

# **Kareeberg**

**MUNICIPALITY**

[These financial statements have not been audited]

**FINANCIAL STATEMENTS**

**30 JUNE 2012**

# KAREEBERG LOCAL MUNICIPALITY

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# KAREEBERG LOCAL MUNICIPALITY

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

### GENERAL INFORMATION

#### **NATURE OF BUSINESS**

Kareeberg Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

#### **COUNTRY OF ORIGIN AND LEGAL FORM**

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

#### **JURISDICTION**

The Kareeberg Municipality includes the following geographical areas:

*Carnarvon*

*Vosburg*

*Vanwyksvlei*

#### **MAYOR**

*Mr N.I. Titus*

#### **MUNICIPAL MANAGER**

*Mr Z.E. Dingile (Acting since 1 June 2012)*

#### **CHIEF FINANCIAL OFFICER**

*Mr. P.B. Rossouw*

#### **REGISTERED OFFICE**

*Hanau Street,  
CARNARVON,  
9825*

#### **AUDITORS**

*Office of the Auditor General (NC)  
McDougal Street,  
Kimberley, 8301*

#### **PRINCIPLE BANKERS**

*ABSA, Victoria Street, Carnarvon*

#### **ATTORNEYS**

*G.B. Kempen & De Wet Nel, Victoria Street, Carnarvon*

#### **RELEVANT LEGISLATION**

Municipal Finance Management Act (Act no 56 of 2003)  
Division of Revenue Act  
The Income Tax Act  
Value Added Tax Act  
Municipal Structures Act (Act no 117 of 1998)  
Municipal Systems Act (Act no 32 of 2000)  
Municipal Planning and Performance Management Regulations  
Water Services Act (Act no 108 of 1997)  
Housing Act (Act no 107 of 1997)  
Municipal Property Rates Act (Act no 6 of 2004)  
Electricity Act (Act no 41 of 1987)  
Skills Development Levies Act (Act no 9 of 1999)  
Employment Equity Act (Act no 55 of 1998)  
Unemployment Insurance Act (Act no 30 of 1966)  
Basic Conditions of Employment Act (Act no 75 of 1997)  
Supply Chain Management Regulations, 2005  
Collective Agreements  
SALBC Leave Regulations

# KAREEBERG LOCAL MUNICIPALITY

## MEMBERS OF THE KAREEBERG LOCAL MUNICIPALITY

WARD	COUNCILLOR
1	Mr J.E.J. Hoorn
2	Mr D.P. Jason
3	Ms D. Olifant
4	Mr N. Titus
Proportional	Ms E.L. Riley
Proportional	Mr J. Horne
Proportional	Mr P. Viviers

### APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements year ended 30 June 2012, which are set out on pages 1 to 63 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality. The annual financial statements have been prepared in accordance with GRAP.

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2012 and is satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

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*Mr Z.E. Dingile*  
**Municipal Manager (Acting)**

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31 August 2012  
**Date**

# KAREEBERG LOCAL MUNICIPALITY

## ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2012

### REPORT OF THE CHIEF FINANCIAL OFFICER

#### 1. INTRODUCTION

It gives me great pleasure to present the financial position of Kareeberg Local Municipality for the fiscal year 2011/2012

In rendering a corporate financial management service to all departments, the Finance Department's primary objective is to assist the Municipal Manager and senior management to manage their budgets and ensure the effective application of financial resources in rendering services to the community.

Kareeberg Municipality is now compliant with the requirements of GRAP. It has been a long, difficult and very expensive process, the worth of which is at best minimal. In times when municipalities are battling to balance their budgets and when there is little or no local economic growth, to be able to know what the depreciated replacement cost of a pipe buried three metres under the ground beggars belief. It was once said that municipal financials were opaque and there was truth in that statement, but in making them less opaque and embracing transparency, we have assumed that people will understand them better and, even more so, that they actually care about what they are reading. People, just like banks and credit agencies, want to know what the budget is, what the debtors are like and have you got cash to pay your creditors. Nothing we have done in the last six years, in order to reach GRAP compliance, changes that.

#### 2. KEY FINANCIAL INDICATORS

The economic down turn and the Eskom issues continue to play havoc with good financial management. The Kareeberg economy has been battered of late and all indications are that it will get worse before it gets better.

This is not because of bad or incompetent management, but because it is the nature of the business and the economy. I would therefore hope that National and Provincial departments take heed of this fact before making any incorrect or ill-conceived statements or judgements.

##### Financial Statement Ratios:

INDICATOR	30 JUNE 2012	30 JUNE 2011
Surplus / (Deficit) for the year before Appropriations	8,091,711	9,852,380
Accumulated Surplus / (Deficit) at the end of the Year	95,297,681	87,207,295
Expenditure Categories as a percentage of Total Expenses:		
Employee related costs	25.53%	25.78%
Remuneration of Councillors	3.90%	3.91%
Debt Impairment	0.00%	0.41%
Depreciation and Amortisation	6.42%	6.62%
Impairments	0.00%	0.05%
Repairs and Maintenance	1.66%	1.83%
Actuarial losses	0.19%	2.19%
Finance Charges	1.91%	1.80%
Bulk Purchases	14.54%	11.78%
Grants and Subsidies	17.21%	16.88%
Other Operating Grant Expenditure	18.94%	19.48%
Loss on disposal of Property, Plant and Equipment	0.19%	0.04%
General Expenses	9.40%	9.14%
Current Ratio:		
Creditors Days	27	33
Debtors Days	104	206

One indicator needing comment is that of repairs and maintenance. In recent years there has been made much comments as to how low this ratio is. It should be noted that a ratio improvement has been achieved despite the massive increases in Eskom charges.

### 3. OPERATING RESULTS

The overall operating results for the year ended 30 June 2012 are as follows:

DETAILS	Actual 2011/2012 R	Actual 2010/2011 R	Percentage Variance %	Budgeted 2011/2012 R	Variance actual/ budgeted %
<b>Income:</b>					
Opening surplus / (deficit)	87,207,295	81,200,798	7.40%	-	-
Operating income for the year (incl. gains in disposal of assets)	51,310,179	50,670,162	1.26%	45,171,748	13.59%
Appropriations for the year	(1,325)	(3,845,883)	-99.97%	-	
	138,516,149	128,025,077	8.19%	45,171,748	
<b>Expenditure:</b>					
Operating expenditure for the year	43,218,469	40,817,781	5.88%	40,205,748	7.49%
Closing surplus / (deficit)	95,297,681	87,207,295	9.28%	-	-
	138,516,149	128,025,077	8.19%	40,205,748	

### 4. FINANCING OF CAPITAL EXPENDITURE

The expenditure on Property, Plant and Equipment during the year amounted to R 10 246 520 (2010/2011: R 12 440 419), and in percentage terms amounts to 129% of capital budget. Full details of Property, Plant and Equipment are disclosed in note number 10 to the Annual Financial Statements.

The capital expenditure of R 10 246 520 (2011/12) was financed as follows:

DETAILS	Actual 2011/2012 R	Budgeted 2011/2012 R	Percentage Variance %	Source of funding as % of total Cap exp
Donations	121,297	-	100.00%	1.18%
Grants and Subsidies	10,083,164	7,892,000	27.76%	98.41%
Own Recourses	42,059	-	100.00%	0.41%
	10,246,520	7,892,000		100.00%

### 5. NON-CURRENT PROVISIONS AND NON-CURRENT EMPLOYEE BENEFITS

Non-current Provisions and Employee Benefits at 30 June are made up as follows:

	<b>12,904,491</b>	<b>12,156,728</b>
Provision for Post Retirement Benefits	5,684,943	5,415,861
Provision for Long Service Awards	729,204	559,587
Provision for Rehabilitation of Landfill-sites	6,490,344	6,181,280
	<b>12,904,491</b>	<b>12,156,728</b>

These provisions are made in order to enable the municipality to be in a position to fulfill its known legal obligations when they become due and payable.

Refer to Notes number 3 and 4 for more detail.

### 6. CURRENT LIABILITIES

Current Liabilities are made up as follows:

Consumer Deposits	Note number 5	268,759	244,389
Current Employee benefits	Note number 6	1,347,518	1,330,534
Payables from exchange transactions	Note number 7	877,202	902,009
Unspent Conditional Government Grants and Receipts	Note number 8	2,068,028	3,509,447
Taxes	Note number 9	166,413	146,035
		<b>4,727,920</b>	<b>6,132,413</b>

Current Liabilities are those liabilities of the municipality due and payable in the short-term (less than 12 months). There is no known reason as to why the municipality will not be able to meet its obligations, as all these liabilities are cashbacked.

Refer to the indicated Note numbers for more detail.

### 7. INTANGIBLE ASSETS

The net value of Intangible Assets is:

**92,452**      **155,349**

These are assets which cannot physically be identified and verified and are all in respect of computer software.

Refer to Note number 12 for more detail.

## 8. PROPERTY, PLANT AND EQUIPMENT

The net value of Property, Plant and Equipment is:

88,863,923      81,274,883

Refer to Note number 10 for more detail.

## 9. INVESTMENT PROPERTIES

The net value of Investment Properties is:

10,214,982      10,227,346

Refer to Note number 11 for more detail.

## 10. CAPITALISED RESTORATION COST

The net value of Capitalised Restoration Cost is:

1,448,954      1,617,423

Refer to Note number 13 for more detail.

## 11. LONG-TERM RECEIVABLES

Long-term Receivables: Staff was entitled to housing loans which attract interest at 4% per annum and which are repayable over a maximum period of 20 years. When an employee resigns, the outstanding amount must be settled. These loans are secured since the Council is the bond holder.

57,003      61,969

Refer to Note number 14 for more detail.

## 12. CURRENT ASSETS

Current Assets are made up as follows:

Trade Receivables from exchange transactions	Note number 15	2,149,057	2,498,099
Other Receivables from non-exchange transactions	Note number 16	1,350	16,511
Operating Lease Asset	Note number 17	14,216	10,634
Current Portion of Long-term Receivables	Note number 14	9,045	8,692
Cash and Cash Equivalents	Note number 18	21,602,265	21,147,362
		<u>23,775,934</u>	<u>23,681,298</u>

Refer to the indicated Note numbers for more detail.

## 13. INTER-GOVERNMENTAL GRANTS

The municipality plays a major role in the upliftment of the poor and in sustaining and improving infrastructure for all its citizens for which it uses grants received from government and other organisations, and thus it has a big responsibility as custodian of these funds.

Refer to Notes numbers 8 and 20 as well as Appendix E for more detail.

## 14. EVENTS AFTER THE REPORTING DATE

Full details of all known events after the reporting date are disclosed in Note number 43

## 15. EXPRESSION OF APPRECIATION

I am grateful to the Municipal Manager and Head of Departments for the support they extended during the financial year.

The work involved in producing these financial statements just gets more detailed each year and therefore my heartfelt thanks goes to my own staff at all levels and in all departments, for their hard work and dedication.

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**Mr. P.B. Rossouw**  
**CHIEF FINANCIAL OFFICER**  
31 August 2012

**KAREEBERG LOCAL MUNICIPALITY**

**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2012**

	Notes	2012 (Actual) R	2011 (Restated) R
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net Assets</b>		<b>106,820,837</b>	<b>98,729,127</b>
Capital Replacement Reserve	2	11,347,812	11,347,812
Housing Development fund	2	120,895	119,570
Revaluation Reserve	2	54,450	54,450
Accumulated Surplus		95,297,681	87,207,295
<b>Non-Current Liabilities</b>		<b>12,904,491</b>	<b>12,156,728</b>
Employee benefits	3	6,414,147	5,975,448
Non-Current Provisions	4	6,490,344	6,181,280
<b>Current Liabilities</b>		<b>4,727,920</b>	<b>6,132,413</b>
Consumer Deposits	5	268,759	244,389
Current Employee benefits	6	1,347,518	1,330,534
Payables from exchange transactions	7	877,202	902,009
Unspent Conditional Government Grants and Receipts	8	2,068,028	3,509,447
Taxes	9	166,413	146,035
<b>Total Net Assets and Liabilities</b>		<b>124,453,248</b>	<b>117,018,267</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>100,677,314</b>	<b>93,336,969</b>
Property, Plant and Equipment	10	88,863,923	81,274,883
Investment Property	11	10,214,982	10,227,346
Intangible Assets	12	92,452	155,349
Capitalised Restoration Cost	13	1,448,954	1,617,423
Long-Term Receivables	14	57,003	61,969
<b>Current Assets</b>		<b>23,775,934</b>	<b>23,681,298</b>
Trade Receivables from exchange transactions	15	2,149,057	2,498,099
Other Receivables from non-exchange transactions	16	1,350	16,511
Operating Lease Asset	17	14,216	10,634
Current Portion of Long-term Receivables	14	9,045	8,692
Cash and Cash Equivalents	18	21,602,265	21,147,362
<b>Total Assets</b>		<b>124,453,248</b>	<b>117,018,267</b>



KAREEBERG LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 (Actual) R	2011 (Actual) R	Correction of Error - Note 33.04 R	2011 (Previously reported) R
<b>REVENUE</b>					
<b>Revenue from Non-exchange Transactions</b>		<b>33,115,766</b>	<b>33,751,910</b>	-	<b>33,751,910</b>
<b>Taxation Revenue</b>		<b>3,878,347</b>	<b>3,908,466</b>	-	<b>3,908,466</b>
Property taxes	19	3,878,347	3,908,466	-	3,908,466
<b>Transfer Revenue</b>		<b>28,860,165</b>	<b>29,592,280</b>	-	<b>29,592,280</b>
Government Grants and Subsidies - Capital	20	10,088,203	12,592,430	-	12,592,430
Government Grants and Subsidies - Operating	20	18,650,665	16,999,850	-	16,999,850
Contributed PPE		121,297	-	-	-
<b>Other Revenue</b>		<b>377,254</b>	<b>251,165</b>	-	<b>251,165</b>
Actuarial Gains		339,167	152,991	-	152,991
Third Party Payments		-	59,494	-	59,494
Licences and Permits		11,202	14,737	-	14,737
Unamortised discount - Interest		4,079	4,290	-	4,290
Fines		22,806	19,652	-	19,652
<b>Revenue from Exchange Transactions</b>		<b>18,194,413</b>	<b>16,918,251</b>	-	<b>16,918,251</b>
Property Rates - Penalties & Collection Charges		199,288	248,377	-	248,377
Service Charges	21	14,856,392	13,123,661	-	13,123,661
Rental of Facilities and Equipment		525,966	448,365	-	448,365
Interest Earned - external investments		925,184	1,115,642	-	1,115,642
Interest Earned - outstanding debtors		3,677	4,009	-	4,009
Agency Services		119,540	105,017	-	105,017
Other Revenue	22	1,564,367	1,873,180	-	1,873,180
<b>Total Revenue</b>		<b>51,310,179</b>	<b>50,670,162</b>	-	<b>50,670,162</b>
<b>EXPENDITURE</b>					
Employee related costs	24	11,033,999	10,521,713	-	10,521,713
Remuneration of Councillors	25	1,687,659	1,597,732	-	1,597,732
Debt Impairment	26	-	167,488	-	167,488
Depreciation and Amortisation		2,776,645	2,703,860	136,245	2,567,616
Capitalised Restoration Cost Impairment		48,502	39,398	39,398	-
Impairments	27	-	19,801	-	19,801
Repairs and Maintenance		715,358	745,904	-	745,904
Actuarial losses	3	79,983	894,809	-	894,809
Finance Charges	28	826,755	734,206	299,718	434,488
Bulk Purchases	29	6,283,489	4,806,898	-	4,806,898
Grants and Subsidies	30	7,436,334	6,888,136	-	6,888,136
Operating Grant Expenditure	31	8,184,665	7,949,370	-	7,949,370
Loss on disposal of Property, Plant and Equipment		81,101	15,944	-	15,944
General Expenses	32	4,063,978	3,732,521	-	3,732,521
<b>Total Expenditure</b>		<b>43,218,469</b>	<b>40,817,781</b>	<b>475,361</b>	<b>40,342,420</b>
<b>NET SURPLUS FOR THE YEAR</b>		<b>8,091,711</b>	<b>9,852,380</b>	<b>(475,361)</b>	<b>10,327,741</b>

**KAREEBERG LOCAL MUNICIPALITY**

**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2012**

	Revaluations Reserve	Housing Development Fund	Capital Replacement Reserve	Accumulated Surplus/ (Deficit)	Total
	R	R	R	R	R
<b>Balance at 1 JULY 2010</b>	<b>54,450</b>	<b>362,183</b>	<b>11,347,812</b>	<b>81,200,798</b>	<b>92,965,243</b>
Net Surplus/(Deficit) for the year	-	-	-	10,327,741	10,327,741
Correction of error - See Note 33.04	-	-	-	(475,361)	(475,361)
Transfer to Housing Development Fund	-	(242,614)	-	242,614	-
<b>Balance at 30 JUNE 2011</b>	<b>54,450</b>	<b>119,570</b>	<b>11,347,812</b>	<b>91,295,792</b>	<b>102,817,623</b>
Correction of error - See Note 33.03	-	-	-	(4,088,496)	(4,088,496)
<b>Restated Balance at 1 JULY 2011</b>	<b>54,450</b>	<b>119,570</b>	<b>11,347,812</b>	<b>87,207,295</b>	<b>98,729,127</b>
Net Surplus/(Deficit) for the year	-	-	-	8,091,711	8,091,711
Transfer to Housing Development Fund	-	1,325	-	(1,325)	-
<b>Balance at 30 JUNE 2012</b>	<b>54,450</b>	<b>120,895</b>	<b>11,347,812</b>	<b>95,297,681</b>	<b>106,820,837</b>

**KAREEBERG LOCAL MUNICIPALITY**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 R	2011 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Ratepayers and other		35,042,624	9,357,683
Government - operating/capital		18,339,445	29,592,280
Interest		886,509	1,119,651
<b>Payments</b>			
Suppliers and employees		(35,453,386)	(27,960,080)
Finance charges	28	(826,755)	(734,206)
Transfers and Grants		(7,436,334)	(6,888,136)
<b>Net Cash from Operating Activities</b>		<b>10,552,104</b>	<b>4,487,192</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		(10,125,223)	(12,440,419)
Proceeds on Disposal of Fixed Assets		0	13,806
Purchase of Intangible Assets		(5,039)	(193,061)
<b>Net Cash from Investing Activities</b>		<b>(10,130,263)</b>	<b>(12,619,673)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
(Increase)/Decrease in Long-term Receivables		8,692	8,360
Increase/(Decrease) in Consumer Deposits		24,370	19,210
<b>Net Cash from Financing Activities</b>		<b>33,062</b>	<b>27,570</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>454,903</b>	<b>(8,104,912)</b>
Cash and Cash Equivalents at the beginning of the year		21,147,362	29,252,274
Cash and Cash Equivalents at the end of the year	35	21,602,265	21,147,362
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>454,903</b>	<b>(8,104,912)</b>



KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>2 NET ASSET RESERVES</b>		
RESERVES	11,523,157	11,521,831
Capital Replacement Reserve	11,347,812	11,347,812
Housing Development fund	120,895	119,570
Revaluation Reserve	54,450	54,450
<b>Total Net Asset Reserves</b>	<b>11,523,157</b>	<b>11,521,831</b>

	2012 R	2011 R
<b>3 EMPLOYEE BENEFITS</b>		
Post Retirement Benefits - Refer to Note 3.1	5,684,943	5,415,861
Long Service Awards - Refer to Note 3.2	729,204	559,587
<b>Total Non-current Employee Benefit Liabilities</b>	<b>6,414,147</b>	<b>5,975,448</b>

Post Retirement Benefits

Balance 1 July	5,592,057	4,300,494
Contribution for the year	690,904	545,169
Expenditure for the year	(138,755)	(148,415)
Actuarial Loss/(Gain)	(339,167)	894,809
<b>Total post retirement benefits 30 June</b>	<b>5,805,039</b>	<b>5,592,057</b>
<b>Less:</b> Transfer of Current Portion - Note 6	<b>(120,096)</b>	<b>(176,196)</b>
<b>Balance 30 June</b>	<b>5,684,943</b>	<b>5,415,861</b>

Long Service Awards

Balance 1 July	658,760	701,173
Contribution for the year	144,133	185,455
Expenditure for the year	(100,308)	(74,877)
Actuarial Loss/(Gain)	79,983	(152,991)
<b>Total long service awards 30 June</b>	<b>782,568</b>	<b>658,760</b>
<b>Less:</b> Transfer of Current Portion - Note 6	<b>(53,364)</b>	<b>(99,173)</b>
<b>Balance 30 June</b>	<b>729,204</b>	<b>559,587</b>

TOTAL NON-CURRENT EMPLOYEE BENEFITS

Balance 1 July	6,250,817	5,001,667
Contribution for the year	835,037	730,624
Expenditure for the year	(239,063)	(223,292)
Actuarial Loss/(Gain)	(259,184)	741,818
<b>Total employee benefits 30 June</b>	<b>6,587,607</b>	<b>6,250,817</b>
<b>Less:</b> Transfer of Current Portion - Note 6	<b>(173,460)</b>	<b>(275,369)</b>
<b>Balance 30 June</b>	<b>6,414,147</b>	<b>5,975,448</b>

**3.1 Post Retirement Benefits**

	2012 R	2011 R
The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:		
In-service (employee) members	15	16
Continuation members (e.g. Retirees, widows, orphans)	4	6
<b>Total Members</b>	<b>19</b>	<b>22</b>

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

In-service members	4,635,740	4,037,568
Continuation members	1,169,299	1,554,489
<b>Total Liability</b>	<b>5,805,039</b>	<b>5,592,057</b>

The liability in respect of periods commencing prior to the comparative year has been

	2010 R	2009 R	2008 R
In-service members	2,874,179	2,076,250	1,700,665
Continuation members	1,426,315	1,215,224	1,261,153
<b>Total Liability</b>	<b>4,300,494</b>	<b>3,291,474</b>	<b>2,961,818</b>

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

Hosmed  
LA Health

The Municipality's Accrued Unfunded Liability at 30 June 2012 is estimated at R5.805 million. The Current-service Cost for the year ending 30 June 2012 is estimated at R219,664. It is estimated to be R245,693 for the ensuing year.

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

3	<b>EMPLOYEE BENEFITS (CONTINUE)</b>	2012 %	2011 %
	Key actuarial assumptions used:		
	<b>i) Rate of interest</b>		
	Discount rate	8.39%	8.56%
	Health Care Cost Inflation Rate	7.42%	7.21%
	Net Effective Discount Rate	0.90%	1.25%

**ii) Mortality rates**

The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.

**iii) Normal retirement age**

The normal retirement age of employees is 65 for Males and 60 for females. It has been assumed that male in-service members will retire at age 64 and female in-service members retire at 59, which then allows for expected rates of early and ill-health retirement.

	2012 R	2011 R
<b>The amounts recognised in the Statement of Financial Position are as follows:</b>		
Present value of fund obligations	5,805,039	5,592,057
<b>Total Liability</b>	<b>5,805,039</b>	<b>5,592,057</b>
<b>Reconciliation of present value of fund obligation:</b>		
Present value of fund obligation at the beginning of the year	5,592,057	4,300,494
Total expenses	514,708	385,701
Current service cost	219,664	161,138
Interest Cost	471,240	384,031
Benefits Paid	(176,196)	(159,468)
Actuarial (gains)/losses	(301,726)	905,862
Present value of fund obligation at the end of the year	5,805,039	5,592,057
<b>Less:</b> Transfer of Current Portion - Note 6	(120,096)	(176,196)
<b>Balance 30 June</b>	<b>5,684,943</b>	<b>5,415,861</b>

**Sensitivity Analysis on the Accrued Liability**

Assumption	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)
Central Assumptions	4.636	1.169	5.805

The effect of movements in the assumptions are as follows:

Assumption	Change	In-service members liability (Rm)	Continuation members liability (Rm)	Total liability (Rm)	% change
Health care inflation	1%	5.438	1.256	6.693	15%
Health care inflation	-1%	3.978	1.092	5.070	-13%
Post-retirement mortality	-1 year	4.801	1.229	6.031	4%
Average retirement age	-1 year	5.050	1.169	6.219	7%
Withdrawal Rate	-50%	4.740	1.169	5.909	2%

**3.2 Long Service Bonuses**

The Long Service Bonus plans are defined benefit plans. As at year end, 65 employees were eligible for Long Service Bonuses.

The Current-service Cost for the year ending 30 June 2012 is R 97,682. The Current-service Cost for the ensuing year has been estimated to be R 72,369.

Key actuarial assumptions used:	2012 %	2011 %
<b>i) Rate of interest</b>		
Discount rate	6.42%	7.61%
General Salary Inflation (long-term)	6.29%	6.23%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	0.18%	1.30%

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

3 EMPLOYEE BENEFITS (CONTINUE)

The amounts recognised in the Statement of Financial Position are as follows:

	2012 R	2011 R
Present value of fund obligations	782,568	658,760
<b>Net liability/(asset)</b>	<b>782,568</b>	<b>658,760</b>

Reconciliation of present value of fund obligation:

	2012 R	2011 R
Present value of fund obligation at the beginning of the year	658,760	701,173
Total expenses	44,960	16,495
Current service cost	97,682	134,998
Interest Cost	46,451	50,457
Benefits Paid	(99,173)	(168,960)
Actuarial (gains)/losses	78,848	(58,908)
Present value of fund obligation at the end of the year	782,568	658,760
<b>Less:</b> Transfer of Current Portion - Note 6	(53,364)	(99,173)
<b>Balance 30 June</b>	<b>729,204</b>	<b>559,587</b>

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Change	Liability (Rm)	% change
Central assumptions		0.783	
General salary inflation	1%	0.827	6%
General salary inflation	-1%	0.741	-5%
Average retirement age	-2 yrs	0.579	-26%
Average retirement age	2 yrs	0.830	6%
Withdrawal rates	-50%	0.861	10%

3.3 Retirement funds

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claim that the pensioner data to be confidential and were not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

Therefore, although the Cape Joint Retirement Fund is a Multi Employer fund defined as defined benefit plan, it will be accounted for as defined contribution plan. All the required disclosure has been made as defined in GRAP 25.31.

**CAPE RETIREMENT FUND**

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 100.3% (30 June 2010 - 103.3%).

**CAPE JOINT PENSION FUND**

The contribution rate payable is 9% by members and 18% or 23% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 98.10% (30 June 2010 - 100%). Whilst this has decreased since the previous actuarial valuations it is still within the Registrar's normally acceptable range of at least a 95% funding level, provided that the previous statutory valuation reflected at least a 100% funding level.

	2012 R	2011 R
Contributions paid recognised in the Statement of Financial Performance	881,935	773,919

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

4	NON-CURRENT PROVISIONS	2012 R	2011 R
	Provision for Rehabilitation of Landfill-sites	6,490,344	6,181,280
	<b>Total Non-current Provisions</b>	<b>6,490,344</b>	<b>6,181,280</b>

The municipality did not measure the rehabilitation costs of the refuse sites in the past in terms of Directive 4, issued by the Accounting Standards Board. Since the previous reporting period the municipality recognised the following non-current provisions:

Landfill Sites

	2012 R	2011 R
Balance 1 July	6,181,280	5,881,562
Balance previously reported	-	-
First time recognition of Capitalised Restoration Cost - At Cost- Note 33.02	-	5,881,562
Contribution for the year	309,064	299,718
<b>Total provision 30 June</b>	<b>6,490,344</b>	<b>6,181,280</b>
<b>Less:</b> Transfer of Current Portion to Current Provisions	-	-
<b>Balance 30 June</b>	<b>6,490,344</b>	<b>6,181,280</b>

The estimated rehabilitation costs for each of the existing sites are based on the current rates for

	Carnarvon	Vosburg	Vanwyksvlei
Area (m <sup>2</sup> )	31,900	11,200	2,100
Topsoil (m <sup>2</sup> )	31,900	11,200	2,100
Stormwater Cut off drain (m)	420	620	95
Deep seated cut off drain, 2m deep (m)	410	-	110
Fence (m)	810	-	-

The municipality has an obligation to rehabilitate landfill sites at the end of the expected useful life of the asset. Total cost and estimated date of decommission of the sites are as follows:

<u>Location</u>	<u>Estimated decommission date</u>	<u>Cost of rehabilitation</u>
		2012 R
Carnarvon	2023	9,526,448
Vanwyksvlei	2015	1,029,714
Vosburg	2033	7,989,059
		<b>18,545,221</b>

5	CONSUMER DEPOSITS	2012 R	2011 R
	Water & Electricity	268,759	244,389
	<b>Total Consumer Deposits</b>	<b>268,759</b>	<b>244,389</b>

The fair value of consumer deposits approximate their carrying value. Interest is not paid on these amounts.

6	CURRENT EMPLOYEE BENEFITS	2012 R	2011 R
	Current Portion of Post Retirement Benefits - Note 3	120,096	176,196
	Current Portion of Long-Service Provisions - Note 3	53,364	99,173
	Provision for Performance Bonuses	198,340	160,818
	Provision for Annual Bonuses	198,827	179,265
	Provision for Staff Leave	776,890	715,082
	<b>Total Current Employee Benefits</b>	<b>1,347,518</b>	<b>1,330,534</b>

The movement in current employee benefits are reconciled as follows:

Current Portion of Post Retirement Benefits - Note 3

	2012 R	2011 R
Balance at beginning of year	176,196	159,468
Transfer from non-current	82,655	165,143
Expenditure incurred	(138,755)	(148,415)
Balance at end of year	<b>120,096</b>	<b>176,196</b>

Current Portion of Long-Service Provisions - Note 3

	2012 R	2011 R
Balance at beginning of year	99,173	168,960
Transfer from non-current	54,499	5,090
Expenditure incurred	(100,308)	(74,877)
Balance at end of year	<b>53,364</b>	<b>99,173</b>



KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

6	CURRENT EMPLOYEE BENEFITS (CONTINUE)	2012 R	2011 R
	<b><u>Provision for Performance Bonuses</u></b>		
	Balance at beginning of year	160,818	-
	Contribution to current portion	208,050	160,818
	Expenditure incurred	(170,528)	-
	Balance at end of year	<u>198,340</u>	<u>160,818</u>

Performance bonuses are being paid to Municipal Manager and Managers after an evaluation of performance by the council. There is no possibility of reimbursement.

**Provision for Staff Leave**

	Balance at beginning of year	715,082	529,689
	Contribution to current portion	251,588	185,393
	Expenditure incurred	(189,779)	-
	Balance at end of year	<u>776,890</u>	<u>715,082</u>

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave.

**Provision for Annual Bonuses**

	Balance at beginning of year	179,265	153,507
	Contribution to current portion	19,563	25,758
	Balance at end of year	<u>198,827</u>	<u>179,265</u>

Annual bonuses are being paid to Municipal personnel after one full year's service. There is no possibility of reimbursement.

7	PAYABLES FROM EXCHANGE TRANSACTIONS	2012 R	2011 R
	Trade Payables	705,466	726,970
	Payments received in advance	169,655	172,822
	Other Payables	2,081	2,217
	<b>Total Trade Payables</b>	<u>877,202</u>	<u>902,009</u>

Payables are being paid within 30 days as prescribed by the MFMA. Payables are being recognised net of any discounts.

8	UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS	2012 R	2011 R
	<b>Unspent Grants</b>	2,068,028	3,509,447
	National and Provincial Government Grants	<u>2,068,028</u>	<u>3,509,447</u>
	<b>Total Conditional Grants and Receipts</b>	<u>2,068,028</u>	<u>3,509,447</u>

The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

9	TAXES	2012 R	2011 R
	VAT Payable	522,942	686,264
	Less: Contribution to provision for impairment of trade receivables from exchange transactions	(356,529)	(540,229)
		<u>166,413</u>	<u>146,035</u>

VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.





KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

10	<b>PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>	<b>2012</b>	<b>2011</b>
		<b>R</b>	<b>R</b>
	<b>Assets pledged as security:</b>		
	No assets are pledged as security.		
	<b>Third party payments received for losses incurred:</b>		
	Payments received (Excluding VAT)	-	59,494
	Surplus/Deficit	-	59,494
		<hr/>	<hr/>
	<b>Impairment of property plant and equipment</b>		
	Impairment charges on Property, plant and equipment recognised in statement of financial performance		
	Land and Buildings	-	-
	Infrastructure	-	38
	Other	-	19,763
		<hr/>	<hr/>
		<hr/>	<hr/>
	<b>Effect of changes in accounting estimates</b>		

The effect of a change in accounting estimate will have on the current period and subsequent periods:

	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b>R</b>	<b>R</b>	<b>R</b>
Effect on Property, plant and equipment	(288,712)	(498,044)	(393,140)
	<hr/>	<hr/>	<hr/>

11	<b>INVESTMENT PROPERTY</b>		
	<b>Net Carrying amount at 1 July</b>	<b>10,227,346</b>	<b>10,239,676</b>
	Cost	10,276,700	10,276,700
	Accumulated Depreciation	(49,354)	(37,024)
	Depreciation for the year	(12,364)	(12,330)
	<b>Net Carrying amount at 30 June</b>	<b>10,214,982</b>	<b>10,227,346</b>
	Cost	10,276,700	10,276,700
	Accumulated Depreciation	(61,718)	(49,354)
	Fair value of these investment property is R10 276 700 and expenditure of R12 844 was identified on these investment properties.		
	Revenue derived from the rental of investment property	546,185	389,287
	Operating expenditure incurred on properties generating revenue	13,344	4,226
	Operating expenditure incurred on properties not generating revenue	-	-
	There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.		
	There are no contractual obligations to purchase, construct or develop investment property or for repairs and maintenance or enhancements.		
	Estimated Fair Value of Investment Property at 30 June	10,276,700	10,276,700
	Fair value was determined by valuation roll.		

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>12 INTANGIBLE ASSETS</b>		
<b>Computer Software</b>		
<b>Net Carrying amount at 1 July</b>	<b>155,349</b>	<b>5,057</b>
Cost	200,798	7,737
Accumulated Amortisation	(45,449)	(2,680)
Acquisitions	5,039	193,061
Disposals	(733)	-
Amortisation	(67,203)	(42,770)
<b>Net Carrying amount at 30 June</b>	<b>92,452</b>	<b>155,349</b>
Cost	197,355	200,798
Accumulated Amortisation	(104,903)	(45,449)

The following material intangible assets are included in the carrying value above

Description	Remaining Amortisation Period	Carrying Value	
		2012 R	2011 R
VIP Salary System	1	5,666	10,762
Capman Personnel System	1	81,347	139,840
MS Office	1 - 5	5,438	4,746

No intangible asset were assessed having an indefinite useful life.

There are no intangible assets whose title is restricted.

There are no intangible assets pledged as security for liabilities

There are no contractual commitments for the acquisition of intangible assets.

**13 CAPITALISED RESTORATION COST**

The municipality did not measure the rehabilitation costs of the refuse sites in the past in terms of Directive 4, issued by the Accounting Standards Board. Since the previous reporting period the municipality recognised the following capitalised restoration cost:

	1,617,423	1,793,066
<b>Net Carrying amount at 1 July</b>		
Cost	3,155,514	3,155,514
Balance previously reported		-
First time recognition of Capitalised Restoration Cost - At Cost- Note 33.01		3,155,514
Accumulated Depreciation	(1,498,693)	(1,362,448)
Balance previously reported		-
First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 33.01		(1,362,448)
Accumulated Impairments	(39,398)	-
Depreciation for the year	(119,967)	(136,245)
Balance previously reported		-
Recognition of Depreciation for 2010/2011 - Note 33.01		(136,245)
Impairment	(48,502)	(39,398)
<b>Net Carrying amount at 30 June</b>	<b>1,448,954</b>	<b>1,617,423</b>
Cost	3,155,514	3,155,514
Accumulated Depreciation	(1,618,659)	(1,498,693)
Accumulated Impairments	(87,900)	(39,398)

**14 LONG TERM RECEIVABLES**

Officials' Housing Loans - At amortised cost	86,967	95,659
<b>Less:</b> Unamortised Discount on Loans	(20,918)	(24,997)
Balance 1 July	(24,997)	(29,287)
Adjustment for the period	4,079	4,290
	66,048	70,661
<b>Less:</b> Current portion transferred to current receivables	(9,045)	(8,692)
Officials Housing Loans - At amortised cost	(9,045)	(8,692)
	57,003	61,969
<b>Less:</b> Provision for Impairment of Long Term Receivables	-	-
<b>Total Long Term Receivables</b>	<b>57,003</b>	<b>61,969</b>

**STAFF HOUSING LOANS**

Staff was entitled to housing loans which attract interest at 4% per annum and which are repayable over a maximum period of 20 years. When an employee resigns, the outstanding amount must be settled. These loans are secured since the Council is the bond holder.

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

15	RECEIVABLES FROM EXCHANGE TRANSACTIONS	2012 R	2011 R
	<b>Service Receivables</b>		
	Water	206,328	1,459,243
	Electricity	825,517	1,462,879
	Refuse	621,955	1,035,001
	Sewerage	270,511	1,180,684
	Payments received in advance	169,655	172,822
	<b>Total Service Receivables</b>	<b>2,093,966</b>	<b>5,310,629</b>
	Less: Provision for Impairment	(1,145,851)	(4,114,534)
	<b>Net Service Receivables</b>	<b>948,114</b>	<b>1,196,095</b>
	<b>Other Receivables</b>		
	Sundry Receivables	1,033,674	1,165,509
	Rentals	248,365	310,229
	VAT	522,942	686,264
	Payments received in advance	855	991
	<b>Total Other Receivables</b>	<b>1,805,836</b>	<b>2,162,993</b>
	Less: Provision for Impairment	(248,365)	(320,760)
	Less: Contribution to provision for VAT impairment of trade receivables from exchange transactions	(356,529)	(540,229)
	<b>Net Other Receivables</b>	<b>1,200,943</b>	<b>1,302,004</b>
	<b>Total Net Receivables from Exchange Transactions</b>	<b>2,149,057</b>	<b>2,498,099</b>
	<b>Ageing of Receivables from Exchange Transactions</b>		
	<b>(Electricity): Ageing</b>		
	Current (0 - 30 days)	770,179	644,752
	31 - 60 Days	12,881	85,185
	61 - 90 Days	12,454	25,747
	+ 90 Days	30,003	707,195
	<b>Total</b>	<b>825,517</b>	<b>1,462,879</b>
	<b>(Water): Ageing</b>		
	Current (0 - 30 days)	182,548	226,259
	31 - 60 Days	13,942	127,495
	61 - 90 Days	21	99,106
	+ 90 Days	9,817	1,006,383
	<b>Total</b>	<b>206,328</b>	<b>1,459,243</b>
	<b>(Refuse): Ageing</b>		
	Current (0 - 30 days)	190,496	176,096
	31 - 60 Days	228,277	98,471
	61 - 90 Days	181,371	69,964
	+ 90 Days	21,811	690,470
	<b>Total</b>	<b>621,955</b>	<b>1,035,001</b>
	<b>(Sewerage): Ageing</b>		
	Current (0 - 30 days)	139,875	148,989
	31 - 60 Days	87,097	91,175
	61 - 90 Days	19,184	86,922
	+ 90 Days	24,355	853,598
	<b>Total</b>	<b>270,511</b>	<b>1,180,684</b>
	<b>(Sundry Receivables): Ageing</b>		
	Current (0 - 30 days)	1,033,674	1,155,969
	31 - 60 Days	-	-
	61 - 90 Days	-	-
	+ 90 Days	-	9,540
	<b>Total</b>	<b>1,033,674</b>	<b>1,165,509</b>
	<b>(VAT): Ageing</b>		
	Current (0 - 30 days)	166,413	146,035
	31 - 60 Days	-	-
	61 - 90 Days	-	-
	+ 90 Days	356,529	540,229
	<b>Total</b>	<b>522,942</b>	<b>686,264</b>
	<b>(Rentals): Ageing</b>		
	Current (0 - 30 days)	-	-
	31 - 60 Days	-	-
	61 - 90 Days	-	-
	+ 90 Days	248,365	310,229
	<b>Total</b>	<b>248,365</b>	<b>310,229</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

16

	2012 R	2011 R
<b>RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS</b>		
<i>Service Receivables</i>		
Rates	1,621,785	2,552,080
Other Receivables	1,350	2,050
Accrued Fines	1,350	2,050
<b>Total Service Receivables</b>	<b>1,623,135</b>	<b>2,554,130</b>
Less: Provision for Impairment	(1,621,785)	(2,537,619)
<b>Net Service Receivables</b>	<b>1,350</b>	<b>16,511</b>
<b>Total Net Receivables from Non-Exchange Transactions</b>	<b>1,350</b>	<b>16,511</b>

**Ageing of Receivables from Non-Exchange Transactions**

(Rates): Ageing

Current (0 - 30 days)	-	14,461
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	1,621,785	2,537,619
<b>Total</b>	<b>1,621,785</b>	<b>2,552,080</b>

(Other Receivables): Ageing

Current (0 - 30 days)	1,350	2,050
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	-	-
<b>Total</b>	<b>1,350</b>	<b>2,050</b>

Summary of Receivables by Customer Classification

	Residential, Industrial & Commercial R's	Other Debtors R's	National and Provincial Government R's	Total R's
<b>2012</b>				
Total Receivables	5,368,818	29,365	124,753	5,522,937
Less: Provision for Impairment	(3,016,001)	-	-	(3,016,001)
Less: Provision for Impairment (VAT)	(356,529)	-	-	(356,529)
<b>Total Recoverable debtors by customer classification</b>	<b>1,996,289</b>	<b>29,365</b>	<b>124,753</b>	<b>2,150,407</b>

Summary of Receivables by Customer Classification

	Residential, Industrial & Commercial R's	Other Debtors R's	National and Provincial Government R's	Total R's
<b>2011</b>				
Total Receivables	9,926,405	25,610	75,737	10,027,752
Less: Provision for Impairment	(6,972,913)	-	-	(6,972,913)
Less: Provision for Impairment (VAT)	(540,229)	-	-	(540,229)
<b>Total Recoverable debtors by customer classification</b>	<b>2,413,263</b>	<b>25,610</b>	<b>75,737</b>	<b>2,514,610</b>

Receivables impaired

	Exchange Transactions R's	Non-Exchange Transactions R's	Total R's
<b>2012</b>			
Total	<b>1,394,216</b>	<b>1,621,785</b>	<b>3,016,001</b>
<b>2011</b>			
Total	<b>4,435,294</b>	<b>2,537,619</b>	<b>6,972,913</b>

Debts are required to be settled after 30 days, interest is charged on rates after this date at prime +1%.  
The fair value receivables approximates their carrying amounts.

Reconciliation of the Total doubtful debt provision

	2012 R	2011 R
Balance at beginning of the year	7,513,142	6,805,425
Contributions to provision	-	167,488
VAT contribution to Impairment provision	(183,700)	540,229
Impairment written off against provision	(3,956,912)	-
<b>Balance at end of year</b>	<b>3,372,530</b>	<b>7,513,142</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

17 OPERATING LEASE ARRANGEMENTS

The Municipality as Lessor

<b>Balance on 1 July</b>	10,634	9,038
Operating Lease Asset for the current year	3,582	1,596
<b>Balance on 30 June</b>	<b>14,216</b>	<b>10,634</b>

The municipality is leasing a piece of land to MTN for a period of 119 months with escalations of 10% per year.

The municipality is leasing a piece of land to Vodacom for a period of 119 months with escalations of 10% per year.

	2012 R	2011 R
At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:		
Up to 1 Year	280,246	242,995
2 to 5 Years	651,188	826,715
More than 5 Years	159,915	264,635
<b>Total Operating Lease Arrangements</b>	<b>1,091,350</b>	<b>1,334,345</b>

This lease income was determined from a contract that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The lease is in respect of land being leased by MTN until 2017.

The lease is in respect of land being leased by Vodacom until 2022.

The municipality does not engage in any sub-lease arrangements.

The municipality did not receive any contingent rent during the year

18 CASH AND CASH EQUIVALENTS

**Assets**

Call Investments Deposits	21,376,614	21,134,211
Primary Bank Account (Cash book)	225,652	13,151
<b>Total Cash and Cash Equivalents - Assets</b>	<b>21,602,265</b>	<b>21,147,362</b>

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

Call Investments Deposits to an amount of R2 068 028 are held to fund the Unspent Conditional Grants (2010: R3 509 447).

Kareeberg municipality do not have a bank overdraft facility.

	2012 R	2011 R
The municipality has the following bank accounts:		
<b>Current Accounts</b>		
Carnarvon ABSA - Account Number 40 50 475 166 (Primary Bank Account):	225,652	13,151
	<b>225,652</b>	<b>13,151</b>
<b>Carnarvon ABSA - Account Number 40 50 475 166 (Primary Bank Account):</b>		
Cash book balance at beginning of year	13,151	283,025
Cash book balance at end of year	225,652	13,151
Bank statement balance at beginning of year	1,027,539	682,505
Bank statement balance at end of year	613,214	1,027,539



KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

			2012 R	2012 R	2011 R
<b>Call Investment Deposits</b>					
Call investment deposits consist out of the following accounts:					
Account no.	Place of investment	Name of fund		Bank Certificates (excl. accruals)	
20-5772-3831	ABSA	Capital Replacement Reserve	11,347,812	11,347,812	11,347,812
92-0446-2639	ABSA	Housing Fund	120,815	120,895	119,570
90-7057-3646	ABSA	Job creation - De Bult	34,983	35,035	34,100
90-7553-5667	ABSA	Land development	15,201	15,225	14,893
90-7553-5714	ABSA	Land development	13,886	13,907	13,604
90-7091-9951	ABSA	Land development	27,227	27,227	27,200
08-870-543-9	STANDARD BANK	Civil Defence	17,430	17,448	16,972
08-870-542-0	STANDARD BANK	Job Creation	30	-	11,663
90-9630-8465	ABSA	Self Build Project	-	-	-
08-871-077-7	STANDARD BANK	Geotechnical Investigation	-	-	6,186
92-0446-2281	ABSA	TV Fund	-	-	10,138
91-1548-4469	ABSA	CMIP Kwaggakolk(VAT)	140,288	140,289	140,148
08-870-5536	STANDARD BANK	Sanitation Interest/VAT	1,477,022	1,477,022	2,930,801
91-1908-0801	ABSA	Electricity	32,751	32,752	32,719
91-6152-7996	ABSA	Water Services Plan	3,064	3,064	3,062
91-4181-7074	ABSA	CMIP-Saaipoort project 301	3,363	3,363	3,361
91-1908-0893	ABSA	EPWP - Paving/ Cleaning	22,140	22,141	22,119
91-0714-4855	ABSA	Lotto Carnarvon	1,702	1,702	1,701
91-1003-7312	ABSA	Lotto Vosburg	29,986	29,988	29,988
91-3252-1989	ABSA	Transfer Fees Sub-Economic Housing	119,943	120,184	116,394
91-3945-6365	ABSA	VB Cleaning Project	23,938	23,940	23,916
91-5297-7293	ABSA	VAT - retention	11,109	11,109	11,098
92-6345-3922	ABSA	Kreeberg Festival	-	-	59,413
92-1221-8064	ABSA	Youth Development	93,632	93,632	-
92-1221-8064	ABSA	Leave Fund	1,956,626	1,956,626	964,724
92-1221-8064	ABSA	Retension	299,232	299,232	658,736
20-6873-9716	ABSA	Provision for Employee benefits	3,000,000	3,000,000	2,000,000
92-1221-8064	ABSA	Reserves	352,116	352,116	352,116
92-1221-8064	ABSA	General Account	2,231,913	2,231,906	2,181,808
08-871-0777	STANDARD BANK				
			<b>21,376,208</b>	<b>21,376,614</b>	<b>21,134,211</b>

19 **PROPERTY RATES**

**Actual**

**Rateable Land and Buildings**

Residential, Commercial Property  
State - National / Provincial Services

6,041,668

6,975,411

5,361,981

6,294,972

679,687

680,439

**Less: Reductions**

(416,333)

(417,005)

**Less: Rebates**

(1,746,989)

(2,649,940)

**Total Assessment Rates**

**3,878,347**

**3,908,466**

**Valuations - 30 JUNE 2012:**

**Rateable Land and Buildings**

Residential & Commercial Property  
State - National / Provincial Services

1,543,556,950

1,545,224,850

1,512,229,550

1,517,227,450

31,327,400

27,997,400

**Total Assessment Rates**

**1,543,556,950**

**1,545,224,850**

**Valuations - 30 JUNE 2012:**

Residential  
State  
State: Agriculture  
Agriculture  
Municipal  
Municipal: Agriculture  
Schietfontein  
Churches  
Infrastructure  
Public Benefit Organisations  
Commonage  
Commonage (rentals)  
Commonage (Boschmansberg)  
Agriculture (Dubble levy Carnarvon)  
Sport clubs

**Valuation**

177,638,900

20,802,800

10,524,600

1,265,478,750

21,017,400

13,153,700

165,000

10,287,600

817,200

2,617,200

160,000

9,747,800

7,752,000

2,750,000

644,000

**Total Property Valuations**

**1,543,556,950**

Assessment Rates are levied on the values of immovable properties. A supplementary roll was performed during 2011/12. The tariffs applicable are proclaimed by PK 37 dated 15 May 2011.

Rates are levied annually and are payable after due dates. Interest is levied on monthly and annually outstanding amounts at prime rate plus 1% after due dates.

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

20

GOVERNMENT GRANTS AND SUBSIDIES

	2012 R	2011 R
<b>Unconditional Grants</b>	<b>10,466,000</b>	<b>9,050,480</b>
Equitable Share - Refer to Note 20.01	10,466,000	9,050,480
<b>Conditional Grants</b>	<b>18,272,868</b>	<b>20,541,800</b>
Job Creation	11,948	-
Self Build Project	-	129,746
Water Assistance	639,879	73,303
TV Fund	10,146	-
CMIP Kwaggakolk (VAT)	-	51,737
Municipal Systems Improvement Grant	1,116,915	1,460,447
Sanitation - sewerage	1,453,779	2,289,225
Electricity	-	27,889
Library Development Projects	501,000	527,817
Vanwyksvlei Housing VAT	-	87,311
Vosburg Housing VAT	-	8,064
Municipal Finance Management Grant	1,353,221	1,160,011
Vanwyksvlei Drought Relief Fund	-	30,856
Carnarvon Waste Management	-	12,523
Vanwyksvlei Drought Relief (R 2.1mil)	-	473,882
Municipal Infrastructure Grant	6,931,076	10,893,603
Housing 81 homes	2,381,969	2,541,551
Kareeberg Festival	59,440	140,587
Department of Economic Affairs - Fly-in	100,000	100,000
Geotechnical Investigation	6,371	-
Premier's Funds - Job Creation	325,000	325,000
Expanded Public Works Program	3,382,125	61,673
Department of Water Affairs	-	89,120
Open Africa	-	57,455
<b>Total Government Grants and Subsidies</b>	<b>28,738,868</b>	<b>29,592,280</b>
Government Grants and Subsidies - Capital	10,088,203	12,592,430
Government Grants and Subsidies - Operating	18,650,665	16,999,850
	<b>28,738,868</b>	<b>29,592,280</b>

The municipality does not expect any significant changes to the level of grants.

Revenue recognised per vote as required by Section 123 (c) of the MFMA

Equitable share	10,466,000	9,050,480
Executive & Council	15,736,202	18,836,813
Budget & Treasury	1,557,958	726,279
Waste Water Management	326,236	326,236
Water	326,236	326,236
Electricity	326,236	326,236
	<b>28,738,868</b>	<b>29,592,280</b>

20.01 Equitable share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent households. All registered indigents receive 10kl free water and 50kwh electricity per month, which is funded from this grant.

All registered indigents receive a monthly subsidy as per approved budget, funded from this grant. Indigent subsidies is based on the cost of basic services for the geographical area concerned and range from R225 per month to R506 per month.(2011: R212 per month to R460 per month)

Equitable share

Opening balance	-	-
Grants received	10,466,000	9,050,480
Conditions met	(10,466,000)	(9,050,480)
Conditions still to be met	-	-

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

20.02 Municipal Infrastructure Grant (MIG)

Opening balance	-	5,736,528
Grants received	7,892,000	6,562,000
Conditions met	(960,924)	(3,325,954)
Conditions met - Capital	(6,931,076)	(8,972,575)
Conditions still to be met	-	-

The grant was used to upgrade infrastructure in the Kareeberg areas.

20.03 Local Government Financial Management Grant (FMG)

Opening balance	-	66,107
Grants received	1,450,000	1,200,000
Conditions met	(1,420,789)	(1,250,862)
Conditions met - Capital	(29,211)	(15,245)
Conditions still to be met	-	-

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>GOVERNMENT GRANTS AND SUBSIDIES (CONTINUE)</b>		
<b>20.04 Municipal Systems Improvement Grant</b>		
Opening balance	-	419,838
Grants received	1,200,000	1,200,000
Conditions met	(1,193,672)	(1,260,726)
Conditions met - Capital	(6,328)	(359,112)
Conditions still to be met	-	-
The MSIG was used for building in-house capacity to perform municipal functions and stabilise institutional and governance systems.		
<b>20.05 Library Development Projects</b>		
Opening balance	-	185,643
Interest received	-	2,174
Grants received	501,000	340,000
Conditions met	(339,272)	(426,666)
Conditions met - Capital	(161,728)	(101,151)
Conditions still to be met	-	-
The grant was used for the development of libraries in the Kareeberg area.		
<b>20.06 Youth Development</b>		
Opening balance	-	-
Grants received	93,632	-
Conditions still to be met	93,632	-
The grant will be used for youth development related issues in the Kareeberg area.		
	R	R
<b>20.07 Kareeberg Festival</b>		
Opening balance	59,413	-
Interest received	27	-
Grants received	-	200,000
Conditions met	(59,440)	(140,587)
Conditions still to be met	-	59,413
The grant was used for the Kareeberg Festival.		
<b>20.08 Housing 81 homes</b>		
Opening balance	-	-
Grants received	2,381,969	2,541,551
Conditions met	(2,381,969)	(1,441,000)
Conditions met - Capital	-	(1,100,551)
Conditions still to be met	-	-
The grant was used for a housing project in the Kareeberg area.		
<b>20.09 Department of Economic Affairs - Fly-in</b>		
Opening balance	-	-
Grants received	100,000	100,000
Conditions met	(100,000)	(100,000)
Conditions still to be met	-	-
The grant was used for a fly show in the Kareeberg area.		
<b>20.10 Premier's Funds - Job Creation</b>		
Opening balance	-	-
Grants received	325,000	325,000
Conditions met	(325,000)	(325,000)
Conditions still to be met	-	-
The grant was used for job creation in the Kareeberg area.		
<b>20.11 Water Assistance</b>		
Opening balance	-	72,767
Interest received	-	536
Grants received	639,879	-
Conditions met	(639,879)	(73,303)
Conditions still to be met	-	-
The grant was used for water supply in the Kareeberg area. (Vanwyksvlei)		
<b>20.12 Expanded Public Works Program</b>		
Opening balance	-	-
Grants received	3,755,965	-
Conditions met	(1,085,680)	-
Conditions met - Capital	(2,670,285)	-
Conditions still to be met	-	-
The grant was used for infrastructure development in the Kareeberg area.		

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>GOVERNMENT GRANTS AND SUBSIDIES (CONTINUE)</b>		
<b>20.13 Job Creation De Bult</b>		
Opening balance	34,100	33,109
Interest received	935	991
Conditions still to be met	<u>35,035</u>	<u>34,100</u>
The grant will be used for job creation in the Kareeberg area. (Carnarvon)		
<b>20.14 Land Development</b>		
Opening balance	55,697	54,916
Interest received	662	781
Conditions still to be met	<u>56,359</u>	<u>55,697</u>
The grant will be used for a land development plan in the Kareeberg area.		
<b>20.15 Civil Defence</b>		
Opening balance	16,972	16,481
Interest received	476	491
Conditions still to be met	<u>17,448</u>	<u>16,972</u>
The grant will be used for civil defence in the Kareeberg area.		
<b>20.16 Job Creation</b>		
Opening balance	11,663	11,325
Interest received	285	338
Conditions met	<u>(11,948)</u>	<u>-</u>
Conditions still to be met	<u>-</u>	<u>11,663</u>
The grant was used for job creation in the Kareeberg area.		
<b>20.17 Geotechnical Investigation</b>	R	R
Opening balance	6,186	5,931
Interest received	186	255
Conditions met	<u>(6,371)</u>	<u>-</u>
Conditions still to be met	<u>-</u>	<u>6,186</u>
The grant was used for a geotechnical investigation in the Kareeberg area. (Vanwyksvlei)		
<b>20.18 TV Fund</b>		
Opening balance	10,138	10,126
Interest received	8	12
Conditions met	<u>(10,146)</u>	<u>-</u>
Conditions still to be met	<u>-</u>	<u>10,138</u>
The grant was used for a TV Transmitter in the Kareeberg area. (Vanwyksvlei)		
<b>20.19 CMIP Kwaggakolk (VAT)</b>		
Opening balance	140,148	191,142
Interest received	141	743
Conditions met - Capital	<u>-</u>	<u>(51,737)</u>
Conditions still to be met	<u>140,289</u>	<u>140,148</u>
The grant will be used for a water project in the Kareeberg area. (Vanwyksvlei)		
<b>20.20 Sanitation - sewerage</b>		
Opening balance	2,930,801	5,220,026
Conditions met	(1,164,203)	(777,393)
Conditions met - Capital	<u>(289,576)</u>	<u>(1,511,832)</u>
Conditions still to be met	<u>1,477,022</u>	<u>2,930,801</u>
The grant was used for a sanitation development in the Kareeberg area.		
<b>20.21 Electricity</b>		
Opening balance	32,719	60,454
Interest received	33	155
Conditions met	-	(4,529)
Conditions met - Capital	<u>-</u>	<u>(23,360)</u>
Conditions still to be met	<u>32,752</u>	<u>32,719</u>
The grant will be used for electricity infrastructure development in the Kareeberg area. (Schietfontein)		
<b>20.22 Water Service Plan</b>		
Opening balance	3,062	3,061
Interest received	2	2
Conditions still to be met	<u>3,064</u>	<u>3,062</u>
The grant will be used for a water service plan in the Kareeberg area.		

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>GOVERNMENT GRANTS AND SUBSIDIES (CONTINUE)</b>		
<b>20.23 CMIP - Saaipoort project 301</b>		
Opening balance	3,361	3,359
Interest received	2	2
Conditions still to be met	<u>3,363</u>	<u>3,361</u>
The grant will be used for a bore hole water project in the Kareeberg area. (Carnarvon)		
<b>20.24 Paving Projects</b>		
Opening balance	22,119	22,092
Interest received	22	26
Conditions still to be met	<u>22,141</u>	<u>22,119</u>
The grant will be used for an extended public works program in the Kareeberg area.		
<b>20.25 Lotto Carnarvon</b>		
Opening balance	1,701	1,700
Interest received	1	1
Conditions still to be met	<u>1,702</u>	<u>1,701</u>
The grant will be used for Lotto projects in the Kareeberg area. (Erection of sport facilities)		
<b>20.26 Lotto Vosburg</b>		
Opening balance	29,958	29,888
Interest received	30	71
Conditions still to be met	<u>29,988</u>	<u>29,958</u>
The grant will be used for Lotto projects in the Kareeberg area. (Erection of sport facilities)		
<b>20.27 Transfer Fees Sub-Economic</b>		
Opening balance	116,394	112,434
Interest received	3,790	3,960
Conditions still to be met	<u>120,184</u>	<u>116,394</u>
The grant will be used for transfer fees of sub-economic houses in the Kareeberg area.		
<b>20.28 Cleaning Project Vosburg</b>		
Opening balance	23,916	23,887
Interest received	24	29
Conditions still to be met	<u>23,940</u>	<u>23,916</u>
The grant will be used for a cleaning project in the Kareeberg area.		
<b>20.29 VAT - Retention</b>		
Opening balance	11,098	11,085
Interest received	11	13
Conditions still to be met	<u>11,109</u>	<u>11,098</u>
The grant will be used for VAT money in the Kareeberg area.		
<b>20.30 Self Build Project</b>		
Opening balance	-	129,274
Interest received	-	472
Conditions met	-	(129,746)
Conditions still to be met	<u>-</u>	<u>-</u>
The grant was used for housing projects in the Kareeberg area. (Vanwyksvlei)		
<b>20.31 Vanwyksvlei Housing VAT</b>		
Opening balance	-	86,993
Interest received	-	318
Conditions met	-	(87,311)
Conditions still to be met	<u>-</u>	<u>-</u>
The grant was used for housing projects in the Kareeberg area. (Vanwyksvlei)		
<b>20.32 Vosburg Housing VAT</b>		
Opening balance	-	8,061
Interest received	-	3
Conditions met	-	(8,064)
Conditions still to be met	<u>-</u>	<u>-</u>
The grant was used for housing projects in the Kareeberg area. (Vosburg)		

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>GOVERNMENT GRANTS AND SUBSIDIES (CONTINUE)</b>		
<b>20.33 Vanwyksvlei Drought Relief Fund</b>		
Opening balance	-	30,796
Interest received	-	60
Conditions met	-	(30,856)
Conditions still to be met	-	-
The grant was used for drought relief in the Kareeberg area. (Vanwyksvlei)		
<b>20.34 Carnarvon Waste Management</b>		
Opening balance	-	12,515
Interest received	-	8
Conditions met	-	(12,523)
Conditions still to be met	-	-
The grant was used for "Cleanest Town Competition" in the Kareeberg area. (Carnarvon)		
<b>20.35 Vanwyksvlei Drought Relief (R 2.1mil)</b>		
Opening balance	-	537,636
Conditions met	-	(80,767)
Conditions met - Capital	-	(456,868)
Conditions still to be met	-	-
The grant was used for drought relief in the Kareeberg area. (Vanwyksvlei)		
<b>20.36 Housing B.Agterdam</b>		
Opening balance	-	-
Grants received	-	61,673
Conditions met	-	(61,673)
Conditions still to be met	-	-
The grant was used for individual subsidy in the Kareeberg area.		
<b>20.37 Department of Water Affairs</b>		
Opening balance	-	-
Grants received	-	89,120
Conditions met	-	(89,120)
Conditions still to be met	-	-
The grant was used for rehabilitation of boreholes in the Kareeberg area. (Vanwyksvlei)		
<b>20.38 Open Africa</b>		
Opening balance	-	-
Grants received	-	57,455
Conditions met	-	(57,455)
Conditions still to be met	-	-
The grant was used for developing a hiking trail in the Kareeberg area.		
<b>20.39 Total Grants</b>		
Opening balance	3,509,447	13,097,173
Interest received	6,632	11,440
Grants received	28,805,445	21,727,279
Conditions met	(20,165,293)	(18,734,016)
Conditions met - Capital	(10,088,203)	(12,592,430)
Conditions still to be met/(Grant expenditure to be recovered)	<b>2,068,028</b>	<b>3,509,447</b>
	<b>2012</b>	<b>2011</b>
<b>21 SERVICE CHARGES</b>	<b>R</b>	<b>R</b>
Electricity	6,631,019	5,514,194
Service Charges	6,631,019	5,514,194
Water	3,386,634	3,100,112
Service Charges	3,386,634	3,100,112
Refuse removal	2,780,238	2,584,520
Service Charges	2,780,238	2,584,520
Sewerage and Sanitation Charges	2,058,501	1,924,834
Service Charges	2,058,501	1,924,834
<b>Total Service Charges</b>	<b>14,856,392</b>	<b>13,123,660</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>22 OTHER REVENUE</b>		
Application Specific Registrations	2,145	1,700
Sale of Sand	160	65
Building Fees	570	540
Photocopies	2,430	4,658
Grave Fees	7,465	5,535
Encroachment	917	917
Cement block Sales	2,280	660
Pond Fees	3,510	780
Refuse Bags Sold	1,176	771
Connection Fees	310	460
Surplus Cash	6	-
Gain due to additions on Biological assets	26,450	27,100
Valuation Certificates	1,440	995
Grant VAT Income	1,514,628	1,734,166
Retention forfeited	-	93,525
Electricity caravan park	880	1,310
<b>Total Other Income</b>	<b>1,564,367</b>	<b>1,873,180</b>
<b>23 FAIR VALUE ADJUSTMENTS</b>		
Unamortised Discount - Interest - LT Receivables	4,079	4,290
	<b>4,079</b>	<b>4,290</b>
<b>24 EMPLOYEE RELATED COSTS</b>		
Other Allowances	900	900
Salaries & Wages	8,570,226	8,280,372
Uniform Allowance	26,186	21,054
Leave Reserve Fund	251,588	185,393
Personnel Contributions	1,470,786	1,401,891
Skill Development Levy	115,941	98,161
Bargaining Council	4,018	3,493
Pension Gratification	444	407
UIF	68,513	73,087
Performance Bonuses	208,050	160,818
Contribution to Employee Benefits - Long Service Awards - Note 3	97,682	134,998
Contribution to Employee Benefits - Post Retirement Medical - Note 3	219,664	161,138
	11,033,999	10,521,713
<b>Less:</b> Employee Costs allocated elsewhere	-	-
<b>Total Employee Related Costs</b>	<b>11,033,999</b>	<b>10,521,713</b>
<b>KEY MANAGEMENT PERSONNEL</b>		
Municipal Manger is appointed on a 5-year fixed contract. There are no post-employment or termination benefits payable to him at the end of the contract period.		
<b>REMUNERATION OF KEY MANAGEMENT PERSONNEL</b>		
<b>Remuneration of the Municipal Manager: Mr Z.E. Dingile (Acting since 1 June 2012)</b>		
Salary, Leave and Performance Bonus	937,657	636,004
Travel Allowance	96,000	96,000
UIF	1,497	1,497
Cell phone (VAT Included)	24,000	20,500
<b>Total</b>	<b>1,059,155</b>	<b>754,001</b>
<b>Remuneration of the Chief Finance Officer: Mr. P.B. Rossouw</b>		
Salary and Bonus, Performance Bonus	451,213	369,730
Travel Allowance	120,180	113,292
Pension	67,722	50,570
Medical	35,431	31,334
UIF	1,497	1,497
Bargaining Council	49	49
Cell phone (VAT Included)	18,000	14,500
<b>Total</b>	<b>694,093</b>	<b>580,972</b>
<b>Remuneration of Chief Operations Manager: Mr. A.P.F. van Schalkwyk</b>		
Salary and Bonus, Performance Bonus	545,111	464,464
Travel Allowance	120,180	113,292
Pension	82,892	61,897
Medical	39,367	39,618
UIF	1,497	1,497
Bargaining Council	49	49
Cell phone (VAT Included)	24,000	20,500
<b>Total</b>	<b>813,097</b>	<b>701,318</b>
<b>Remuneration of Head : Corporate Services: Mr. N.J. van Zyl</b>		
Salary and Bonus, Performance Bonus	467,730	353,913
Travel Allowance	120,180	113,292
Pension	61,690	50,570
Medical	35,431	31,334
UIF	1,497	1,497
Bargaining Council	49	49
Cell phone (VAT Included)	18,000	14,500
<b>Total</b>	<b>704,578</b>	<b>565,156</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
<b>25 REMUNERATION OF COUNCILLORS</b>		
Mayor	572,948	529,530
Councillors	1,031,304	987,035
Councillors' Cell phones	83,407	81,168
<b>Total Councillors' Remuneration</b>	<b>1,687,659</b>	<b>1,597,732</b>
<b><i>In-kind Benefits</i></b>		
The Mayor is fulltime. He is provided with an office at the cost of the Council.		
<b>26 DEBT IMPAIRMENT</b>		
Receivables from exchange transactions - Note 15	-	(733,638)
Receivables from non-exchange transactions - Note 16	-	901,126
<b>Total Contribution to Impairment Provision</b>	<b>-</b>	<b>167,488</b>
<b>27 IMPAIRMENTS</b>		
Property Plant & Equipment	-	19,801
	<b>-</b>	<b>19,801</b>
<b>28 FINANCE CHARGES</b>		
Post Retirement Charges	517,691	434,488
Rehabilitation Cost - Refuse Waste Disposal Sites	309,064	299,718
<b>Total finance charges</b>	<b>826,755</b>	<b>734,206</b>
<b>29 BULK PURCHASES</b>		
Electricity	6,283,489	4,806,898
<b>Total Bulk Purchases</b>	<b>6,283,489</b>	<b>4,806,898</b>
<b>30 GRANTS AND SUBSIDIES</b>		
Indigent Subsidies	7,436,334	6,888,136
<b>Total Grants and Subsidies</b>	<b>7,436,334</b>	<b>6,888,136</b>
<b>31 OPERATING GRANT EXPENDITURE</b>		
Operating grant expenditure per vote		
Executive & Council	8,184,665	7,949,370
General Expenses	<b>8,184,665</b>	<b>7,949,370</b>
<b>32 GENERAL EXPENSES</b>		
Audit Costs	1,012,125	901,793
Fuel & Oil	545,707	459,841
Subsistence and Travelling	490,679	523,085
Telephone & Postage	331,210	318,173
Bank charges	112,244	85,913
Electricity Eskom	201,535	145,525
Street Lighting	213,627	-
Animal Feeds	112,765	-
Advertisement, printing & stationary	136,182	144,390
Refuse bag purchases	96,432	93,600
Insurance	206,906	209,421
Other General Expenses	294,618	345,374
Housing Fund	-	247,100
Membership for associations	200,000	100,000
Chemicals	59,364	93,764
Special programmes	50,584	64,541
General Expenses	<b>4,063,978</b>	<b>3,732,521</b>

Other General Expenses include administrative and technical expenses otherwise not provided for in the line-items of the Statement of Financial Performance. This include items such as vehicle licenses, cleaning agents and membership fees.



KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

33	<b>CORRECTION OF ERROR IN TERMS OF GRAP 3</b>		<b>2011</b>
			<b>R</b>
33.01	<b>Capitalised Restoration Cost</b>		
	Capitalised Restoration Cost recorded as they are required by GRAP 17.		
	<b>Balance previously reported</b>		-
	First time recognition of Capitalised Restoration Cost - At Cost- Note 33.02		3,155,514
	First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 33.03		(1,362,448)
	Recognition of depreciation for 2010/2011 - Note 33.04		(136,245)
	Recognition of impairments for 2010/2011 - Note 33.04		(39,398)
	<b>Total</b>		<b>1,617,423</b>
33.02	<b>Non-current Provisions</b>		
	Non-current Provisions recorded as they are required by GRAP 19.		
	<b>Balance previously reported</b>		-
	First time recognition of Landfill Site Provision - Recognised Assets - Note 33.01		3,155,514
	Recognition of Interest Cost on Non-current Provisions up to 30 June 2010 - Note 33.03		2,726,048
	Recognition of Interest Cost on Non-current Provisions for 2010/2011 - Note 33.04		299,718
	<b>Total</b>		<b>6,181,280</b>
33.03	<b>Accumulated Surplus/(Deficit)</b>		
	<b>Balance previously reported</b>		<b>91,771,153</b>
	First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 33.01		(1,362,448)
	Recognition of Interest Cost on Non-current Provisions up to 30 June 2010 - Note 33.02		(2,726,048)
	<b>Total</b>		<b>87,682,656</b>
33.04	<b>Statement of Financial Performance</b>		
	<b>Balance previously reported</b>		<b>10,327,741</b>
	Recognition of Depreciation for 2010/2011 - Note 33.01		(136,245)
	Recognition of impairments for 2010/2011 - Note 33.01		(39,398)
	Recognition of Interest Cost on Non-current Provisions for 2010/2011 - Note 33.02		(299,718)
	<b>Total</b>		<b>9,852,380</b>
		<b>2012</b>	<b>2011</b>
		<b>R</b>	<b>R</b>
34	<b>RECONCILIATION BETWEEN NET SURPLUS/(DEFICIT) FOR THE YEAR AND CASH GENERATED/(ABSORBED) BY OPERATIONS</b>		
	Surplus for the year	8,091,711	9,852,380
	<b>Adjustments for:</b>		
	Depreciation	2,709,442	2,661,091
	Amortisation of Intangible Assets	67,203	42,770
	Capitalised Restoration Cost Impairment	48,502	39,398
	(Gain)/Loss on disposal of property, plant and equipment	81,101	15,944
	Impairments	-	19,801
	Contribution from/to employee benefits - non-current	835,037	730,624
	Contribution from/to employee benefits - non-current - expenditure incurred	(239,063)	(223,292)
	Contribution from/to employee benefits - non-current - actuarial losses	79,983	894,809
	Contribution from/to employee benefits - non-current - actuarial gains	(339,167)	(152,991)
	Contribution to employee benefits – current	479,201	371,969
	Contribution to employee benefits – current - expenditure incurred	(360,308)	-
	Contribution to provisions – non-current - Rehabilitation of Landfill-sites	309,064	299,718
	Contribution to provisions – bad debt	-	167,488
	Contribution to provisions – VAT Impairment	(183,700)	(4,423)
	Unamortised discount - Interest - Revenue	(4,079)	(4,290)
	Contributed PPE	(121,297)	-
	Bad debt written off	(3,956,912)	-
	Increase/(Decrease) in Unspent Conditional Government Grants and Receipts	(1,441,419)	(9,587,726)
	Operating lease income accrued	(3,582)	(1,596)
	Operating Surplus/(Deficit) before changes in working capital	6,051,717	5,121,674
	Changes in working capital	4,500,387	(634,483)
	Increase/(Decrease) in Trade and Other Payables	(24,807)	374,049
	Increase/(Decrease) in Taxes	20,379	32,364
	(Increase)/Decrease in Trade Receivables from exchange transactions	3,573,820	(253,935)
	(Increase)/Decrease in Other Receivables from non-exchange transactions	930,995	(786,961)
	<b>Cash generated/(absorbed) by operations</b>	<b>10,552,104</b>	<b>4,487,192</b>
35	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and cash equivalents included in the cash flow statement comprise the following:		
	Call Investments Deposits - Note 18	21,376,614	21,134,211
	Bank - Note 18	225,652	13,151
	<b>Total cash and cash equivalents</b>	<b>21,602,265</b>	<b>21,147,362</b>
36	<b>RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES</b>		
	Cash and Cash Equivalents - Note 35	21,602,265	21,147,362
	Less:	21,602,265	21,147,362
	Unspent Committed Conditional Grants - Note 8	2,188,923	3,629,016
	Cash Portion of Housing Development Fund - Note 2	2,068,028	3,509,447
		120,895	119,570
	<b>Net cash resources available for internal distribution</b>	<b>19,413,343</b>	<b>17,518,346</b>
	<b>Allocated to:</b>		
	Capital Replacement Reserve	(11,347,812)	(11,347,812)
	Retention	(299,232)	(658,736)
	Provision for Employee benefits	(3,000,000)	(2,000,000)
	Reserves	(352,116)	(352,116)
	Staff Leave, Performance Management System, Long Service	(1,956,626)	(964,724)
	<b>Resources available for working capital requirements</b>	<b>2,457,557</b>	<b>2,194,959</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

37 BUDGET COMPARISONS

	2012 R (Actual)	2012 R (Budget)	2012 R (Variance)	2012 (%)
<b>37.1 Operational</b>				
<b>Revenue by source</b>				
Property Rates	3,878,347	3,993,222	(114,875)	-3%
Government Grants and Subsidies - Capital	10,088,203	7,892,000	2,196,203	28%
Government Grants and Subsidies - Operating	18,650,665	13,617,000	5,033,665	37%
Fines	22,806	12,230	10,576	86%
Property Rates - Penalties & Collection Charges	199,288	190,000	9,288	5%
Service Charges	14,856,392	14,523,573	332,819	2%
Rental of Facilities and Equipment	525,966	409,730	116,236	28%
Interest Earned - external investments	925,184	1,297,000	(371,816)	-29%
Interest Earned - outstanding debtors	3,677	3,300	377	11%
Licences and Permits	11,202	14,200	(2,998)	-21%
Agency Services	119,540	80,000	39,540	49%
Contributed PPE	121,297	-	121,297	100%
Other Revenue	1,564,367	3,122,493	(1,558,126)	-50%
Unamortised discount - Interest	4,079	17,000	(12,921)	-76%
Actuarial Gains	339,167	-	339,167	100%
	<b>51,310,179</b>	<b>45,171,748</b>	<b>6,138,431</b>	<b>14%</b>
<b>Expenditure by nature</b>				
Employee Related Costs	(11,033,999)	(12,049,886)	1,015,887	-8%
Remuneration of Councillors	(1,687,659)	(1,801,038)	113,379	-6%
Debt Impairment	-	(225,000)	225,000	-100%
Collection Cost	-	(35,000)	35,000	-100%
Depreciation and Amortisation	(2,776,645)	(3,357,000)	580,355	-17%
Capitalised Restoration Cost Impairment	(48,502)	-	(48,502)	100%
Impairments	-	-	-	0%
Repairs and Maintenance	(715,358)	(975,445)	260,087	-27%
Actuarial losses	(79,983)	-	(79,983)	100%
Finance Charges	(826,755)	-	(826,755)	100%
Bulk Purchases	(6,283,489)	(6,340,877)	57,388	-1%
Grants and Subsidies	(7,436,334)	(7,259,043)	(177,291)	2%
Operating Grant Expenditure	(8,184,665)	(3,151,000)	(5,033,665)	160%
General Expenses	(4,063,978)	(5,009,459)	945,481	-19%
	<b>(43,137,367)</b>	<b>(40,203,748)</b>	<b>(2,933,619)</b>	<b>7%</b>
<b>Other Gains/Losses</b>				
Loss on Disposal of PPE	(81,101)	(2,000)	(79,101)	3955%
	<b>(81,101)</b>	<b>(2,000)</b>	<b>(79,101)</b>	<b>3955%</b>
<b>Net Surplus for the year</b>	<b>8,091,711</b>	<b>4,966,000</b>	<b>3,125,711</b>	<b>63%</b>

**Details of material variances**

Actuarial losses - Adjusted Actuarial Report  
 Finance Charges - Adjusted Actuarial Report and interest of land fill sites.  
 Operating Grant expenditure - Grants received after the annual adjustment budget was approved.  
 Loss on Disposal of PPE - Transfer of land for RDP Housing

	2012 R (Actual)	2012 R (Budget)	2012 R (Variance)	2012 (%)
<b>37.2 Expenditure by Vote</b>				
Cemetery	(140,381)	(147,023)	6,642	-5%
Library	(786,263)	(818,983)	32,720	-4%
Museum	(119,892)	(133,724)	13,832	-10%
Corporate Services	(1,391,790)	(1,538,776)	146,986	-10%
Electricity Administration	(134,451)	(172,917)	38,466	-22%
Electricity Generation	(6,652,258)	(6,733,799)	81,541	-1%
Electricity Distribution	(399,464)	(386,238)	(13,226)	3%
General Expenditure of Council	(19,814,629)	(15,700,964)	(4,113,665)	26%
Official Housing	(1,879)	(3,892)	2,013	-52%
Commonage	(75,055)	(82,732)	7,677	-9%
Municipal Buildings	(220,584)	(250,387)	29,803	-12%
Budget & Treasury	(5,481,611)	(4,817,955)	(663,656)	14%
Health Service	(955)	-	(955)	100%
Nursing Service	(35,729)	(57,349)	21,620	-38%
Airport	(46,440)	(58,140)	11,700	-20%
Abattoir	(24)	(547)	523	-96%
Fire Department	(15,533)	(16,760)	1,227	-7%
Civil Protection	(28,502)	(36,215)	7,713	-21%
Pound	(39,858)	(45,593)	5,735	-13%
Public Works	(1,616,521)	(2,171,878)	555,357	-26%
Streets & Pavements	(928,886)	(901,228)	(27,658)	3%
Licensing & Traffic	(162,797)	(247,161)	84,364	-34%
Nature Reserve	(205,479)	(227,399)	21,920	-10%
Parks & Open areas	(355,947)	(342,512)	(13,435)	4%
Swimming Pool	(103,491)	(123,536)	20,045	-16%
Caravan Park	(13,216)	(26,284)	13,068	-50%
Refuse	(2,636,815)	(2,767,080)	130,265	-5%
Sewerage & Cleansing	(2,507,446)	(2,968,838)	461,392	-16%
Water Distribution	(369,410)	(364,499)	(4,911)	1%
Water Provision	(896,814)	(1,011,997)	115,183	-11%
Less Inter-Departmental Charges	1,963,652	1,948,658	14,994	1%
	<b>(43,218,469)</b>	<b>(40,205,748)</b>	<b>(3,012,721)</b>	<b>7%</b>

**Details of material variances**

General Expenditure of Council - Grants received after the annual adjustment budget was approved.  
 Budget & Treasury - Adjusted Actuarial Report

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R (Actual)	2012 R (Budget)	2012 R (Variance)	2012 (%)
<b>37 BUDGET COMPARISONS (CONTINUE)</b>				
<b>Expenditure by GFS</b>				
Executive & Council	(19,505,529)	(15,391,864)	(4,113,665)	27%
Budget & Treasury	(5,774,724)	(5,157,536)	(617,188)	12%
Corporate Services	(1,376,393)	(1,523,379)	146,986	-10%
Health	(21,587)	(39,479)	17,892	-45%
Community & Social Services	(965,271)	(1,019,219)	53,948	-5%
Public Safety	(80,777)	(95,451)	14,674	-15%
Sport & Recreation	(617,660)	(656,596)	38,936	-6%
Waste Management	(2,474,582)	(2,604,847)	130,265	-5%
Waste Water Management	(2,288,127)	(2,757,773)	469,646	-17%
Road Transport	(2,341,797)	(2,968,442)	626,645	-21%
Water	(1,018,738)	(1,131,086)	112,348	-10%
Electricity	(6,753,284)	(6,860,076)	106,792	-2%
	<b>(43,218,469)</b>	<b>(40,205,748)</b>	<b>(3,012,721)</b>	<b>7%</b>

**Details of material variances**

Executive & Council - Grants received after the annual adjustment budget was approved.  
Budget & Treasury - Adjusted Actuarial Report

**37.3 Capital expenditure by vote**

Budget & Treasury Office	(187,385)	-	(187,385)	100%
Library	(152,794)	-	(152,794)	100%
Electricity Administration	(394)	-	(394)	100%
Streets & Pavements	(7,611,964)	(5,392,000)	(2,219,964)	41%
Sewerage	(2,267,533)	(2,500,000)	232,467	-9%
	<b>(10,220,070)</b>	<b>(7,892,000)</b>	<b>(2,328,070)</b>	<b>29%</b>

**Details of material variances**

Budget & Treasury Office - Donated asset and computer equipment  
Library - Additional improvements  
Streets & Pavements - Grants received after the annual adjustment budget was approved.

**38 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED**

**38.01 Unauthorised expenditure**

Reconciliation of unauthorised expenditure:

Opening balance	-	-
Unauthorised expenditure current year - capital	219,275	-
Unauthorised expenditure current year - operating	60,185	949,299
Approved by Council or condoned	(279,460)	(949,299)
Transfer to receivables for recovery	-	-
Unauthorised expenditure awaiting authorisation	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

**38.02 Fruitless and wasteful expenditure**

Reconciliation of fruitless and wasteful expenditure:

Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
Transfer to receivables for recovery - not condoned	-	-
Fruitless and wasteful expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

**38.03 Irregular expenditure**

Reconciliation of irregular expenditure:

Opening balance	-	-
Irregular expenditure current year	-	-
Condoned or written off by Council	-	-
Transfer to receivables for recovery - not condoned	-	-
Irregular expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings
None	None

**38.04 Material Losses**

**Electricity distribution losses**

Units purchased (Kwh)	8,633,370	8,412,346
- Units lost during distribution (Kwh)	1,233,484	1,137,922
- Percentage lost during distribution	14.29%	13.53%

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

39 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

39.01 Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS

Council subscriptions	200,000	100,000
Amount paid - current year	(200,000)	(100,000)
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

39.02 Audit fees - [MFMA 125 (1)(b)]

	2012 R	2011 R
Opening balance	-	-
Current year audit fee	1,012,125	901,793
External Audit - Auditor-General	1,012,125	901,793
Amount paid - current year	(1,012,125)	(901,793)
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

39.03 VAT - [MFMA 125 (1)(b)]

Opening balance	(883,990)	(451,018)
Amounts received - current year	2,530,770	2,865,913
Amounts claimed - current year (payable)	(3,498,562)	(3,749,903)
Amounts received - current year	-	-
Amounts received - previous year	883,990	451,018
<b>Closing balance</b>	<b>(967,792)</b>	<b>(883,990)</b>

VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS.

39.04 PAYE, SDL and UIF - [MFMA 125 (1)(b)]

Current year payroll deductions and Council Contributions	1,766,186	1,518,387
Amount paid - current year	(1,766,186)	(1,518,387)
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

39.05 Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]

Current year payroll deductions and Council Contributions	2,630,413	2,406,268
Amount paid - current year	(2,630,413)	(2,406,268)
L.A. Health	(224,891)	(224,814)
Munimed	(29,346)	(25,878)
Cape Pension Fund	(346,363)	(279,612)
Hosmed	(683,124)	(640,724)
Cape Joint Retirement Fund	(971,960)	(863,753)
SAMWU Provident Fund	(374,730)	(371,487)
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

39.06 Councillor's arrear consumer accounts - [MFMA 125 (1)(b)]

The following Councillors had arrear accounts for more than 90 days as at 30 JUNE 2012:

	2012 R Outstanding more than 90 days	2011 R Outstanding more than 90 days
None	-	-
<b>Total Councillor Arrear Consumer Accounts</b>	<b>-</b>	<b>-</b>

39.07 Quotations awarded - Section 45 - Supply Chain Management

Mr C van der Merwe - Chief Operations Manager's Wife - Brother-in-law	2,566,265	851,141
	<b>2,566,265</b>	<b>851,141</b>

40 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

Approved and contracted for:	2,641,690	-
Infrastructure	2,641,690	-
<b>Total</b>	<b>2,641,690</b>	<b>-</b>

This expenditure will be financed from:

Government Grants	2,641,690	-
	<b>2,641,690</b>	<b>-</b>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

41	<b>FINANCIAL RISK MANAGEMENT</b>	2012 R	2011 R						
	<p>The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.</p> <p><b>(a) Foreign Exchange Currency Risk</b></p> <p>The municipality does not engage in foreign currency transactions.</p> <p><b>(b) Price risk</b></p> <p>The municipality is not exposed to price risk.</p> <p><b>(c) Interest Rate Risk</b></p> <p>As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.</p> <p>The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.</p> <p>The municipality did not hedge against any interest rate risks during the current year.</p> <p>The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">0.5% Increase in interest rates</td> <td style="width: 20%; text-align: right;">108,011</td> <td style="width: 20%; text-align: right;">105,737</td> </tr> <tr> <td>0.5% Decrease in interest rates</td> <td style="text-align: right;">(108,011)</td> <td style="text-align: right;">(105,737)</td> </tr> </table> <p><b>(d) Credit Risk</b></p> <p>Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss.</p> <p>Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.</p> <p>Receivables are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.</p> <p>All rates and services are payable within 30 days from invoice date. Refer to note 15 and 16 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms.</p>	0.5% Increase in interest rates	108,011	105,737	0.5% Decrease in interest rates	(108,011)	(105,737)		
0.5% Increase in interest rates	108,011	105,737							
0.5% Decrease in interest rates	(108,011)	(105,737)							

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

41 FINANCIAL RISK MANAGEMENT (CONTINUE)

Balances past due not impaired:

	2012 %	2012 R	2011 %	2011 R
<u>Non-Exchange Receivables</u>				
Rates	0.00%	-	0.00%	-
<u>Exchange Receivables</u>				
Electricity	0.00%	-	0.00%	-
Water	0.00%	-	0.00%	-
Refuse	0.00%	-	0.00%	-
Sewerage	0.00%	-	0.00%	-
Other	0.00%	-	0.00%	-
	0.00%	0	0.00%	0

No receivables are pledged as security for financial liabilities.

Due to the short term nature of trade and other receivables the carrying value disclosed in note 15 & 16 of the financial statements is an approximation of its fair value. Interest on overdue balances (rates) are included at prime lending rate plus 1% where applicable.

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2012 %	2012 R	2011 %	2011 R
<u>Non-Exchange Receivables</u>				
Rates	100.00%	1,621,785	100.00%	2,537,619
<u>Exchange Receivables</u>				
Electricity	23.50%	327,612	20.62%	914,382
Water	5.87%	81,883	28.50%	1,263,960
Refuse	17.70%	246,827	19.92%	883,441
Sewerage	7.70%	107,354	23.74%	1,052,750
Other	45.23%	630,541	7.23%	320,760
	100.00%	1,394,216	100%	4,435,293

The provision for bad debts could be allocated between the different categories of debtors as follows:

Government	0.00%	-	0.00%	-
Industrial	1.58%	47,619	0.00%	-
Residential	98.09%	2,958,305	0.00%	-
Indigents	0.33%	10,078	0.00%	-
	100.00%	3,016,001	0%	-

Bad debts written off per debtor class:

	2012 %	2012 R	2011 %	2011 R
<u>Non-Exchange Receivables</u>				
Rates	0.00%	-	0.00%	-
<u>Exchange Receivables</u>				
Services	88.43%	3,498,997	0.00%	-
Other	11.57%	457,916	0.00%	-
	100.00%	3,956,912	0.00%	-

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The entity only enters into non-current investment transactions with major banks with high quality credit standing. Although the credit risk pertaining to non-current investments are considered to be low, the maximum exposure are disclosed below.

The banks utilised by the municipality for current and non-current investments are all listed on the JSE (ABSA and Standard Bank). The credit quality of these institutions are evaluated based on their required SENS releases as well as other media reports. Based on all public communications, the financial sustainability is evaluated to be of high quality and the credit risk pertaining to these institutions are considered to be low.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

	2012 R	2011 R
Financial assets exposed to credit risk at year end are as follows:		
Long term receivables	66,048	70,661
Trade receivables and other receivables	2,150,407	2,514,610
Cash and Cash Equivalents	21,602,265	21,147,362
	23,818,720	23,732,633

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

41 FINANCIAL RISK MANAGEMENT (CONTINUE)

2012 R 2011 R

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
<b>2012</b>				
Provisions - Landfill Sites	-	1,029,714	-	17,515,513
Capital repayments	-	817,420	-	5,672,924
Interest	-	212,294	-	11,842,589
Trade and Other Payables	877,202	-	-	-
Consumer Deposits	268,759	-	-	-
Unspent conditional government grants and receipts	2,068,028	-	-	-
	<u>3,213,989</u>	<u>1,029,714</u>	<u>-</u>	<u>17,515,513</u>
<b>2011</b>				
Provisions - Landfill Sites	-	1,029,714	-	17,515,513
Capital repayments	-	778,495	-	5,402,785
Interest	-	251,219	-	12,112,728
Trade and Other Payables	902,009	-	-	-
Consumer Deposits	244,389	-	-	-
Unspent conditional government grants and receipts	3,509,447	-	-	-
	<u>4,655,844.59</u>	<u>1,029,714</u>	<u>-</u>	<u>17,515,513</u>

42 FINANCIAL INSTRUMENTS

2012 R 2011 R

In accordance with GRAP 104 the financial instruments of the municipality are classified as follows:

42.1 Financial Assets	Classification	2012 R	2011 R
<b>Long-term Receivables</b>			
Staff Loans	Financial instruments at amortised cost	77,921	86,967
<b>Consumer Debtors</b>			
Trade receivables from exchange transactions	Financial instruments at amortised cost	2,093,966	5,310,629
Other receivables from exchange transactions	Financial instruments at amortised cost	1,805,836	2,162,993
<b>Current Portion of Long-term Receivables</b>			
Staff Loans	Financial instruments at amortised cost	9,045	8,692
<b>Short-term Investment Deposits</b>			
Call Deposits	Financial instruments at amortised cost	21,376,614	21,134,211
<b>Bank Balances and Cash</b>			
Bank Balances	Financial instruments at amortised cost	225,652	13,151
		<u>25,589,034</u>	<u>28,716,643</u>
<b>SUMMARY OF FINANCIAL ASSETS</b>			
Financial instruments at amortised cost		<u>25,589,034</u>	<u>28,716,643</u>

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R	2011 R
42	<b>FINANCIAL INSTRUMENTS (CONTINUE)</b>		
42.2	<b>Financial Liability</b>		
	<b>Classification</b>		
	<b>Payables from exchange transactions</b>		
	Trade creditors	705,466	726,970
	Payments received in advance	169,655	172,822
	<b>Unspent Conditional Grants and Receipts</b>		
	Other Spheres of Government	2,068,028	3,509,447
		<u>2,943,148</u>	<u>4,409,238</u>
	<b>SUMMARY OF FINANCIAL LIABILITY</b>		
	Financial instruments at amortised cost	<u>2,943,148</u>	<u>4,409,238</u>

43 **EVENTS AFTER THE REPORTING DATE**  
The municipality has no events after reporting date during the financial year ended 30 June 2012

44 **IN-KIND DONATIONS AND ASSISTANCE**  
The municipality did not receive any in-kind donations or assistance during the year under review.

45 **PRIVATE PUBLIC PARTNERSHIPS**  
Council has not entered into any private public partnerships during the financial year.

46 **CONTINGENT LIABILITY**  
The Trade Union, IMATU, contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The Employers Organisation, SALGA, resolved to take the ruling of the Labour Court on review. The effect of the ruling is a general 2% increase in remuneration as from October 2009.  
Task Implementation represents the Municipality's obligation towards qualifying officials as a result of a new national grading system for municipalities which came into effect on 1 October 2009. The TASK gradings of Kareeberg Municipality is not finalised.

47 **RELATED PARTIES**  
Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

47.1 **Related Party Transactions**

	Rates - Levied 1 Jul 11 - 30 Jun 12	Service Charges - Levied 1 Jul 11 - 30 Jun 12	Other - Levied 1 Jul 11 - 30 Jun 12	Outstanding Balances 30 June 2012
<b>Year ended 30 JUNE 2012</b>				
<b>Councillors</b>	17,353	16,763	-	1,328
<b>Municipal Manager and Section 56 Employees</b>	17,729	36,243	-	1,210

The rates, service charges and other charges are in accordance with approved tariffs. No impairment expenses have been recognised in respect of amounts owed by related parties.

47.2 **Related Party Loans**  
Since 1 July 2004 loans to councillors and senior management employees are not permitted. Loans granted prior to this date, together with the conditions, are disclosed in note 14 to the Annual Financial Statements.

47.3 **Compensation of key management personnel**  
The compensation of key management personnel is set out in note 24 to the Annual Financial Statements.

47.4 **Other related party transactions**

	2012 R	2011 R
The following purchases were made during the year where Councillors or Management have an interest:		
<u>Councillor/Staff Member</u>		
Mr C van der Merwe - Chief Operations Manager Wife's - Brother-in-law	<u>2,566,265</u>	<u>851,141</u>
	<u>2,566,265</u>	<u>851,141</u>



48 **FINANCIAL SUSTAINABILITY**

The indicators or conditions that may, individually or collectively, cast significant doubt about the going concern assumption are as follows:

**Financial Indicators**

The current ratio increased to 5.03:1 from 3.86:1 in the prior year.

The municipality have budgeted for a surplus of R4 966 000 for the 2011/2012 financial year. The municipality is also budgeting for negative cash flows during 2012/2013 and 2013/2014 amounting to R6 236 000 and R6 245 554 respectively.

The average debtors' payment days decreased to 104 days from 206 days.

**Other Indicators**

Possible outflow of resources due the contingent liability disclosed in note 46

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

10 PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2012

Reconciliation of Carrying Value

	Opening Balance	Additions	Cost	Disposals	Closing Balance	Opening Balance	Accumulated Depreciation		Closing Balance	Carrying Value
	R	R	WIP R	R	R	R	Depreciation Charge R	Disposals R	R	R
<b>Land and Buildings</b>	31,088,572	113,611	-	74,500	31,127,683	481,255	77,330	-	558,585	30,569,098
Land	28,583,500	-	-	74,500	28,509,000	-	-	-	-	28,509,000
Buildings	2,505,072	113,611	-	-	2,618,683	481,255	77,330	-	558,585	2,060,098
<b>Infrastructure</b>	49,147,492	2,915,711	6,963,787	-	59,026,990	4,122,535	1,961,192	-	6,083,727	52,943,263
Electricity	4,330,597	-	-	-	4,330,597	152,895	198,675	-	351,570	3,979,028
Road Transport	12,048,294	2,637,574	4,708,714	-	19,394,583	1,261,400	498,720	-	1,760,120	17,634,463
Sanitation	17,266,223	12,461	2,255,072	-	19,533,757	1,175,640	670,249	-	1,845,889	17,687,868
Solid Waste Disposal	1,377,431	-	-	-	1,377,431	26,919	65,623	-	92,542	1,284,890
Stormwater	212,709	265,676	-	-	478,385	28,502	20,950	-	49,452	428,933
Water Supply	13,912,236	-	-	-	13,912,236	1,477,179	506,975	-	1,984,153	11,928,083
<b>Community Assets</b>	3,808,314	121,297	-	-	3,929,611	904,081	100,420	-	1,004,501	2,925,109
Recreation Grounds	1,277,432	-	-	-	1,277,432	376,250	31,160	-	407,411	870,021
Civil Buildings	651,277	-	-	-	651,277	237,773	14,298	-	252,071	399,206
Cemetery	18,000	-	-	-	18,000	2,402	539	-	2,941	15,059
Museum	450,000	-	-	-	450,000	60,041	13,484	-	73,525	376,475
Clinic	451,000	-	-	-	451,000	60,175	13,514	-	73,688	377,312
Libraries	834,384	-	-	-	834,384	104,295	25,244	-	129,540	704,844
Parks & Gardens	41,070	-	-	-	41,070	20,546	710	-	21,256	19,814
Public Conveniences/Bathhouses	85,150	121,297	-	-	206,447	42,599	1,471	-	44,070	162,377
<b>Lease Assets</b>	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>	19,176	-	-	-	19,176	-	-	-	-	19,176
Historical Buildings	4,900	-	-	-	4,900	-	-	-	-	4,900
Vehicles	10,000	-	-	-	10,000	-	-	-	-	10,000
Furniture & Fittings	4,276	-	-	-	4,276	-	-	-	-	4,276
<b>Other Assets</b>	6,332,942	132,114	-	312,218	6,152,838	3,613,742	438,169	306,349	3,745,562	2,407,276
Motor Vehicles	2,533,586	-	-	4,190	2,529,396	1,423,939	209,289	4,190	1,629,039	900,358
Plant & Equipment	1,057,919	394	-	124,354	933,958	683,580	76,641	124,354	635,867	298,091
Office Equipment	532,118	23,900	-	34,868	521,150	300,062	30,972	34,868	296,165	224,984
Furniture & Fittings	921,045	48,967	-	72,816	897,196	539,939	48,504	72,650	515,794	381,402
Fire Engines	16,685	-	-	-	16,685	10,341	636	-	10,977	5,708
Computer Equipment	550,239	32,404	-	70,290	512,353	252,661	40,266	70,287	222,640	289,713
Refuse Tankers	549,766	-	-	-	549,766	403,220	31,860	-	435,080	114,686
Game	171,584	26,450	-	5,700	192,334	-	-	-	-	192,334
	90,396,496	3,282,734	6,963,787	386,718	100,256,298	9,121,613	2,577,111	306,349	11,392,375	88,863,923

KAREEBERG MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

10 PROPERTY, PLANT AND EQUIPMENT

30 JUNE 2011

Reconciliation of Carrying Value

	Opening Balance R	Additions R	Cost WIP R	Disposals R	Closing Balance R	Opening Balance R	Accumulated Depreciation Depreciation Charge R	Disposals R	Closing Balance R	Carrying Value R
<b>Land and Buildings</b>	31,034,500	54,072	-	-	31,088,572	399,046	82,209	-	481,255	30,607,316
Land	28,583,500	-	-	-	28,583,500	-	-	-	-	28,583,500
Buildings	2,451,000	54,072	-	-	2,505,072	399,046	82,209	-	481,255	2,023,816
<b>Infrastructure</b>	37,134,932	12,017,317	-	4,756	49,147,492	2,618,956	1,508,296	4,718	4,122,535	45,024,957
Electricity	1,391,545	2,939,053	-	-	4,330,597	109,254	43,641	-	152,895	4,177,702
Road Transport	7,731,387	4,316,907	-	-	12,048,294	895,315	366,085	-	1,261,400	10,786,894
Sanitation	15,919,297	1,346,926	-	-	17,266,223	602,238	573,402	-	1,175,640	16,090,584
Solid Waste Disposal	-	1,377,431	-	-	1,377,431	-	26,919	-	26,919	1,350,513
Stormwater	212,709	-	-	-	212,709	21,381	7,121	-	28,502	184,207
Water Supply	11,875,237	2,036,999	-	-	13,912,236	986,070	491,109	-	1,477,179	12,435,058
Reservoirs/Pumps - Waste Management	4,709	-	-	4,709	-	4,668	16	4,684	-	-
Main: Water	47	-	-	47	-	30	5	35	-	-
<b>Community Assets</b>	3,808,314	-	-	-	3,808,314	777,137	126,944	-	904,081	2,904,233
Recreation Grounds	1,277,432	-	-	-	1,277,432	333,669	42,581	-	376,250	901,182
Civil Buildings	651,277	-	-	-	651,277	216,064	21,709	-	237,773	413,504
Cemetery	18,000	-	-	-	18,000	1,802	600	-	2,402	15,598
Museum	450,000	-	-	-	450,000	45,041	15,000	-	60,041	389,959
Clinic	451,000	-	-	-	451,000	45,141	15,033	-	60,175	390,825
Libraries	834,384	-	-	-	834,384	76,482	27,813	-	104,295	730,088
Parks & Gardens	41,070	-	-	-	41,070	19,177	1,369	-	20,546	20,524
Public Conveniences/Bathhouses	85,150	-	-	-	85,150	39,760	2,838	-	42,599	42,552
<b>Lease Assets</b>	-	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>	19,176	-	-	-	19,176	-	-	-	-	19,176
Historical Buildings	4,900	-	-	-	4,900	-	-	-	-	4,900
Vehicles	10,000	-	-	-	10,000	-	-	-	-	10,000
Furniture & Fittings	4,276	-	-	-	4,276	-	-	-	-	4,276
<b>Other Assets</b>	6,070,700	369,030	-	106,788	6,332,942	2,875,949	795,067	57,275	3,613,742	2,719,200
Motor Vehicles	2,533,586	-	-	-	2,533,586	1,029,041	394,898	-	1,423,939	1,109,647
Plant & Equipment	1,020,776	68,483	-	31,340	1,057,919	584,971	121,870	23,260	683,580	374,339
Office Equipment	531,408	35,224	-	34,513	532,118	255,323	70,938	26,199	300,062	232,057
Furniture & Fittings	886,247	39,942	-	5,145	921,045	443,158	101,926	5,145	539,939	381,106
Fire Engines	16,685	-	-	-	16,685	8,229	2,112	-	10,341	6,344
Computer Equipment	357,998	198,281	-	6,039	550,239	203,927	51,404	2,671	252,661	297,578
Refuse Tankers	549,766	-	-	-	549,766	351,300	51,920	-	403,220	146,546
Game	174,234	27,100	-	29,750	171,584	-	-	-	-	171,584
	78,067,621	12,440,419	-	111,544	90,396,496	6,671,089	2,512,516	61,993	9,121,613	81,274,883

**APPENDIX A - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012**

<b>EXTERNAL LOANS</b>	<b>Rate</b>	<b>Loan Number</b>	<b>Redeemable</b>	<b>Balance at 30 JUNE 2011</b>	<b>Correction</b>	<b>Balance at 30 JUNE 2011 Restated</b>	<b>Received during the period</b>	<b>Redeemed written off during the period</b>	<b>Balance at 30 JUNE 2012</b>
<b>ANNUITY LOANS</b>									
DBSA	3.00%	Vehicles & Equipment Ref - K11, L23	31/12/2009	-	-	-	-	-	-
<b>Total Annuity Loans</b>				-	-	-	-	-	-
<b>TOTAL EXTERNAL LOANS</b>				-	-	-	-	-	-

**APPENDIX B - Unaudited**  
**KAREEBERG LOCAL MUNICIPALITY**  
**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2012**

	Cost/Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
<b>Land and Buildings</b>										
Land	28,583,500	-	-	74,500	28,509,000	-	-	-	-	28,509,000
Buildings	2,505,072	113,611	-	-	2,618,683	481,255	77,330	-	558,585	2,060,098
	<b>31,088,572</b>	<b>113,611</b>	<b>-</b>	<b>74,500</b>	<b>31,127,683</b>	<b>481,255</b>	<b>77,330</b>	<b>-</b>	<b>558,585</b>	<b>30,569,098</b>
<b>Infrastructure</b>										
Electricity	4,330,597	-	-	-	4,330,597	152,895	198,675	-	351,570	3,979,028
Road Transport	12,048,294	2,637,574	4,708,714	-	19,394,583	1,261,400	498,720	-	1,760,120	17,634,463
Sanitation	17,266,223	12,461	2,255,072	-	19,533,757	1,175,640	670,249	-	1,845,889	17,687,868
Solid Waste Disposal	1,377,431	-	-	-	1,377,431	26,919	65,623	-	92,542	1,284,890
Stormwater	212,709	265,676	-	-	478,385	28,502	20,950	-	49,452	428,933
Water Supply	13,912,236	-	-	-	13,912,236	1,477,179	506,975	-	1,984,153	11,928,083
	<b>49,147,492</b>	<b>2,915,711</b>	<b>6,963,787</b>	<b>-</b>	<b>59,026,990</b>	<b>4,122,535</b>	<b>1,961,192</b>	<b>-</b>	<b>6,083,727</b>	<b>52,943,263</b>
<b>Community Assets</b>										
Recreation Grounds	1,277,432	-	-	-	1,277,432	376,250	31,160	-	407,411	870,021
Civil Buildings	651,277	-	-	-	651,277	237,773	14,298	-	252,071	399,206
Cemetery	18,000	-	-	-	18,000	2,402	539	-	2,941	15,059
Museum	450,000	-	-	-	450,000	60,041	13,484	-	73,525	376,475
Clinic	451,000	-	-	-	451,000	60,175	13,514	-	73,688	377,312
Libraries	834,384	-	-	-	834,384	104,295	25,244	-	129,540	704,844
Parks & Gardens	41,070	-	-	-	41,070	20,546	710	-	21,256	19,814
Public Conveniences/Bathhouses	85,150	121,297	-	-	206,447	42,599	1,471	-	44,070	162,377
	<b>3,808,314</b>	<b>121,297</b>	<b>-</b>	<b>-</b>	<b>3,929,611</b>	<b>904,081</b>	<b>100,420</b>	<b>-</b>	<b>1,004,501</b>	<b>2,925,109</b>
<b>Heritage Assets</b>										
Historical Buildings	4,900	-	-	-	4,900	-	-	-	-	4,900
Vehicles	10,000	-	-	-	10,000	-	-	-	-	10,000
Furniture & Fittings HA	4,276	-	-	-	4,276	-	-	-	-	4,276
	<b>19,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,176</b>
<b>Total carried forward</b>	<b>84,063,554</b>	<b>3,150,619</b>	<b>6,963,787</b>	<b>74,500</b>	<b>94,103,460</b>	<b>5,507,871</b>	<b>2,138,942</b>	<b>-</b>	<b>7,646,813</b>	<b>86,456,647</b>

**APPENDIX B - Unaudited**  
**KAREEBERG LOCAL MUNICIPALITY**  
**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2012**

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
<b>Total brought forward</b>	<b>84,063,554</b>	<b>3,150,619</b>	<b>6,963,787</b>	<b>74,500</b>	<b>94,103,460</b>	<b>5,507,871</b>	<b>2,138,942</b>	<b>-</b>	<b>7,646,813</b>	<b>86,456,647</b>
<b>Housing Rental Stock</b>										
Housing Rentals	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Leased Assets</b>										
Office Equipment (Lease)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Biological Assets</b>										
Game	171,584	26,450	-	5,700	192,334	-	-	-	-	192,334
	<b>171,584</b>	<b>26,450</b>	<b>-</b>	<b>5,700</b>	<b>192,334</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192,334</b>
<b>Other Assets</b>										
Motor Vehicles	2,533,586	-	-	4,190	2,529,396	1,423,939	209,289	4,190	1,629,039	900,358
Plant & Equipment	1,057,919	394	-	124,354	933,958	683,580	76,641	124,354	635,867	298,091
Office Equipment	532,118	23,900	-	34,868	521,150	300,062	30,972	34,868	296,165	224,984
Furniture & Fittings	921,045	48,967	-	72,816	897,196	539,939	48,504	72,650	515,794	381,402
Fire Engines	16,685	-	-	-	16,685	10,341	636	-	10,977	5,708
Computer Equipment	550,239	32,404	-	70,290	512,353	252,661	40,266	70,287	222,640	289,713
Refuse Tankers	549,766	-	-	-	549,766	403,220	31,860	-	435,080	114,686
	<b>6,161,358</b>	<b>105,664</b>	<b>-</b>	<b>306,518</b>	<b>5,960,504</b>	<b>3,613,742</b>	<b>438,169</b>	<b>306,349</b>	<b>3,745,562</b>	<b>2,214,942</b>
<b>Total Property, Plant and Equipment</b>	<b>90,396,496</b>	<b>3,282,734</b>	<b>6,963,787</b>	<b>386,718</b>	<b>100,256,298</b>	<b>9,121,613</b>	<b>2,577,111</b>	<b>306,349</b>	<b>11,392,375</b>	<b>88,863,923</b>
<b>Investment Property</b>										
Land	9,906,800	-	-	-	9,906,800	-	-	-	-	9,906,800
Buildings	369,900	-	-	-	369,900	49,354	12,364	-	61,718	308,182
	<b>10,276,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,276,700</b>	<b>49,354</b>	<b>12,364</b>	<b>-</b>	<b>61,718</b>	<b>10,214,982</b>
<b>Intangible Assets</b>										
Computer Software	200,798	5,039	-	8,482	197,355	45,449	67,203	7,750	104,903	92,452
	<b>200,798</b>	<b>5,039</b>	<b>-</b>	<b>8,482</b>	<b>197,355</b>	<b>45,449</b>	<b>67,203</b>	<b>7,750</b>	<b>104,903</b>	<b>92,452</b>
<b>Total</b>	<b>100,873,993</b>	<b>3,287,773</b>	<b>6,963,787</b>	<b>395,200</b>	<b>110,730,352</b>	<b>9,216,416</b>	<b>2,656,678</b>	<b>314,099</b>	<b>11,558,995</b>	<b>99,171,357</b>

**APPENDIX C - Unaudited**  
**KAREEBERG LOCAL MUNICIPALITY**  
**SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2012**

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	WIP	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Municipal Buildings	33,711,988	-	-	74,500	33,637,488	932,590	149,775	-	1,082,365	32,555,122
Budget & Treasury Office	1,253,248	187,385	-	68,730	1,371,902	643,852	70,829	68,581	646,101	725,802
Library	725,770	152,794	-	69,999	808,565	372,139	41,201	69,999	343,340	465,224
Museum	36,456	-	-	-	36,456	10,436	974	-	11,409	25,047
Electricity Administration	4,773,501	394	-	26,250	4,747,644	443,867	234,311	26,232	651,947	4,095,698
General Expenditure of Council	11,817	-	-	-	11,817	2,477	935	-	3,412	8,405
Health Service	6,063	-	-	-	6,063	4,787	256	-	5,043	1,020
Fire Department	47,859	-	-	-	47,859	27,722	2,021	-	29,742	18,117
Public Works	12,744,107	-	-	2,830	12,741,277	1,569,325	515,344	2,830	2,081,840	10,659,437
Streets & Pavements	418,966	2,903,250	4,708,714	5,586	8,025,344	277,382	53,047	5,586	324,844	7,700,501
Licensing & Traffic	337,718	-	-	-	337,718	171,611	5,871	-	177,481	160,237
Nature Reserve	29,279	-	-	-	29,279	14,648	506	-	15,154	14,126
Parks & Open areas	757,932	-	-	-	757,932	317,785	15,389	-	333,174	424,759
Swimming Pool	3,603	-	-	-	3,603	2,845	51	-	2,895	708
Caravan Park	11,791	-	-	-	11,791	5,899	204	-	6,103	5,689
Refuse	1,927,197	-	-	-	1,927,197	430,139	97,483	-	527,622	1,399,575
Sewerage	19,110,719	12,461	2,255,072	1,692	21,376,560	2,183,830	822,488	1,692	3,004,626	18,371,934
Water Provision	14,316,899	-	-	131,430	14,185,469	1,710,281	566,428	131,429	2,145,279	12,040,190
<b>TOTAL</b>	<b>90,224,912</b>	<b>3,256,284</b>	<b>6,963,787</b>	<b>381,018</b>	<b>100,063,964</b>	<b>9,121,613</b>	<b>2,577,111</b>	<b>306,349</b>	<b>11,392,375</b>	<b>88,671,589</b>

**APPENDIX C - Unaudited**  
**KAREEBERG LOCAL MUNICIPALITY**  
**SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2012**  
**GENERAL FINANCE STATISTICS CLASSIFICATION**

	Cost/Revaluation					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	WIP	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Executive & Council	17,130	-	-	-	17,130	5,084	1,077	-	6,161	10,969
Budget & Treasury Office	34,959,923	187,385	-	143,230	35,004,077	1,573,836	220,462	68,581	1,725,717	33,278,360
Health	6,063	-	-	-	6,063	4,787	256	-	5,043	1,020
Community & Social Services	762,226	152,794	-	69,999	845,021	382,574	42,175	69,999	354,750	490,271
Public Safety	47,859	-	-	-	47,859	27,722	2,021	-	29,742	18,117
Sport & Recreation	802,605	-	-	-	802,605	341,176	16,149	-	357,325	445,281
Waste Management	1,960,430	12,461	2,255,072	148	4,227,815	431,711	101,032	148	532,595	3,695,221
Waste Water Management	19,077,486	-	-	1,544	19,075,942	2,182,258	818,940	1,544	2,999,653	16,076,289
Road Transport	13,500,790	2,903,250	4,708,714	8,416	21,104,339	2,018,318	574,263	8,416	2,584,165	18,520,174
Water	14,316,899	-	-	131,430	14,185,469	1,710,281	566,428	131,429	2,145,279	12,040,190
Electricity	4,773,501	394	-	26,250	4,747,644	443,867	234,311	26,232	651,947	4,095,698
	<b>90,224,912</b>	<b>3,256,284</b>	<b>6,963,787</b>	<b>381,018</b>	<b>100,063,964</b>	<b>9,121,613</b>	<b>2,577,111</b>	<b>306,349</b>	<b>11,392,375</b>	<b>88,671,589</b>



**APPENDIX D - Unaudited**  
**KAREEBERG LOCAL MUNICIPALITY**  
**SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012**  
**MUNICIPAL VOTES CLASSIFICATION**

2011 Actual Income R	2011 Actual Expenditure R	2011 Surplus/ (Deficit) R		2012 Actual Income R	2012 Actual Expenditure R	2012 Surplus/ (Deficit) R
6,195	(120,548)	(114,353)	Cemetery	9,745	(140,381)	(130,636)
1,102	(676,005)	(674,903)	Library	1,376	(786,263)	(784,887)
-	(96,922)	(96,922)	Museum	-	(119,892)	(119,892)
-	(1,249,183)	(1,249,183)	Corporate Services	-	(1,391,790)	(1,391,790)
5,840,750	(116,533)	5,724,217	Electricity Administration	6,957,425	(134,451)	6,822,974
-	(5,113,479)	(5,113,479)	Electricity Generation	-	(6,652,258)	(6,652,258)
-	(426,504)	(426,504)	Electricity Distribution	-	(399,464)	(399,464)
29,027,036	(18,840,751)	10,186,284	General Expenditure of Council	27,276,997	(19,814,629)	7,462,368
2,640	(1,198)	1,442	Official Housing	2,760	(1,879)	881
4,634,745	-	4,634,745	Property Rates	5,436,305	-	5,436,305
387,155	(91,298)	295,857	Commonage	469,884	(75,055)	394,829
35,551	(145,116)	(109,565)	Municipal Buildings	22,719	(220,584)	(197,865)
2,418,955	(6,238,639)	(3,819,684)	Municipal Manager/Treasurer	2,196,067	(5,481,611)	(3,285,544)
-	(1,630)	(1,630)	Health Service	-	(955)	(955)
-	(19,263)	(19,263)	Nursing Service	-	(35,729)	(35,729)
300	(70,355)	(70,055)	Air Port	-	(46,440)	(46,440)
-	(24)	(24)	Abattoir	-	(24)	(24)
-	(13,852)	(13,852)	Fire Department	-	(15,533)	(15,533)
-	(21,917)	(21,917)	Civil Protection	-	(28,502)	(28,502)
780	(33,818)	(33,038)	Pound	3,510	(39,858)	(36,348)
540	(1,885,927)	(1,885,387)	Public Works	570	(1,616,521)	(1,615,951)
-	(528,913)	(528,913)	Streets & Pavements	-	(928,886)	(928,886)
7,100	(203,198)	(196,098)	Licensing & Traffic	5,450	(162,797)	(157,347)
27,100	(120,502)	(93,402)	Nature Reserve	26,450	(205,479)	(179,029)
700	(250,567)	(249,867)	Parks & Open areas	-	(355,947)	(355,947)
8,464	(73,649)	(65,185)	Swimming Pool	15,040	(103,491)	(88,451)
8,200	(7,793)	407	Caravan Park	6,720	(13,216)	(6,496)
2,585,291	(2,345,036)	240,255	Refuse	2,781,414	(2,636,815)	144,599
2,251,070	(2,352,012)	(100,941)	Sewerage & Cleansing	2,384,737	(2,507,446)	(122,709)
-	(341,315)	(341,315)	Water Distribution	-	(369,410)	(369,410)
3,426,488	(536,616)	2,889,872	Water Provision	3,713,010	(896,814)	2,816,196
50,670,162	(41,922,561)	8,747,600	Sub Total	51,310,179	(45,182,121)	6,128,059
-	1,580,141	1,580,141	Less Inter-Departmental Charges	-	1,963,652	1,963,652
50,670,162	(40,342,420)	10,327,741	<b>Total</b>	51,310,179	(43,218,469)	8,091,711

**APPENDIX D - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012  
GENERAL FINANCE STATISTIC CLASSIFICATIONS**

2011 Actual Income R	2011 Actual Expenditure R	2011 Surplus/ (Deficit) R		2012 Actual Income R	2012 Actual Expenditure R	2012 Surplus/ (Deficit) R
29,027,035.79	(18,840,751)	10,186,284	Executive & Council	27,276,997	(19,814,629)	7,462,368
7,479,345.37	(6,546,630)	932,715	Budget & Treasury	8,127,735	(5,825,593)	2,302,142
-	(1,249,183)	(1,249,183)	Corporate Services	-	(1,391,790)	(1,391,790)
-	(20,893)	(20,893)	Health	-	(36,684)	(36,684)
7,297.20	(893,475)	(886,178)	Community & Social Services	11,121	(1,046,537)	(1,035,415)
780.00	(69,587)	(68,807)	Public Safety	3,510	(83,894)	(80,384)
44,464.00	(452,510)	(408,046)	Sport & Recreation	48,210	(678,133)	(629,923)
2,585,290.84	(2,345,036)	240,255	Waste Management	2,781,414	(2,636,815)	144,599
2,251,070.33	(2,352,012)	(100,941)	Waste Water Management	2,384,737	(2,507,446)	(122,709)
7,640.00	(2,618,038)	(2,610,398)	Road Transport	6,020	(2,708,204)	(2,702,184)
3,426,488.04	(877,931)	2,548,557	Water	3,713,010	(1,266,223)	2,446,787
5,840,750.03	(5,656,516)	184,234	Electricity	6,957,425	(7,186,173)	(228,747)
						-
50,670,162	(41,922,561)	8,747,600	Sub Total	51,310,179	(45,182,121)	6,128,059
-	1,580,141	1,580,141	Less Inter-Departmental Charges	-	1,963,652	1,963,652
50,670,162	(40,342,420)	10,327,741	<b>Total</b>	51,310,179	(43,218,469)	8,091,711

**APPENDIX E(1) - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
REVENUE AND EXPENDITURE  
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012  
MUNICIPAL VOTES CLASSIFICATION**

	2012 Actual (R)	2012 Budget (R)	2012 Variance (R)	2012 Variance (%)
<b>REVENUE</b>				
Property Rates	3,878,347	3,993,222	(114,875)	-2.88%
Government Grants and Subsidies	28,738,868	21,509,000	7,229,868	33.61%
Fines	22,806	12,230	10,576	86.48%
Actuarial Gains	339,167	-	339,167	100.00%
Property Rates - Penalties & Collection Charges	199,288	190,000	9,288	4.89%
Service Charges	14,856,392	14,523,573	332,819	2.29%
Rental of Facilities and Equipment	525,966	409,730	116,236	28.37%
Interest Earned - External Investments	925,184	1,297,000	(371,816)	-28.67%
Interest Earned - Outstanding Debtors	3,677	3,300	377	11.42%
Licenses and Permits	11,202	14,200	(2,998)	-21.11%
Agency Services	119,540	80,000	39,540	49.42%
Other Revenue	1,564,367	3,122,493	(1,558,126)	-49.90%
Contributed PPE	121,297	-	121,297	100.00%
<b>Total Revenue</b>	<b>51,310,179</b>	<b>45,171,748</b>	<b>6,138,431</b>	<b>13.59%</b>
<b>EXPENDITURE</b>				
Cemetery	(140,381)	(147,023)	6,642	-4.52%
Library	(786,263)	(818,983)	32,720	-4.00%
Museum	(119,892)	(133,724)	13,832	-10.34%
Corporate Services	(1,391,790)	(1,538,776)	146,986	-9.55%
Electricity Administration	(134,451)	(172,917)	38,466	-22.25%
Electricity Generation	(6,652,258)	(6,733,799)	81,541	-1.21%
Electricity Distribution	(399,464)	(386,238)	(13,226)	3.42%
General Expenditure of Council	(19,814,629)	(15,700,964)	(4,113,665)	26.20%
Official Housing	(1,879)	(3,892)	2,013	-51.73%
Commonage	(75,055)	(82,732)	7,677	-9.28%
Municipal Buildings	(220,584)	(250,387)	29,803	-11.90%
Municipal Manager/Treasurer	(5,481,611)	(4,817,955)	(663,656)	13.77%
Health Service	(955)	-	(955)	100.00%
Nursing Service	(35,729)	(57,349)	21,620	-37.70%
Airport	(46,440)	(58,140)	11,700	-20.12%
Abattoir	(24)	(547)	523	-95.56%
Fire Department	(15,533)	(16,760)	1,227	-7.32%
Civil Protection	(28,502)	(36,215)	7,713	-21.30%
Pound	(39,858)	(45,593)	5,735	-12.58%
Public Works	(1,616,521)	(2,171,878)	555,357	-25.57%
Streets & Pavements	(928,886)	(901,228)	(27,658)	3.07%
Licensing & Traffic	(162,797)	(247,161)	84,364	-34.13%
Nature Reserve	(205,479)	(227,399)	21,920	-9.64%
Parks & Open areas	(355,947)	(342,512)	(13,435)	3.92%
Swimming Pool	(103,491)	(123,536)	20,045	-16.23%
Caravan Park	(13,216)	(26,284)	13,068	-49.72%
Refuse	(2,636,815)	(2,767,080)	130,265	-4.71%
Sewerage & Cleansing	(2,507,446)	(2,968,838)	461,392	-15.54%
Water Distribution	(369,410)	(364,499)	(4,911)	1.35%
Water Provision	(896,814)	(1,011,997)	115,183	-11.38%
Less Inter-Departmental Charges	1,963,652	1,948,658	14,994	0.77%
<b>Total Expenditure</b>	<b>(43,218,469)</b>	<b>(40,205,748)</b>	<b>(3,012,721)</b>	<b>7.49%</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>8,091,711</b>	<b>4,966,000</b>	<b>3,125,711</b>	<b>62.94%</b>

**APPENDIX E(1) - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
REVENUE AND EXPENDITURE  
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012  
GENERAL FINANCE STATISTIC CLASSIFICATIONS**

	2012 Actual (R)	2012 Budget (R)	2012 Variance (R)	2012 Variance (%)
<b>REVENUE</b>				
Property Rates	3,878,347	3,993,222	(114,875)	-2.88%
Government Grants and Subsidies	28,738,868	21,509,000	7,229,868	33.61%
Fines	22,806	12,230	10,576	86.48%
Actuarial Gains	339,167	-	339,167	100.00%
Property Rates - Penalties & Collection Charges	199,288	190,000	9,288	4.89%
Service Charges	14,856,392	14,523,573	332,819	2.29%
Rental of Facilities and Equipment	525,966	409,730	116,236	28.37%
Interest Earned - External Investments	925,184	1,297,000	(371,816)	-28.67%
Interest Earned - Outstanding Debtors	3,677	3,300	377	11.42%
Licences and Permits	11,202	14,200	(2,998)	-21.11%
Agency Services	119,540	80,000	39,540	49.42%
Other Revenue	1,564,367	3,122,493	(1,558,126)	-49.90%
Unamortised Discount - Interest	4,079	17,000	(12,921)	-76.01%
Contributed PPE	121,297	-	121,297	100.00%
<b>Total Revenue</b>	<b>51,310,179</b>	<b>45,171,748</b>	<b>6,138,431</b>	<b>13.59%</b>
<b>EXPENDITURE</b>				
Executive & Council	(19,814,629)	(15,700,964)	(4,113,665)	26.20%
Budget & Treasury	(5,825,593)	(5,213,653)	(611,940)	11.74%
Corporate Services	(1,391,790)	(1,538,776)	146,986	-9.55%
Health	(36,684)	(57,349)	20,665	-36.03%
Community & Social Services	(1,046,537)	(1,099,730)	53,193	-4.84%
Public Safety	(83,894)	(98,568)	14,674	-14.89%
Sport & Recreation	(678,133)	(719,731)	41,598	-5.78%
Waste Management	(2,636,815)	(2,767,080)	130,265	-4.71%
Waste Water Management	(2,507,446)	(2,968,838)	461,392	-15.54%
Road Transport	(2,708,204)	(3,320,267)	612,063	-18.43%
Water	(1,266,223)	(1,376,496)	110,273	-8.01%
Electricity	(7,186,173)	(7,292,954)	106,781	-1.46%
Less: Interdepartmental Charges	1,963,652	1,948,658	14,994	0.77%
<b>Total Expenditure</b>	<b>(43,218,469)</b>	<b>(40,205,748)</b>	<b>(3,012,721)</b>	<b>7.49%</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>8,091,711</b>	<b>4,966,000</b>	<b>3,125,711</b>	<b>62.94%</b>

**APPENDIX E (2) - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012  
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT  
MUNICIPAL VOTES CLASSIFICATION**

	2012 Actual	2012 Total Additions	2012 Budget	2012 Variance	2012 Variance
	R	R	R	R	%
Budget & Treasury Office	187,385	187,385	-	187,385	100.00%
Library	152,794	152,794	-	152,794	100.00%
Electricity Administration	394	394	-	394	100.00%
Streets & Pavements	7,611,964	7,611,964	5,392,000	2,219,964	41.17%
Sewerage	2,267,533	2,267,533	2,500,000	(232,467)	-9.30%
<b>Total</b>	<u>10,220,070</u>	<u>10,220,070</u>	<u>7,892,000</u>	<u>2,328,070</u>	<u>29.50%</u>

**APPENDIX E (2) - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012  
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT  
GENERAL FINANCE STATISTIC CLASSIFICATIONS**

	<b>2012 Actual</b>	<b>2012 Total Additions</b>	<b>2012 Budget</b>	<b>2012 Variance</b>	<b>2012 Variance</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>
Budget & Treasury Office	187,385	187,385	-	187,385	100.00%
Community & Social Services	152,794	152,794	-	152,794	100.00%
Waste Management	2,267,533	2,267,533	2,500,000	(232,467)	-9.30%
Road Transport	7,611,964	7,611,964	5,392,000	2,219,964	41.17%
Electricity	394	394	-	394	100.00%
<b>Total</b>	<b>10,220,070</b>	<b>10,220,070</b>	<b>7,892,000</b>	<b>2,328,070</b>	<b>29.50%</b>

**APPENDIX F - Unaudited  
KAREEBERG LOCAL MUNICIPALITY  
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003**

Grant Description	Balance 30 JUNE 2011	Contributions during the year	Interest on Investments	Other Income	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Balance 30 JUNE 2012
	R	R	R	R	R	R	R
<b>UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS</b>							
Job Creation De Bult	34,100	-	935	-	-	-	35,035
Land Development	55,697	-	662	-	-	-	56,359
Civil Defence	16,972	-	476	-	-	-	17,448
Job Creation	11,663	-	285	-	11,948	-	-
Geotechnical Investigation	6,186	-	186	-	6,371	-	-
TV Fund	10,138	-	8	-	10,146	-	-
CMIP Kwaggakolk (VAT)	140,148	-	141	-	-	-	140,289
Municipal Systems Improvement Grant	-	-	-	1,200,000	1,193,672	6,328	-
Sanitation - sewerage	2,930,801	-	-	-	1,164,203	289,576	1,477,022
Electricity	32,719	-	33	-	-	-	32,752
Water Service Plan	3,062	-	2	-	-	-	3,064
CMIP - Saaipoort project 301	3,361	-	2	-	-	-	3,363
Library Development Projects	-	-	-	501,000	339,272	161,728	-
Paving Projects	22,119	-	22	-	-	-	22,141
Lotto Carnarvon	1,701	-	1	-	-	-	1,702
Lotto Vosburg	29,958	-	30	-	-	-	29,988
Municipal Finance Management Grant	-	-	-	1,450,000	1,420,789	29,211	-
Transfer Fees Sub-Economic	116,394	-	3,790	-	-	-	120,184
Cleaning Project Vosburg	23,916	-	24	-	-	-	23,940
VAT - Retention	11,098	-	11	-	-	-	11,109
Municipal Infrastructure Grant	-	-	-	7,892,000	960,924	6,931,076	-
Youth Development	-	-	-	93,632	-	-	93,632
Kareeberg Festival	59,413	-	27	-	59,440	-	-
Housing 81 homes	-	-	-	2,381,969	2,381,969	-	-
Department of Economic Affairs - Fly-in	-	-	-	100,000	100,000	-	-
Premier's Funds - Job Creation	-	-	-	325,000	325,000	-	-
Water Assistance	-	-	-	639,879	639,879	-	-
Expanded Public Works Program	-	-	-	3,755,965	1,085,680	2,670,285	-
<b>Total</b>	<b>3,509,447</b>	<b>-</b>	<b>6,632</b>	<b>18,339,445</b>	<b>9,699,293</b>	<b>10,088,203</b>	<b>2,068,028</b>
<b>Total Receipts</b>	<b>3,509,447</b>	<b>-</b>	<b>6,632</b>	<b>18,339,445</b>	<b>9,699,293</b>	<b>10,088,203</b>	<b>2,068,028</b>