | Computer equipment from IT department transferred. MSIG funding utilised for capital expenditure. |
| Information Technology | 2 827 196 | - | 2 827 196 | 4 134 556 | (1 307 360) | (31,62) | Project for radio communication rolled over to 2008/2009. Computer assets purchased on behalf of other departments. |
| Human Resources | 156 156 | - | 156 156 | 164 520 | (8 364) | (5,08) | Saving on finger print readers for computerised clocking system. |
| Property Services | 1 662 362 | 54 650 | 1 717 012 | 3 782 240 | (2 065 228) | (54,60) | Projects for erecting a MPCC at Doornkop, pounding storage building and upgrading entrance at service centre rolled over to 2008/2009. |
| Other & Admin | 996 062 | - | 996 062 | 1 792 351 | (796 289) | (44,43) | Projects to purchase a new telephone system and erect new town entrance boards rolled over to 2008/2009. |
| PLANNING & DEVELOPMENT | 2 336 983 | - | 2 336 983 | 5 909 744 | (3 572 761) | (60,46) | |
| Local Economic Development | 1 204 881 | - | 1 204 881 | 1 148 804 | 56 077 | 4,88 | |
| Town Planning | 1 132 102 | - | 1 132 102 | 4 760 940 | (3 628 838) | (76,22) | Township establishment projects from own funds rolled over to 2008/2009. NDM funded projects did not realise. |
| ROAD TRANSPORT | 40 997 827 | 3 672 437 | 44 670 264 | 59 268 263 | (14 597 999) | (24,63) | |
| Vehicle Licensing & Testing | 820 865 | - | 820 865 | 1 245 200 | (424 335) | (34,08) | Project to purchase wheel alignment equipment rolled over to 2008/2009. Savings on other related testing equipment purchased. |
| Roads & Stormwater | 40 176 962 | 3 672 437 | 43 849 399 | 58 023 063 | (14 173 664) | (24,43) | Various roads and storm water projects funded by NDM did not realise. MIG project on tarring streets in Kwazamokuhle rolled over to 2008/2009. |

APPENDIX F
ACTUAL CAPITAL VERSUS BUDGET
Acquisition of Property, Plant and Equipment
for the year ended 30 June 2008

| | 2008 Actual R | 2008 Under Construction R | 2008 Total Additions R | 2008 Budget R | 2008 Variance R | 2008 Variance % | Explanations of significant variances greater than 5% versus budget |
|--|------------------------------|--|---|------------------------------|--------------------------------|--------------------------------|--|
| HEALTH | 216 617 | 2 835 435 | 3 052 052 | 4 134 491 | (1 082 439) | (26,18) | |
| Clinics | 183 114 | 2 336 510 | 2 519 624 | 3 437 360 | (917 736) | (26,70) | Project for building clinic and MPCC in Tokologo rolled over to 2008/2009. |
| Health Other | 33 503 | 498 925 | 532 428 | 697 131 | (164 703) | (23,63) | Purchase of various air pollution equipment rolled over to 2008/2009. |
| COMMUNITY & SOCIAL SERVICES | 3 873 725 | 1 838 304 | 5 712 029 | 35 048 160 | (29 336 132) | (83,70) | |
| Libraries & Archives | 1 049 998 | - | 1 049 998 | 1 027 595 | 22 403 | 2,18 | Upgrade garage for Pullenshope library rolled over to 2008/2009. Finance leased equipment not budgeted for, saving on computer software. |
| Community Halls & Facilities | 2 597 959 | 1 838 304 | 4 436 263 | 33 300 015 | (28 863 752) | (86,68) | Erection of new banquet hall rolled over to 2008/2009. |
| Cemeteries & Crematoriums | 225 768 | - | 225 768 | 720 550 | (494 782) | (68,67) | Develop cemeteries rural rolled over to 2008/2009. |
| PUBLIC SAFETY | 3 375 130 | 1 972 627 | 5 347 757 | 9 108 321 | (3 760 564) | (41,29) | |
| Fire | 2 404 203 | 1 210 000 | 3 614 203 | 5 536 834 | (1 922 631) | (34,72) | Project for purchasing of fire engine rolled over to 2008/2009. |
| Traffic | 970 927 | 762 627 | 1 733 554 | 3 571 487 | (1 837 933) | (51,46) | Various projects for traffic lights, purchasing motor cycles and speed equipment rolled over to 2008/2009. |
| SPORT & RECREATION | 2 364 209 | 363 845 | 2 728 054 | 3 873 272 | (1 145 218) | (29,57) | |
| Sport & Recreation | 2 364 209 | 363 845 | 2 728 054 | 3 873 272 | (1 145 218) | (29,57) | Project for refurbishment of Hendrina/Kwaza sport and Kees Taljaard swimming pool, development of park erven rolled over to 2008/2009. Savings on various projects. |
| WASTE WATER MANAGEMENT | 2 409 064 | 1 042 179 | 3 451 243 | 20 211 889 | (16 760 646) | (82,92) | |
| Sewerage | 2 409 064 | 1 042 179 | 3 451 243 | 20 211 889 | (16 760 646) | (82,92) | Various sewer projects funded by NDM did not realise. Upgrading Boskrans, outfall sewer, biological toilets and reticulation of sewer in rural areas rolled over to 2008/2009. |

APPENDIX F
ACTUAL CAPITAL VERSUS BUDGET
Acquisition of Property, Plant and Equipment
for the year ended 30 June 2008

| | 2008 Actual R | 2008 Under Construction R | 2008 Total Additions R | 2008 Budget R | 2008 Variance R | 2008 Variance % | Explanations of significant variances greater than 5% versus budget |
|--------------------------|------------------------------|--|---|------------------------------|--------------------------------|--------------------------------|--|
| WASTE MANAGEMENT | 2 044 672 | 170 014 | 2 214 686 | 2 785 000 | (570 314) | (20,48) | |
| Solid Waste | 2 044 672 | 170 014 | 2 214 686 | 2 785 000 | (570 314) | (20,48) | Savings on various projects. |
| HOUSING | 834 744 | - | 834 744 | 867 600 | (32 856) | (3,79) | |
| Housing | 834 744 | - | 834 744 | 867 600 | (32 856) | (3,79) | |
| WATER | 5 320 364 | 249 696 | 5 570 060 | 23 840 482 | (18 270 422) | (76,64) | |
| Water Distribution | 4 587 021 | 179 697 | 4 766 718 | 22 531 070 | (17 764 352) | (78,84) | NPAG & NDM funded projects did not realise. Various water distribution projects rolled over 2008/2009. |
| Water Storage | 733 343 | 69 999 | 803 342 | 1 309 412 | (506 070) | (38,65) | Replace valves in bulk supply lines project rolled over to 2008/2009. Savings on various projects. |
| ELECTRICITY | 24 169 005 | 11 213 641 | 35 382 646 | 80 585 465 | (45 202 819) | (56,09) | |
| Electricity Distribution | 22 904 645 | 11 029 797 | 33 934 442 | 76 891 410 | (42 956 968) | (55,87) | Various electricity projects rolled over to 2008/2009 due to timeframes relating to delivery of equipment. Counter funding for Kwazamokuhle did not realise. Various electrical distribution infrastructure and equipment projects rolled over to 2008/2009. |
| Street Lighting | 1 264 360 | 184 844 | 1 448 204 | 3 694 055 | (2 245 851) | (60,80) | High mast at Doornkop funded by MIG and various street light projects rolled over to 2008/2009. |
| TOTAL | 95 593 229 | 23 432 843 | 119 026 072 | 257 984 554 | (138 958 482) | (53,86) | |

APPENDIX G
DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|---------------------------|-------------------------------------|---|
| July 2007 | | | |
| Public Relations | Herald | 2 070,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 4 828,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Expo Manufacturing | 2 325,60 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Government Printing Works | 1 124,26 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Government Printing Works | 10 519,33 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Success Maintenance | 50 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Section Poles | 30 723,00 | Section 36(1)(a)(ii) – single provider. |
| Municipal Buildings | GJ Electrical | 4 845,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Procol Engineering | 2 585,52 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Protea Frames | 580,43 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Raslo Sound Production | 6 400,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 1 185,60 | Section 36(1)(a)(ii) – single provider. |
| Licensing | Domestic Lock & Safe | 2 007,31 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Middelburg Nissan | 1 507,35 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Middelburg Nissan | 1 404,64 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Motomid | 692,54 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | Raslo Sound Production | 1 600,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 2 131,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | LSS Samsung | 12 097,65 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 2 786,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Sowetan | 1 304,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Sowetan | 1 304,00 | Section 36(1)(a)(ii) – single provider. |

APPENDIX G
DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|---------------------------|-------------------------------------|---|
| Town Secretary | Sowetan | 1 407,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 1 380,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 5 520,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 1 380,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 2 500,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 2 500,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 2 500,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 2 096,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | Herald | 2 070,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 4 828,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Expo Manufacturing | 2 325,60 | Section 36(1)(a)(i) – emergency case. |
| August 2007 | | | |
| Municipal Buildings | Sabre Glass & Aluminium | 6 940,49 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Aquatronics | 1 633,58 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Traffic Signal | 20 639,70 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Wesco Construction | 822,73 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | South African Post Office | 1 244,00 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Peak Power Trading | 590 976,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Setec cc | 10 000,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | ABB South Africa | 6 203,88 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Van Wettens | 1 500,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Solly's Delta Middelburg | 862,54 | Section 36(1)(a)(ii) – single provider. |
| Licensing | Nashua | 1 445,42 | Section 36(1)(a)(ii) – single provider. |

APPENDIX G
DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|------------------------------|-------------------------------------|---|
| August 2007 | | | |
| Human Resources | BMTN Business Solution | 22 458,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Electra Highveld | 13 084,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Tools Direct | 355,00 | Section 36(1)(a)(v) – exceptional case. |
| Finance | Coin Security Group | 729,60 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Sizanani Plumbers | 18 980,00 | Section 36(1)(a)(i) – emergency case. |
| Town Planning | Johan Meiring Land Surveyors | 11 286,00 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Lekwa Fire Equipment | 2 884,20 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Magna FS | 95 203,68 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Landrover Witbank | 4 108,74 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Crane Fly Trading | 26 000,00 | Section 36(1)(a)(i) – emergency case. |
| Executive Mayor | Mc Carthy Kunene Witbank | 1 014,18 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Herald | 5 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Ugesi Training | 57 200,00 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Knowledge Base | 17 680,00 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste Disposal | Wesco Construction | 1 824,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Alta Swanepoel & Associates | 20 689,32 | Section 36(1)(a)(v) – exceptional case. |
| Health | River Queen Trading | 2 578,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Electra Highveld | 5 067,00 | Section 36(1)(a)(i) – emergency case. |
| Health | Herald | 1 105,80 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Duplex Liquid Meter | 12 465,00 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Midvaal Engineering | 1 000,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Repair Com | 3 819,00 | Section 36(1)(a)(ii) – single provider. |

APPENDIX G
DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|----------------------------|----------------------------|-------------------------------------|---|
| Supply Chain Unit - Stores | Electro Field Services | 2 290,00 | Section 36(1)(a)(i) – emergency case. |
| Supply Chain Unit - Stores | Conlog | 24 000,00 | Section 36(1)(a)(ii) – single provider. |
| September 2007 | | | |
| Civil Engineering | Electra Highveld | 2 525,10 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Procol Engineering | 3 148,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Sudchemie | 77 250,00 | Section 36(1)(a)(i) – emergency case. |
| Licensing | Vari Print System | 20 588,40 | Section 36(1)(a)(i) – emergency case. |
| Health | Sanumed Health Care | 5 046,21 | Section 36(1)(a)(ii) – single provider. |
| Health | Sanumed Health Care | 5 046,21 | Section 36(1)(a)(ii) – single provider. |
| Health | Best Care Medical Supplies | 4 068,24 | Section 36(1)(a)(ii) – single provider. |
| Health | Hemocue SA (Pty) Ltd | 1 480,47 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Motomid | 6 023,81 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Middelburg Airbrakes | 17 918,61 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Wesco Construction | 456,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Midvaal Engineering | 6 599,47 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Rheochem | 38 330,00 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Marce Fft | 9 211,45 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Marce Fft | 24 759,19 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Nsueweni Trading | 37 863,75 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Mpumalanga Mirror | 19 574,84 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | Pearl Coral 4 | 11 400,00 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | OH Frewin | 66 969,30 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 2 223,00 | Section 36(1)(a)(v) – exceptional case. |

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DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|---------------------------|-------------------------------------|---|
| September 2007 | | | |
| Civil Engineering | Rheochem | 38 330,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | University Western Cape | 2 900,00 | Section 36(1)(a)(ii) – single provider. |
| Finance | Lexis Nexis | 3 091,56 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Barloworld Toyota | 1 356,87 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Build Again Project 410 | 57 000,00 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Digicore Fleet Management | 225 147,72 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Barloworld Toyota | 1 269,83 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 4 485,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | Herald | 2 156,00 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Midvaal Engineering | 4 223,67 | Section 36(1)(a)(v) – exceptional case. |
| October 2007 | | | |
| Licensing | Prodiba | 6 693,03 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Midvaal Engineering | 2 643,80 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Middelburg Airbrakes | 768,10 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Wesco Construction | 1 039,80 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Middelburg Brake & Clutch | 14 014,81 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | WAP Middelburg | 942,78 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Middelburg Airbrakes | 6 510,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Government Printing | 657,46 | Section 36(1)(a)(i) – emergency case. |
| Technical & Facilities | Xerox | 2 511,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Coin Security Group | 3 226,20 | Section 36(1)(a)(i) – emergency case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|-----------------------------|-------------------------------------|---|
| October 2007 | | | |
| Solid Waste | Middelburg Nissan | 761,00 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Bell Equipment SA (Pty) Ltd | 1 842,20 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Barlworld Equipment | 2 383,48 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Bell Equipment SA (Pty) Ltd | 649,91 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Barloworld Toyota | 1 213,93 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Middelburg Power Supplier | 644,00 | Section 36(1)(a)(i) – emergency case. |
| Information Technology | Open Spatial Solutions | 9 296,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Fire Raiders | 2 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Wesco Construction | 640,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Hoëveld Radiators | 809,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Middelburg Nissan | 13 656,15 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | LSS Samsung | 11 137,80 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Power Pump Engineering | 33 328,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Solly's Delta Middelburg | 1 500,22 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Middelburg Nissan | 402,42 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Midvaal Engineering | 1 368,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Middelburg Nissan | 425,22 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Mc Carthy Kunene Witbank | 3 000,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Verotest | 39 755,93 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Solly's Delta Middelburg | 4 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Supplycor cc | 81 780,41 | Section 36(1)(a)(v) – exceptional case. |

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DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|------------------------|-------------------------------------|---|
| October 2007 | | | |
| Civil Engineering | JMPL System | 4 760,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Siemens | 11 026,40 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Midvaal Engineering | 1 350,48 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Shakaina Wood cc | 78 660,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Nsueweni Trading | 16 830,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Middelburg Nissan | 609,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Huber Technology | 17 000,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Autento | 2 400,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Herald | 1 573,20 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 3 067,76 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 1 101,24 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Scorpion Security | 54 600,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Note Counter SA | 4 500,00 | Section 36(1)(a)(ii) – single provider. |
| Finance | Cirrus Techvue | 3 762,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Lekwa Fire Equipment | 3 850,00 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Build Again Projects | 57 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Weber Hydraulic Africa | 29 848,34 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Surgetek | 18 852,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Sudchemie | 77 250,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Sudchemie | 38 625,00 | Section 36(1)(a)(i) – emergency case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|---------------------------|-------------------------------------|---|
| November 2007 | | | |
| Traffic & Security | Bavarian Motor Cycles | 1 363,06 | Section 36(1)(a)(ii) – single provider. |
| Human Resources | Skycom (Pty) Ltd | 18 807,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 5 180,00 | Section 36(1)(a)(v) – exceptional case. |
| Finance | Digicore Fleet Management | 1 115,15 | Section 36(1)(a)(v) – exceptional case. |
| Finance | Midveld Stationery | 1 316,70 | Section 36(1)(a)(v) – exceptional case. |
| Finance | Contour Technologies Pty | 79 800,00 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | High Pressure Systems | 11 979,07 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | CJ Labuschagne | 4 295,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Barlows Toyota Middelburg | 1 890,11 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Eastvaal Auto & Tractor | 1 033,09 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Midvaal Engineering | 17 180,81 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Secunda Turf | 4 200,00 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Secunda Turf | 1 373,05 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Motomid | 3 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Mpumalanga Mirror | 6 692,26 | Section 36(1)(a)(v) – exceptional case. |
| Information Technology | Opel Spatial Solution | 65 387,84 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Sowetan | 2 371,20 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Green Sands | 8 310,00 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Middelburg Nissan | 3 284,27 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | GRS Thebe Medical | 7 332,00 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Middelburg Nissan | 456,00 | Section 36(1)(a)(v) – exceptional case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|------------------------------|-------------------------------------|---|
| November 2007 | | | |
| Electrical Engineering | ABB South Africa | 5 453,00 | Section 36(1)(a)(v) – exceptional case. |
| LED | Impala Glass & Omheining | 13 137,84 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Rescue Rod | 13 650,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Herald | 9 108,00 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 9 856,00 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 10 041,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Motomid | 2 398,59 | Section 36(1)(a)(ii) – single provider. |
| Finance | Marius Britz | 980,00 | Section 36(1)(a)(ii) – single provider. |
| Finance | Contour Technologies | 1 050,00 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | MM Anderson | 8 658,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | MM Anderson | 8 658,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Makamanhlapo Construction | 15 583,80 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Ugesi Training | 8 000,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Wesco Construction | 600,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Highveld Radiators | 790,00 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Bell Equipment | 706,91 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Middelburg Nissan | 1 097,16 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | De Graaf | 360,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Yeltech Witbank | 5 498,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | FG Uniforms | 28 178,80 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Automotor Traffic Signal | 63 520,80 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Barloworld Toyota Middelburg | 3 947,65 | Section 36(1)(a)(ii) – single provider. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|----------------------------|-------------------------------------|---|
| November 2007 | | | |
| Finance | Lethotech Sales Pretoria | 8 703,03 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Power Pump Engineering | 17 425,00 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Middelburg Nissan | 532,95 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Welgro | 845,80 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Propshaft & Gearbox Centre | 2 003,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Herald | 8 418,00 | Section 36(1)(a)(i) – emergency case. |
| Information Technology | TGIS | 49 432,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | MI Masombuka | 1 560,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Digicore | 2 208,72 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Digicore | 2 060,15 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Digicore | 5 000,00 | Section 36(1)(a)(i) – emergency case. |
| Executive Mayor | Mpumalanga Mirror | 6 692,26 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Aquatronics | 17 540,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Retrospective Trading | 7 500,00 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Eastvaal Auto & Tractor | 846,45 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Automotor Traffic Signal | 7 204,80 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Middelburg Nissan | 1 179,60 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 2 495,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Middelburg Car Radio | 980,10 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Herald | 7 383,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Cirrus Techvue | 1 140,00 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Big Time Sealing | 410,40 | Section 36(1)(a)(i) – emergency case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|-----------------------------------|-------------------------------------|---|
| December 2007 | | | |
| Information Technology | Digicore Management | 8 871,38 | Section 36(1)(a)(ii) – single provider. |
| Information Technology | TGIS | 7 464,72 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Middelburg Boerdery | 4 253,47 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 20 428,80 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Verotest | 38 426,88 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Ugesi Training | 8 550,00 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Global Cleaning Services | 7 800,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Sizonke Auto Components | 4 924,80 | Section 36(1)(a)(i) – emergency case. |
| Finance | Middelburg Masiteng Meter Reading | 10 200,00 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Electra | 541,50 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Truvelo Manufacturer | 4 675,64 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Truvelo Manufacturer | 3 233,65 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Truvelo Manufacturer | 5 937,67 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Zanezi Electronics | 18 661,80 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Middelburg Air Brakes | 4 401,35 | Section 36(1)(a)(i) – emergency case. |
| Finance | Fidelity Cash Management | 2 644,80 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Automotor Traffic Signal | 15 067,38 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Zanezi Electronics | 5 065,70 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Mpumalanga Dumo Projects | 15 614,36 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Middelburg Nissan | 1 453,80 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Procol Engineering | 8 037,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Hazard Bonako | 49 899,95 | Section 36(1)(a)(i) – emergency case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|-----------------------------|-------------------------------------|---|
| December 2007 | | | |
| Civil Engineering | Afrilab | 9 848,46 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Afrilab | 10 424,16 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Motomid | 606,70 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Thermadyne | 576,92 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Solly's Delta Middelburg | 2 116,03 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Aquatronics | 199 294,80 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Setec | 15 390,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Power Pump Engineering | 44 295,00 | Section 36(1)(a)(i) – emergency case. |
| Information Technology | Onsoft | 19 516,80 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Mc Carthy Kunene Witbank | 3 173,74 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Mc Carthy Kunene Witbank | 916,45 | Section 36(1)(a)(i) – emergency case. |
| Municipal Buildings | Nijinka Botes | 9 120,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Electra Highveld | 1 197,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Contour Technologies | 2 052,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Global Transformer Services | 3 763,71 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Power Pump Engineering | 31 942,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Peak Power Trading | 418 152,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Verotest | 5 000,00 | Section 36(1)(a)(v) – exceptional case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|------------------------------|-------------------------------------|---|
| January 2008 | | | |
| Town Secretary | Herald | 3 351,60 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Barlows Equipment | 9 653,17 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Eastvaal Auto & Tractor | 1 169,72 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Barlows Equipment | 4 780,19 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Komatsu SA | 1 177,19 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Eastvaal Auto & Tractor | 890,46 | Section 36(1)(a)(ii) – single provider. |
| Information Technology | Micromation Systems | 24 339,00 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Makamanhlapo Construction | 14 227,20 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Ugesi Training | 5 016,00 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Solly's Delta | 500,00 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Middelburg Airbrakes | 6 740,23 | Section 36(1)(a)(i) – emergency case. |
| Parks & Recreation | Middelburg Nissan | 1 319,00 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 4 851,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Herald | 4 480,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Herald | 1 637,00 | Section 36(1)(a)(v) – exceptional case. |
| Information Technology | Dax Data | 4 629,54 | Section 36(1)(a)(v) – exceptional case. |
| Licensing | Mid Alarms | 15 500,00 | Section 36(1)(a)(v) – exceptional case. |
| Library | Early Readers | 82 147,87 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Build Again Project 410 | 114 000,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Zintombi Zimele Construction | 13 965,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Midvaal Engineering | 3 085,11 | Section 36(1)(a)(v) – exceptional case. |

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| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------------------|------------------------------|-------------------------------------|---|
| January 2008 | | | |
| Parks & Recreation | Thermadyne | 1 062,29 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Kutana Hydraulics | 426,26 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Manair (Pty) Ltd | 5 388,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Zanezi Electronics | 41 040,00 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Isazi Engineering | 5 312,40 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Isazi Engineering | 1 368,00 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | Mpumalanga Mirror | 10 640,73 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | Herald News | 5 508,00 | Section 36(1)(a)(v) – exceptional case. |
| Licensing | Prodiba | 8 930,23 | Section 36(1)(a)(ii) – single provider. |
| Library | Zintombi Zimele Construction | 75 126,00 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Coastal Hire | 1 200,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Middelburg Power Supplies | 423 000,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Aquatronics | 2 722,50 | Section 36(1)(a)(i) – emergency case. |
| Housing | Mechanibike | 2 188,00 | Section 36(1)(a)(ii) – single provider. |
| Housing | Mechanibike | 3 449,64 | Section 36(1)(a)(ii) – single provider. |
| Housing | Mechanibike | 2 082,00 | Section 36(1)(a)(ii) – single provider. |
| Housing | Mechanibike | 2 228,70 | Section 36(1)(a)(ii) – single provider. |
| Licensing | Coin Security Group | 3 306,00 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Boat Clinic | 1 450,00 | Section 36(1)(a)(i) – emergency case. |
| Fire & Rescue | Motomid | 1 281,48 | Section 36(1)(a)(v) – exceptional case. |
| Public Relations | LSS Samsung | 20 428,80 | Section 36(1)(a)(ii) – single provider. |

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| | | Amount | |
|--|--|---------------|--|
| | | | |

| Department | Supplier | (VAT incl.) R | Reason for deviation |
|------------------------|---------------------------|--------------------------|---|
| January 2008 | | | |
| Public Relations | LSS Samsung | 34 108,00 | Section 36(1)(a)(ii) – single provider. |
| February 2008 | | | |
| Library | Early Readers cc | 82 147,87 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Grizzl Engineering | 3 192,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Electra Highveld | 7 324,85 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | OH Frewin Printers | 2 508,00 | Section 36(1)(a)(i) – emergency case. |
| Library | World Books | 17 645,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Electra Highveld | 475,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | listru-Serve | 6 380,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Electra Highveld | 5 066,50 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | Mpumalanga Mirror | 3 546,92 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Herald | 7 299,40 | Section 36(1)(a)(v) – exceptional case. |
| Information Technology | TGIS | 2 109,00 | Section 36(1)(a)(ii) – single provider. |
| Housing | Mechanibike | 1 256,28 | Section 36(1)(a)(i) – emergency case. |
| Health | Hemocue SA (Pty) Ltd | 5 529,02 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Government Printing Works | 3 748,49 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 1 793,45 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Solly's Delta | 1 203,87 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Lexis Nexis Butterworths | 5 640,42 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Sowetan | 2 800,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Power Pump Engineering | 35 175,00 | Section 36(1)(a)(i) – emergency case. |

APPENDIX G

DEVIATION FROM PROCUREMENT PROCESSES

**Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) | Reason for deviation |
|-------------------|-----------------|-------------------------------|-----------------------------|
|-------------------|-----------------|-------------------------------|-----------------------------|

| | | R | |
|----------------------|---------------------------|------------|---|
| February 2008 | | | |
| Civil Engineering | Power Pump Engineering | 38 370,00 | Section 36(1)(a)(i) – emergency case. |
| Finance | Contour Technologies | 385 622,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | LSS Samsung | 2 736,00 | Section 36(1)(a)(v) – exceptional case. |
| Parks & Recreation | Lambson's | 2 416,80 | Section 36(1)(a)(i) – emergency case. |
| Health | Hemocue SA (Pty) Ltd | 4 663,47 | Section 36(1)(a)(ii) – single provider. |
| Parks & Recreation | Plant Operandi | 910,90 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | LSS Samsung | 9 975,00 | Section 36(1)(a)(i) – emergency case. |
| Housing | Mechanibike | 3 706,94 | Section 36(1)(a)(i) – emergency case. |
| Licensing | Government Printing Works | 9 108,60 | Section 36(1)(a)(ii) – single provider. |
| Traffic & Security | Automotor Traffic Signals | 34 082,58 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Setec cc | 8 173,80 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Nsueweni Trading | 15 389,49 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Nsueweni Trading | 46 072,60 | Section 36(1)(a)(i) – emergency case. |
| Public Relations | Herald | 1 400,00 | Section 36(1)(a)(v) – exceptional case. |
| March 2008 | | | |
| Public Relations | Herald | 1 400,00 | Section 36(1)(a)(v) – exceptional case. |
| Town Secretary | Optiplan | 8 521,50 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Government Printing Works | 2 248,00 | Section 36(1)(a)(ii) – single provider. |
| Fire & Rescue | Fire Raiders | 7 781,87 | Section 36(1)(a)(v) – exceptional case. |
| Finance | Optiplan | 1 659,95 | Section 36(1)(a)(ii) – single provider. |
| Finance | Payday Software System | 33 055,06 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Citizen | 5 700,00 | Section 36(1)(a)(v) – exceptional case. |

APPENDIX G
DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) | Reason for deviation |
|-------------------|-----------------|-------------------------------|-----------------------------|
|-------------------|-----------------|-------------------------------|-----------------------------|

| | | R | |
|------------------------|------------------------------|-----------|---|
| March 2008 | | | |
| Traffic & Security | Solly's Delta | 2 902,76 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Brightstar Security Services | 6 705,95 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Brightstar Security Services | 98 047,31 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Siemens | 19 790,80 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | DLM | 15 658,00 | Section 36(1)(a)(ii) – single provider. |
| Civil Engineering | Silica Quartz | 5 386,25 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | PJ Technologies cc | 7 810,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | LSS Samsung | 7 387,20 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | FG Uniforms | 11 438,70 | Section 36(1)(a)(i) – emergency case. |
| Licensing | Mindmuzik Media (Pty) Ltd | 9 903,46 | Section 36(1)(a)(i) – emergency case. |
| Library | World Books | 13 819,00 | Section 36(1)(a)(iii) – special arts. |
| Civil Engineering | JMPL System & Consulting | 18 550,00 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Nsueweni Trading | 46 158,60 | Section 36(1)(a)(i) – emergency case. |
| Civil Engineering | Sebenzani Trading 94 | 31 141,95 | Section 36(1)(a)(i) – emergency case. |
| Information Technology | Panasonic Business Systems | 1 024,86 | Section 36(1)(a)(ii) – single provider. |
| Finance | Consolidated African Tech | 41 975,94 | Section 36(1)(a)(ii) – single provider. |
| Electrical Engineering | Nu-Lec Africa (Pty) Ltd | 5 000,00 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Automotor Traffic Signal | 63 520,00 | Section 36(1)(a)(ii) – single provider. |
| Public Relations | LSS Samsung | 5 358,00 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Zintombi Zimele Security | 13 965,00 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Mid Alarms | 9 285,00 | Section 36(1)(a)(v) – exceptional case. |

APPENDIX G

DEVIATION FROM PROCUREMENT PROCESSES

**Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
|-------------------|-----------------|-------------------------------------|-----------------------------|

| | | | |
|------------------------|---------------------------------|--------------|---|
| March 2008 | | | |
| Electrical Engineering | Solly's Delta | 2 593,57 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | ESC High Voltage Gear | 6 589,20 | Section 36(1)(a)(i) – emergency case. |
| Licensing | Department of Roads & Transport | 24 312,70 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Middelburg Air Brakes | 11 472,87 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Middelburg Air Brakes | 11 472,87 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Wesco Construction | 1 267,78 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | De Graaf Under Car | 1 625,00 | Section 36(1)(a)(i) – emergency case. |
| Library | Maskew Miller Longman | 3 154,30 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Propshaft & Gearbox | 704,52 | Section 36(1)(a)(i) – emergency case. |
| Town Secretary | Government Printing Works | 328,73 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Lexis Nexis Butterworths | 4 823,10 | Section 36(1)(a)(ii) – single provider. |
| Town Secretary | Herald | 12 520,00 | Section 36(1)(a)(v) – exceptional case. |
| Property Valuation | Marius Britz | 10 437,50 | Section 36(1)(a)(v) – exceptional case. |
| Fire & Rescue | Barloworld Toyota Middelburg | 1 625 364,00 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Middelbug Nissan | 5 672,09 | Section 36(1)(a)(v) – exceptional case. |
| Traffic & Security | Spray Air and Power | 3 693,60 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Road Fix International | 105 336,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Middelbug Nissan | 3 865,77 | Section 36(1)(a)(v) – exceptional case. |
| Electrical Engineering | Elman Houtwerke | 2 562,00 | Section 36(1)(a)(i) – emergency case. |
| Electrical Engineering | Nsueweni Trading | 41 365,41 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Middelbug Nissan | 1 264,34 | Section 36(1)(a)(v) – exceptional case. |

APPENDIX G

**DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| March 2008 | | | |

| | | | |
|------------------------|--------------------------------|-----------|---|
| Information Technology | Marius Britz | 1 250,00 | Section 36(1)(a)(v) – exceptional case. |
| Civil Engineering | Kwezi V3 Engineering | 11 000,00 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Tidas Training and Instruction | 9 063,00 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Steiner Hygiene | 3 032,40 | Section 36(1)(a)(ii) – single provider. |
| Solid Waste | Middelburg Air Brakes | 1 018,36 | Section 36(1)(a)(i) – emergency case. |
| Health | Ikebana Appliances Services | 763,80 | Section 36(1)(a)(i) – emergency case. |
| Traffic & Security | Zanezi Electronics | 61 560,00 | Section 36(1)(a)(v) – exceptional case. |
| Solid Waste | Build Again Project 410 | 14 250,00 | Section 36(1)(a)(i) – emergency case. |
| Solid Waste | Build Again Project 410 | 57 000,00 | Section 36(1)(a)(i) – emergency case. |
| April 2008 | | | |
| Civil Engineering | NKP Consulting Engineering | 41 633,45 | Section 36(1)(a)(i) - emergency case. |
| Town secretary | Herald | 4 608,00 | Section 36(1)(a)(v) - exceptional case. |
| Human Resources | Digicore Fleet Management | 9 690,00 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | Solotrix Logistics | 830,00 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Herald | 1 090,98 | Section 36(1)(a)(v) - exceptional case. |
| Town Secretary | Government Printing Works | 854,43 | Section 36 (1)(a)(v) - exceptional case . |
| Town Secretary | Mpumalanga Mirror | 3 546,92 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | DA Ncongwane Attorneys | 31 873,96 | Section 36 (1)(a)(v) - exceptional case. |
| Information Technology | Open Spatial Solution | 1 140,00 | Section 36(1)(a)(ii) - single provider. |
| Health | Eastdene Fabric World | 2 017,30 | Section 36(1)(a)(ii) - single provider. |
| Health | Eastdene Fabric World | 4 981,55 | Section 36(1)(a)(ii) - single provider. |
| Health | Eastdene Fabric World | 2 009,10 | Section 36(1)(a)(ii) - single provider. |

APPENDIX G

**DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| April 2008 | | | |

| | | | |
|------------------------|---------------------------|-----------|---|
| Municipal Manager | Sowetan | 2 166,00 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Brightstar Security | 7 645,00 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Brightstar Security | 6 705,95 | Section 36(1)(a)(v) - exceptional case. |
| Civil Engineering | Instru-Serve cc | 5 706,00 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Canon | 990,00 | Section 36(1)(a)(v) - exceptional case. |
| Electrical Engineering | Sectional Poles | 20 000,00 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Brightstar Security | 98 047,31 | Section 36(1)(a)(v) - exceptional case. |
| Municipal Buildings | Setec cc | 13 075,00 | Section 36(1)(a)(ii) - single provider. |
| Electrical Engineering | Verotest (Pty) Ltd | 62 705,02 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Mc Carthy Kunene Witbank | 1 321,00 | Section 36(1)(a)(v) - exceptional case. |
| Civil Engineering | Broom Engineering | 9 036,00 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Middelburg Nissan | 894,09 | Section 36(1)(a)(v) - exceptional case. |
| Information Services | GLPS & Proj Engineering | 6 739,68 | Section 36(1)(a)(v) - exceptional case. |
| Parks & Recreation | Penlin Trade 107cc | 3 078,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | SAME Water | 6 350,00 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Quick Step Readymix | 16 688,88 | Section 36(1)(a)(i) - emergency case. |
| Public Relations | Mpumalanga Mirror | 8 867,07 | Section 36(1)(a)(ii) - single provider. |
| Finance | Combined System (Pty) Ltd | 22 640,40 | Section 36(1)(a)(ii) - single provider. |
| Library | Motomid | 1 444,39 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | TGIS | 50 593,20 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | Marius Britz | 599,00 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Middelburg Nissan | 911,87 | Section 36(1)(a)(ii) - single provider. |

APPENDIX G

**DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| April 2008 | | | |

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|------------------------|---------------------------|------------|---|
| Civil Engineering | Manair Pty (Ltd) | 2 585,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | Nsueweni Trading | 16 111,60 | Section 36(1)(a)(i) - emergency case. |
| Parks & Recreation | Bee-Hive Trading | 8 284,96 | Section 36(1)(a)(i) - emergency case. |
| Health | Pridi Security Services | 7 524,00 | Section 36(1)(a)(v) - exceptional case. |
| Solid Waste | Middelburg Radiators | 621,30 | Section 36(1)(a)(i) - emergency case. |
| Solid Waste | Middelburg Airbrakes | 2 736,00 | Section 36(1)(a)(i) - emergency case. |
| Finance | Chubb Security | 1 000,00 | Section 36(1)(a)(ii) - single provider. |
| Finance | Chubb Security | 575,00 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Motomid | 15 058,04 | Section 36(1)(a)(ii) - single provider. |
| Town Secretary | Zintombi Zimele Security | 14 478,00 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Midplan Vervoer | 13 776,00 | Section 36(1)(a)(i) - emergency case. |
| Finance | Pro-Video & MSM Radio | 580,01 | Section 36(1)(a)(v) - exceptional case. |
| May 2008 | | | |
| Electrical Engineering | ABB South Africa | 31 494,00 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Safari Ammunition Dealers | 16 400,00 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Herald | 10 226,16 | Section 36(1)(a)(v) - exceptional case. |
| Town Secretary | Herald | 5 950,80 | Section 36(1)(a)(v) - exceptional case. |
| Fire & Rescue | Setec cc | 8 173,80 | Section 36(1)(a)(i) - emergency case. |
| Health | Ikebana Appliances | 310,00 | Section 36(1)(a)(ii) - single provider. |
| Civil Engineering | Manair Pty (Ltd) | 147 500,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | Manair Pty (Ltd) | 8 645,00 | Section 36(1)(a)(i) - emergency case. |
| Human Resources | Digicore Fleet Management | 3 895,40 | Section 36(1)(a)(ii) - single provider. |

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**DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| May 2008 | | | |

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|------------------------|---------------------------------|------------|---|
| Human Resources | Digicore Fleet Management | 99,00 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Brightstar Security | 6 705,95 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Brightstar Security | 7 645,00 | Section 36(1)(a)(v) - exceptional case. |
| Information Technology | TGIS | 6 156,00 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Brightstar Security | 98 047,31 | Section 36(1)(a)(v) - exceptional case. |
| Fire & Rescue | MB Sports | 29 700,00 | Section 36(1)(a)(v) - exceptional case. |
| Licensing | Department of Roads & Transport | 3 445,00 | Section 36(1)(a)(ii) - single provider. |
| Civil Engineering | Madibeng Water Services | 193 365,87 | Section 36(1)(a)(i) - emergency case. |
| Solid Waste | Isazi Engineering & Mining | 4 680,84 | Section 36(1)(a)(i) - emergency case. |
| Solid Waste | Highveld Radiators | 969,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | Power Pump Engineering | 6 939,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | Afrilab | 6 862,00 | Section 36(1)(a)(ii) - single provider. |
| Finance | OJ Van Rensburg | 13 509,00 | Section 36(1)(a)(v) - exceptional case. |
| Finance | OJ Van Rensburg | 28 244,64 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Zanezi Electronics | 6 491,62 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Zanezi Electronics | 4 940,91 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Zanezi Electronics | 3 962,20 | Section 36(1)(a)(v) - exceptional case. |
| Fire & Rescue | Hi-Q Middelburg | 1 350,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | Manair Pty (Ltd) | 3 580,00 | Section 36(1)(a)(i) - emergency case. |
| Civil Engineering | DLM | 8 650,00 | Section 36(1)(a)(ii) - single provider. |
| Town Secretary | Government Printing Works | 2 998,00 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Automotor Traffic Signal | 18 205,80 | Section 36(1)(a)(ii) - single provider. |

APPENDIX G

DEVIATION FROM PROCUREMENT PROCESSES Supply Chain Regulation 36(2) for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|------------|----------|----------------------------|----------------------|
| May 2008 | | | |

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|------------------------|------------------------------|-----------|---|
| Traffic & Security | Automotor Traffic Signal | 980,40 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Middelburg Nissan | 1 667,51 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Safari Ammunition Dealers | 1 500,00 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | LA Agencies | 859,97 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Run Electrical | 678,30 | Section 36(1)(a)(i) - emergency case. |
| Fire & Rescue | Fire Raiders | 12 397,50 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Digicore Fleet Management | 532,95 | Section 36(1)(a)(v) - exceptional case. |
| Fire & Rescue | Mc Carthy Kunene Witbank | 7 599,00 | Section 36(1)(a)(v) - exceptional case. |
| Fire & Rescue | Van Wettens | 3 819,00 | Section 36(1)(a)(ii) - single provider. |
| Town Secretary | Herald | 17 960,00 | Section 36(1)(a)(v) - exceptional case. |
| Town Secretary | Herald | 2 070,00 | Section 36(1)(a)(v) - exceptional case. |
| Finance | OJ Van Rensburg | 16 211,00 | Section 36(1)(a)(v) - exceptional case. |
| Finance | Mid Alarms | 2 460,00 | Section 36(1)(a)(v) - exceptional case. |
| Human Resources | Mosedimosi Business Training | 60 000,00 | Section 36(1)(a)(v) - exceptional case. |
| Town Secretary | Government Printing Works | 749,50 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Optiplan | 21 489,42 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | Micromation Communication | 9 895,20 | Section 36(1)(a)(i) - emergency case. |
| Information Technology | LSS Samsung | 40 305,84 | Section 36(1)(a)(i) - emergency. |
| Public Relations | Mpumalanga Mirror | 14 187,59 | Section 36(1)(a)(v) - exceptional case. |
| Finance | Contour Technologies | 342,00 | Section 36(1)(a)(ii) - single provider. |
| Electrical Engineering | Ukwazi Engineering | 3 796,20 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Ukwazi Engineering | 3 841,80 | Section 36(1)(a)(i) - emergency case. |

APPENDIX G

DEVIATION FROM PROCUREMENT PROCESSES Supply Chain Regulation 36(2) for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-----------------|----------|----------------------------|----------------------|
| May 2008 | | | |

| | | | |
|------------------------|----------------------------|-----------|---|
| Electrical Engineering | Makamanhlapo Contract | 5 216,07 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Automotor Traffic Signal | 22 674,60 | Section 36(1)(a)(v) - exceptional case. |
| Public Relations | Herald | 6 446,70 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Truvelo Manufacturers | 1 409,18 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Truvelo Manufacturers | 5 469,02 | Section 36(1)(a)(ii) - single provider. |
| Human Resources | Lowveld Media | 28 375,17 | Section 36(1)(a)(v) - exceptional case. |
| Information Technology | LSS Samsung | 21 888,00 | Section 36(1)(a)(v) - exceptional case. |
| Solid Waste | Tshefelo Management Serv | 171,00 | Section 36(1)(a)(ii) - single provider. |
| Civil Engineering | Same Water | 32 250,00 | Section 36(1)(a)(i) - emergency case. |
| Property Valuation | Marius Britz | 10 000,00 | Section 36(1)(a)(v) - exceptional case. |
| Parks & Recreation | Aquatronics | 16 508,00 | Section 36(1)(a)(i) - emergency case. |
| Parks & Recreation | Eatvaal Auto & Tractor | 4 157,65 | Section 36(1)(a)(ii) - single provider. |
| Electrical Engineering | Middelburg Power Supplier | 2 852,00 | Section 36(1)(a)(i) - emergency case. |
| Health | Steiner Hygiene | 3 249,00 | Section 36(1)(a)(i) - emergency case. |
| Health | Steiner Hygiene | 3 249,00 | Section 36(1)(a)(i) - emergency case. |
| Health | Steiner Hygiene | 5 416,00 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Brightstar Security | 6 705,95 | Section 36(1)(a)(v) - exceptional case. |
| Civil Engineering | UWP Consulting Engineering | 59 280,00 | Section 36(1)(a)(i) - emergency case. |
| June 2008 | | | |
| Electrical Engineering | Pridi Security Services | 28 951,44 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Galbro | 9 202,00 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Brightstar Security | 7 645,00 | Section 36(1)(a)(v) - exceptional case. |

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DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| June 2008 | | | |

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|------------------------|---------------------------------|-----------|--|
| Human Resources | Honda Middelburg | 18 705,43 | Section 36(1)(a)(ii) - single provider. |
| Municipal Buildings | Blue House Design | 9 094,92 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Department of Roads & Transport | 6 779,01 | Section 36(1)(a)(ii) - single provider. |
| Town Secretary | ER Johnson | 760,00 | Section 36(1)(a)(i) - emergency case. |
| Information Technology | LSS Samsung | 2 394,00 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | LSS Samsung | 684,00 | Section 36(1)(a)(ii) - single provider. |
| Information Technology | Mvula Technologies | 2 280,00 | Section 36 (1)(a)(v) - exceptional case. |
| Electrical Engineering | Galbro | 9 202,00 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | Electra Highveld | 18 639,00 | Section 36(1)(a)(i) - emergency case. |
| Electrical Engineering | ESC High Voltage Gear | 12 024,72 | Section 36(1)(a)(i) - emergency case. |
| Human Resources | Education Training & Council | 10 117,20 | Section 36(1)(a)(ii) - single provider. |
| Public Relations | Herald | 2 990,00 | Section 36(1)(a)(i) - emergency case. |
| Public Relations | Mpumalanga Mirror | 3 546,92 | Section 36(1)(a)(v) - exceptional case. |
| Town Secretary | Herald | 4 245,00 | Section 36(1)(a)(v) - exceptional case. |
| Public Relations | Herald | 3 536,00 | Section 36(1)(a)(v) - exceptional case. |
| Youth Development | Mbungiswa Transport | 2 280,00 | Section 36(1)(a)(i) - emergency case |
| Health | WAP South Africa (Pty) Ltd | 637,94 | Section 36(1)(a)(ii) - single provider. |
| Town Secretary | Herald | 6 281,40 | Section 36(1)(a)(i) - emergency case. |
| Fire & Rescue | Motomid | 1 225,00 | Section 36(1)(a)(ii) - single provider. |
| Fire & Rescue | MP Tyres | 980,00 | Section 36(1)(a)(i) - emergency case. |
| Executive Mayor | Zicalele Trading | 6 000,00 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | University of Western Cape | 3 477,10 | Section 36(1)(a)(ii) - single provider. |

APPENDIX G

**DEVIATION FROM PROCUREMENT PROCESSES
Supply Chain Regulation 36(2)
for the year ended 30 June 2008**

| Department | Supplier | Amount (VAT incl.) R | Reason for deviation |
|-------------------|-----------------|-------------------------------------|-----------------------------|
| June 2008 | | | |

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|------------------------|----------------------------|----------------------|---|
| Electrical Engineering | Fakkel Armature Winders | 1 457,15 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Middelburg Nissan | 2 599,20 | Section 36(1)(a)(ii) - single provider. |
| Traffic & Security | Zanezi Electronics | 9 284,42 | Section 36(1)(a)(v) - exceptional case. |
| Traffic & Security | Middelburg Nissan | 1 313,03 | Section 36(1)(a)(ii) - single provider. |
| Parks & Recreation | Propshaft & Gearbox Centre | 6 726,00 | Section 36(1)(a)(i) - emergency case. |
| Solid Waste | Highveld Radiators | 2 116,98 | Section 36(1)(a)(i) - emergency case. |
| Parks & Recreation | Rand Air | 1 309,79 | Section 36(1)(a)(v) - exceptional case. |
| Electrical Engineering | Hivotech Transformer Maint | 1 850,00 | Section 36(1)(a)(i) - emergency case. |
| Town Secretary | Lion Cellars | 2 095,55 | Section 36(1)(a)(i) - emergency case. |
| Traffic & Security | Brightstar Security | 98 047,31 | Section 36(1)(a)(v) - exceptional case. |
| Public Relations | PR Communications | 1 732,80 | Section 36(1)(a)(v) - exceptional case. |
| Public Relations | Mpumalanga Mirror | 35 468,25 | Section 36(1)(a)(v) - exceptional case. |
| Civil Engineering | Nsueweni Trading | 48 893,74 | Section 36(1)(a)(i) - emergency case. |
| Total | | 10 447 034,91 | |

APPENDIX H
IMPLEMENTATION PLAN FOR HIGH CAPACITY MUNICIPALITIES
STEVE TSHWETE LOCAL MUNICIPALITY
31 MARCH 2008

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| Name of municipality: | Steve Tshwete Local Municipality | | Demarcation Code: | MP313MP |
| Name of preparer: | L Prinsloo | | Date completed: | 27 March 2003 |
| Contact Details: | (013) 249 7112 | | Financial period: | 2007/2008 |
| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
| Property, plant and equipment (GRAP 17) Review of useful life of items of PPE recognised in the annual financial statements <i>[paragraphs 59 – 61, and 77]</i> | <ul style="list-style-type: none"> • To appoint a consultant to prepare a GAP analysis: <ul style="list-style-type: none"> - Investigation & recommendation regarding software and financial system to support the requirements of GRAP 17 - Determine if useful life methodology adopted is acceptable for the | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid | Assistant Town Treasurer Budget & Reporting Office | <p style="text-align: center;"><i>Appoint Consultant by 15 April 2008</i></p> <p style="text-align: center;">Complete Gap Analysis by 31 May 2008</p> |

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| | <p>different classes of assets</p> <ul style="list-style-type: none"> - Asses influence of repair & maintenance policy on useful life of assets - Asses if current information on assets are sufficient to review useful life (componentisation) • Compare outcomes of GAP analysis with current situation and define way forward <ul style="list-style-type: none"> - Is current software and systems compliant? Yes or No | <p>Adjudication Committee by 11 April 2008</p> <ul style="list-style-type: none"> • Grant funding obtained for appropriation towards Infrastructural Asset Management in 2008/09 financial year | <p>Assistant Town Treasurer Budget Office with Deputy Town Treasurer and Consultant</p> | <p>30 June 2008</p> |
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APPENDIX H
IMPLEMENTATION PLAN FOR HIGH CAPACITY MUNICIPALITIES
STEVE TSHWETE LOCAL MUNICIPALITY
31 MARCH 2008

| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
|--|--|--|---|--|
| Property, plant and equipment (GRAP 17) Review of useful life of items of PPE recognised in the annual financial statements <i>[paragraphs 59 – 61, and 77]</i> | <ul style="list-style-type: none"> - If no what amendments are required for compliant system or acquiring new Asset Management System through tender process - Do a cost analysis and secure funding • Define procedures for periodical reviews • Arrange training on procedures and standards – All stakeholders must understand their responsibility | <ul style="list-style-type: none"> • Tenders specifications can only be drawn up after gap analysis has been completed and proposals made | <p style="text-align: center;">Consultant in collaboration with Assistant Town Treasurer Budget Office</p> <p style="text-align: center;">Consultant with all stakeholders</p> <p style="text-align: center;">Assistant Town Treasurer Budget Office with Head's of Departments</p> | <p style="text-align: center;">Amendments or acquiring of new asset system pending on analysis by 31 December 2008</p> <p style="text-align: center;">Full implemented system by 30 June 2009</p> <p style="text-align: center;">30 November 2008</p> <p style="text-align: center;">31 January 2009</p> |

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| | <ul style="list-style-type: none"> • First review of useful life for all asset classes • If useful life change calculate effect of a change in accounting estimate | | (HOD's) Assistant Town Treasurer Budget Office | May 2009 until June 2009 for 2008/2009 financial statements July 2009 for 2008/2009 financial statements |
| Property, plant and equipment (GRAP 17) Review of depreciation method applied to PPE recognised in the annual financial statements <i>[paragraphs 62 and 77]</i> | <ul style="list-style-type: none"> • To appoint a consultant to prepare a GAP analysis: <ul style="list-style-type: none"> - Simultaneous process with review of useful life - See above | <ul style="list-style-type: none"> • See above | See above | See above |
| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
| Property, plant and equipment (GRAP 17) | <ul style="list-style-type: none"> • To appoint a consultant to investigate the FAR and assist with: | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 | Assistant Town Treasurer Budget Office | Appoint consultant by 15 April 2008 |

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| <p>Impairment of non-cash-generating assets <i>[paragraphs 64 – 69 and 75(e)(v) – (vi)]</i></p> | <ul style="list-style-type: none"> - Identification of cash generating assets and non-cash generating assets | <p>January 2008</p> <ul style="list-style-type: none"> • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | | |
| <p>Property, plant and equipment (GRAP 17) Impairment of cash-generating assets <i>[paragraphs 63 and 75(e)(v) – (vi)]</i></p> | <ul style="list-style-type: none"> - Asses if current information in FAR are sufficient for impairment - Identification of assets that may be impaired | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | <p>Consultant</p> | <p>Assessment of FAR by 30 June 2009</p> |
| <p>Impairment of Assets (IAS 36/AC 128) Entire Standard</p> | <ul style="list-style-type: none"> - How to review the carrying amount of assets for impairment - How to determine the recoverable amount - When to recognise or | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in | <p>Assistant Town Treasurer Budget Office with Deputy Town Treasurer</p> | <p>Analysis, recommendations and amendments of systems and FAR if</p> |

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| | <p>reverse an impairment loss</p> <ul style="list-style-type: none"> - Timing of impairment test - Recognizing and measuring of impairment loss - Disclosure requirements <ul style="list-style-type: none"> • Define procedures for Impairment tests of assets • Arrange training on procedures and standard – all stakeholders must clearly understand their role | <p>process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008</p> | <p>Consultant and Assistant Town Treasurer Budget Office Consultant</p> | <p>necessary by 30 June 2008, if new asset system is required then only by 31 December 2008</p> <p>By 30 September 2008 depending on above</p> <p>By 31 October 2008</p> |
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| | <p>saleable land (deed of sales over more than one financial year)</p> <ul style="list-style-type: none">- Write downs of inventories to net realisable value- Asses if rest of standard is applied correctly- Asses current systems and general ledger for correct treatment of inventories- Asses Supply Chain Management Policy for the sale of land and the influence thereof on the accounting treatment of inventories <ul style="list-style-type: none">• Implement recommendations, system changes an make corrections | | <p>Assistant Town Treasurer Budget office with Deputy Town Treasurer</p> | <p>31 December 2008</p> |
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APPENDIX H
IMPLEMENTATION PLAN FOR HIGH CAPACITY MUNICIPALITIES
STEVE TSHWETE LOCAL MUNICIPALITY
31 MARCH 2008

| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
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| Inventories (GAMAP 12) The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17 | <ul style="list-style-type: none"> • Arrange training on accounting treatment of inventories • Implement correct recognition of inventories | | Assistant Town Treasurer Budget Office with consultant Assistant Town Treasurer Budget Office | 31 October 2008 By 30 June 2008 for the 2007/2008 financial year |
| Inventories (GAMAP 12) The entire standard to the extent that it relates to water stock that was not purchased by the municipality | <ul style="list-style-type: none"> • Fully compliant | <ul style="list-style-type: none"> • Milestone achieved by implementation on 30 June 2006 AFS and onwards | | 30 June 2006 |
| Investment Property | <ul style="list-style-type: none"> • To appoint a consultant to: | <ul style="list-style-type: none"> • Tenders were | Assistant Town | <i>Appoint</i> |

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| <p>(IAS 40/AC 135) The entire standard to the extent that the property is accounted for in terms of GAMAP 17</p> | <p>- Identify items of property, plant and equipment accounted for in terms of GAMAP 17 but meet the definition of investment property</p> | <p>advertised and closed on 14 January 2008</p> <ul style="list-style-type: none"> • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | <p>Treasurer Budget Office</p> | <p><i>Consultant by 15 April 2008</i></p> |
| <p>Investment Property (IAS 40/AC 135) Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised the investment property in terms of the standard [paragraphs 79(e)(i) – (iii)]</p> | <ul style="list-style-type: none"> • Identify land for undetermined future use – Is all available land included in asset register. • Analyze the existing systems and make recommendations to account for Investment property. • Assist with recognition of Investment property and the accounting treatment thereof • Determine most beneficial measurement of recognition- fair value or cost model | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008. | <p>Consultant</p> | <p>Analyze and recommendations 31 May 2008</p> |

| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
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| Investment Property (IAS 40/AC 135) Disclosure of the fair value of investment property if the cost model is applied and where the municipality has recognised the investment property in terms of the standard <i>[paragraphs 79(e)(i) – (iii)]</i> | <ul style="list-style-type: none"> • Determine fair value of all investment properties <ul style="list-style-type: none"> - Analyze systems and make recommendations to comply with disclosure requirements • Implement correct classification of investment property and recommendations • Arrange training on accounting treatment of investment property | | Consultant Assistant Town Treasurer Budget Office with Deputy Town Treasurer Assistant Town Treasurer Budget Office | Analyze and recommendations 31 May 2008 From December 2008 until 30 June 2009 November 2008 |
| Leases (IAS 17/AC 105) Recognising operating lease payments / receipts on a straight-line basis if the | <ul style="list-style-type: none"> • To appoint a consultant to: <ul style="list-style-type: none"> - Asses all lease & rental agreements to classify between operating and | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in | Assistant Town Treasurer Budget Office | From May 2008 onwards to be compliant for the 2007/2008 AFS |

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| <p>amounts are recognised on the basis of the cash flows in the lease agreement.</p> <p><i>[SAICA circular 12/06 paragraphs 8 – 11 and paragraphs 33, 34, 50, 51 of IAS 17/AC 105)</i></p> | <p>finance lease</p> <ul style="list-style-type: none"> - Compile a register of operating leases - Assist with calculation of straight-lining - Investigate influence on budget and possible changes to financial system software - Implementation and correction of accounting treatment if necessary | <p>process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008</p> | | |
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| <p>accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. <i>[paragraphs 29, 48 – 119, 120A(c)-(q)]</i></p> | <p>obtained</p> <ul style="list-style-type: none"> To appoint a consultant to verify correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> Tenders were advertised and closed on 14 January 2008 Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | <p>Assistant Town Treasurer Budget Office</p> | <p>30 June 2008</p> |
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| <p>Financial Instruments: Recognition and Measurement (IAS 39/AC 133) Initially measuring financial assets and financial liabilities at fair value. <i>[SAICA circular 09/06, paragraph 43, AG 79, AG 64 and AG 65 of IAS 39/ AC 133]</i></p> | <ul style="list-style-type: none"> • To appoint a consultant for advice on procedure & system changes for correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> • Tenders were advertised and closed on 14 January 2008 • Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | <p>Assistant Town Treasurer Budget Office</p> | <p><i>Appoint Consultant by 15 April 2008</i> More detail on implementation after advice has been received</p> |
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APPENDIX H
IMPLEMENTATION PLAN FOR HIGH CAPACITY MUNICIPALITIES
STEVE TSHWETE LOCAL MUNICIPALITY
31 MARCH 2008

| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
|---|---|--|---|---|
| Non-current Assets held for Sale and Discontinued Operations (IFRS 5/AC142) Classification, measurement and disclosure of non-current assets held for sale. <i>[paragraphs 6 – 14, 15 – 29 (in so far as it relates to non-current assets held for sale), 38 – 42]</i> | <ul style="list-style-type: none"> To appoint a consultant for advice on procedure & system changes for correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> Tenders were advertised and closed on 14 January 2008. Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | Assistant Town Treasurer Budget Office | Appoint Consultant by 15 April 2008 More detail on implementation after advice has been received |

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| <p>Financial Instruments: Disclosures (IFRS 7/AC 144) Entire Standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998</p> | <ul style="list-style-type: none"> To appoint a consultant for advice on procedure & system changes for correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> Tenders were advertised and closed on 14 January 2008. Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008 | Assistant Town Treasurer Budget Office | <i>Appoint Consultant by 15 April 2008</i> More detail on implementation after advice has been received |
| <p>Construction Contracts (IAS 11/AC 109) Entire Standard</p> | <ul style="list-style-type: none"> To appoint a consultant for advice on procedure & system changes for correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> | Assistant Town Treasurer Budget Office | <i>Appoint Consultant by 15 April 2008</i> More detail on implementation after advice has been received |

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| Financial reporting standard & extent of exemption from standard | Milestones to be achieved to comply with exemption – reported in October 2007 <i>[include the key challenges to be overcome]</i> | Amendment to milestone and or achievement of milestone <i>[include whether the milestones have been achieved or not, the reasons for amendments to the milestones and the reasons for non-achievement]</i> | Person responsible | Estimate date of compliance <i>[cannot extend beyond 30 June 2008]</i> |
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| Business Combinations (IFRS 3/AC 140) Entire Standard | <ul style="list-style-type: none"> To appoint a consultant for advice on procedure & system changes for correct accounting treatment & disclosure requirements | <ul style="list-style-type: none"> Tenders were advertised and closed on 14 January 2008 Evaluation still in process due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008. | Assistant Town Treasurer Budget Office | <i>Appoint Consultant by 15 April 2008</i> More detail on implementation after advice has been received |
| Accounting for Government Grants and disclosure of Government | <ul style="list-style-type: none"> To appoint a consultant to investigate the current accounting | <ul style="list-style-type: none"> Tenders were advertised and closed on 14 January 2008 Evaluation still in process | Assistant Town Treasurer Budget Office | <i>Appoint Consultant by 15 April 2008</i> More detail on implementation after |

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| <p>Assistance (IAS 20/AC 134)</p> <p>Entire Standard excluding paragraph 24 and 26, replaced by paragraph 08 of GAMAP 12, paragraph 25 of GAMAP 17 and paragraphs 42 – 46 of GAMAP 9</p> | <p>treatment of Government Grants and to suggest any changes required to comply with the full standard</p> | <p>due to the time constraints with budget process. To be submitted to Bid Evaluation and Bid Adjudication Committee by 11 April 2008</p> | | <p>advice has been received</p> |
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