



**MOQHAKA LOCAL MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2009**

I am responsible for the presentation of these annual financial statements, which are set out on pages 1 to 55, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 23 of these annual financial statements, are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and local Government's determination in accordance with this Act.

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Mr. M.V. Duma  
Municipal Manager

31 August 2009

**MOQHAKA LOCAL MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

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**MOQHAKA LOCAL MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

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**GENERAL INFORMATION**

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of operations and principal activities</b>	Providing municipal services and maintain the best interests of the local community mainly in the Moqhaka area
<b>Legal form</b>	An organ of state within the local sphere of government exercising legislative and executive authority
<b>Jurisdiction</b>	The entity is a local municipality, as demarcated by the Demarcation Board
<b>Grading of local authority</b>	The Moqhaka Municipality is a grade 4 Local Authority in terms of item IV of Government Notice R999 of 2 October 2001, published in terms of the Remuneration of Public Office Bearers Act, 1998
<b>Relevant legislation</b>	The Constitution of the Republic of South Africa The Municipal Structures Act 117 of 1998 The Municipal Systems Act 32 of 2000 The Municipal Finance Management Act 56 of 2003 The Municipal Property Rates Act 6 of 2004 The Basic Conditions of Employment Act 75 of 1997 The Value Added Tax Act 89 of 1991 The Skills Development Act 9 of 1999 The Water Service Act 108 of 1997 The Housing Act of 1997 The Promotion of Access to Information Act 2 of 2000 The Disaster Management Act 57 of 2000
<b>Business address</b>	PO Box 302 Kroonstad 9500
<b>Registered office</b>	Municipal Offices Hill Street Kroonstad 9499
<b>Bankers</b>	ABSA Bank Limited: Kroonstad First National Bank: Steynsrus
<b>Auditors</b>	The Auditor General: Free State
<b>Attorneys</b>	Du Randt and Louw
<b>Municipal Manager</b>	Duma MV
<b>Chief Financial Officer</b>	Lenyehelo MJ
<b>Executive Mayor</b>	Mokgosi MA

## **Councillors and their portfolios**

### **Speaker**

Mohapi MJ

### **Chairperson WHIP**

Mareka J

### **Members of The Mayoral Committee**

Councillor: Matli SJ  
Councillor: Matshidisho DA  
Councillor: Mokoena S  
Councillor: Moletsane ER  
Councillor: Nakedi ACWD  
Councillor: Pietersen ML  
Councillor: Thipane MP

### **Members of Council**

Councillor: Brink DJ  
Councillor: Dire AMS  
Councillor: George DSL  
Councillor: Grimbeek SA  
Councillor: Hatting JM  
Councillor: Jordaan ECJ  
Councillor: Kolozi MA  
Councillor: Leokaoko TJ  
Councillor: Letsabo MJ  
Councillor: Machobane ML  
Councillor: Makale DM  
Councillor: Makau TL  
Councillor: Makoele EL  
Councillor: Manefeldt ZJC  
Councillor: Mantso KM  
Councillor: Masuret A  
Councillor: Mbono MD  
Councillor: Mckenzie AE  
Councillor: Mkhoseni NW  
Councillor: Mkhwanazi TM  
Councillor: Moabi ME  
Councillor: Moamogoa MS  
Councillor: Mofokeng MJ  
Councillor: Mohlolo PM  
Councillor: Mokodutlo NP  
Councillor: Mokotla ME  
Councillor: Monoto MA  
Councillor: Notsi EM  
Councillor: Pittaway M  
Councillor: Ramotsie JM  
Councillor: Raphuthing PP  
Councillor: Seakhela SS  
Councillor: Seheri MF  
Councillor: Shahim DM  
Councillor: Steenkamp JIN (Deceased)  
Councillor: Taje FM  
Councillor: Tau SS  
Councillor: Tladi SB  
Councillor: Tumisi TJ  
Councillor: Viljoen AH  
Councillor: Wille GV

**REPORT OF THE AUDITOR-GENERAL**

**MOQHAKA LOCAL MUNICIPALITY**  
**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2009**

	Note	2009 R	2008 R
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>1 100 581 786</b>	<b>1 135 543 777</b>
Property, plant and equipment	1	1 100 296 013	1 135 269 935
Investments	2	246 631	234 700
Long-term receivables	3	39 142	39 142
<b>Current assets</b>		<b>113 839 449</b>	<b>93 890 092</b>
Inventory	4	4 728 731	4 990 781
Consumer receivables from exchange transactions	5	95 433 133	74 163 032
Other receivables from exchange transactions	6	7 991 263	12 160 383
Other receivables from non- exchange transactions	7	26 443	1 750 769
Deferred operating lease assets	8	77 015	7 294
Cash and cash equivalents	9	323 413	178 307
Taxes receivable	16	2 900 244	-
Investments	2	2 359 207	639 526
<b>Total assets</b>		<b>1 214 421 235</b>	<b>1 229 433 869</b>
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>		<b>1 050 524 076</b>	<b>1 099 127 725</b>
Accumulated surplus		1 050 524 076	1 099 127 725
<b>Non-current liabilities</b>		<b>46 764 283</b>	<b>27 967 812</b>
Long-term borrowings	10	43 976 304	26 224 089
Non-current provisions	11	2 787 979	1 743 723
<b>Current liabilities</b>		<b>117 132 877</b>	<b>102 338 332</b>
Consumer deposits	12	6 415 264	6 478 692
Provisions	13	-	486 718
Payables from exchange transactions	14	58 405 016	69 026 294
Unspent conditional grants and receipts	15	6 323 951	4 705 357
Taxes payable	16	-	9 885 542
Bank Overdraft	9	36 035 103	3 392 499
Current portion of borrowings	10	9 953 543	8 363 230
<b>Total net assets and liabilities</b>		<b>1 214 421 235</b>	<b>1 229 433 869</b>

**MOQHAKA LOCAL MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 R	2008 R
<b>REVENUE</b>			
Property rates	17	38 687 846	24 992 090
Service charges	18	140 055 331	123 186 060
Rental of facilities and equipment		2 690 747	2 687 921
Investment income	19	2 576 516	545 530
Interest earned - outstanding receivables		5 223 689	5 250 726
Fines		765 069	387 155
Government grants and subsidies	20	84 209 849	100 940 148
Other income	21	11 350 841	9 090 595
Gain on disposal of property, plant and equipment		428 303	41 305
Fair value through surplus and deficit		4 336	29 241
<b>Total revenue</b>		<b><u>285 992 527</u></b>	<b><u>267 150 771</u></b>
<b>EXPENDITURE</b>			
Employee related costs	22	110 136 324	100 241 428
Remuneration of councillors	23	8 551 570	10 111 782
Bad debts		21 890 531	21 603 062
Depreciation		44 781 150	1 265 728
Repairs and maintenance		22 552 831	10 818 968
Interest paid	24	4 184 771	5 244 408
Bulk purchases	25	64 454 175	46 599 766
Contracted services		6 336 442	5 425 188
General expenses	26	51 708 382	52 555 259
<b>Total expenditure</b>		<b><u>334 596 176</u></b>	<b><u>253 865 589</u></b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b><u>(48 603 649)</u></b>	<b><u>13 285 182</u></b>

(a) Refer to Appendix C for the comparison with the approved budget.

**MOQHAKA LOCAL MUNICIPALITY**  
**STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009**

	Capital Replacement Reserve (CRR) R	Capitalisation Reserve R	Government Grant Reserve R	Accumulated Surplus/ (Deficit) R	Total R
<b>Balance at 30 June 2007</b>	<b>2 506 034</b>	<b>1 158 276</b>	<b>38 673 353</b>	<b>451 324 265</b>	<b>493 661 928</b>
Correction of error (Note 27)				591 823 217	591 823 217
<b>Restated balance as at 30 June 2007</b>	<b>2 506 034</b>	<b>1 158 276</b>	<b>38 673 353</b>	<b>1 043 147 482</b>	<b>1 085 485 145</b>
Surplus/(deficit) for the year as previously reported	-	-	-	34 369 134	34 369 134
Correction of error (Note 27)				(20 726 555)	(20 726 555)
Transfer to accumulated surplus/defecit	(2 506 034)	(1 158 276)	(38 673 353)	42 337 663	-
<b>Restated balance as at 30 June 2008</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 099 127 725</b>	<b>1 099 127 725</b>
Surplus/(deficit) for the year				-48 603 649	(48 603 649)
<b>Balance at 30 June 2009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 050 524 076</b>	<b>1 050 524 076</b>

**MOQHAKA LOCAL MUNICIPALITY**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 R	2008 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from ratepayers, government and other		157 473 076	241 194 351
Cash paid to suppliers and employees		201 754 570	(202 977 567)
Cash generated from operations	28	<b>(44 281 494)</b>	<b>38 928 755</b>
Interest received		7 800 205	5 796 255
Interest paid		(4 184 771)	(4 884 911)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b><u>(40 666 059)</u></b>	<b><u>39 840 099</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisitions for property, plant and equipment		(10 853 548)	(44 035 515)
(Increase)/decrease in current investments		(1 862 031)	(519 306)
Proceeds on disposal of property, plant and equipment		1 474 624	216 692
Increase in non-current receivables		130 418	(5 429)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b><u>(11 110 536)</u></b>	<b><u>(44 343 558)</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
(Decrease)/increase in consumer deposits		(63 428)	(2 101 669)
Repayment of borrowings		19 342 528	1 722 567
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b><u>19 279 099</u></b>	<b><u>(379 102)</u></b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b><u>(32 497 496)</u></b>	<b><u>(4 882 561)</u></b>
Cash and cash equivalents at the beginning of the year		(3 214 192)	1 668 371
Cash and cash equivalents at the end of the year	9	(35 711 690)	(3 214 192)

PROPERTY, PLANT AND EQUIPMENT

30 June 2009

Reconciliation of Carrying Value	Land and Buildings R	Investment Properties	Infra-structure R	Community R	Heritage R	Intangible Assets	Other R	Total R
<b>Carrying values at 1 July 2008</b>	<b>11 334 230</b>	<b>22 993 864</b>	<b>1 027 662 146</b>	<b>34 690 742</b>	<b>17 544</b>	<b>2 603 063</b>	<b>35 968 346</b>	<b>1 135 269 935</b>
Cost	27 541 938	30 048 542	2 126 122 664	81 362 497	17 544	2 769 735	47 072 114	2 314 935 034
Correction of error	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	(16 207 708)	(7 054 678)	(1 098 460 518)	(46 671 755)	-	(166 672)	(11 103 768)	(1 179 665 099)
Acquisitions	-	-	9 387 530	-	-	-	1 466 018	10 853 548
Capital under Construction	-	-	-	-	-	-	-	-
Increases /decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	(447 095)	(235 623)	(38 424 818)	(1 881 992)	-	(447 319)	(3 344 301)	(44 781 149)
Carrying value of disposals	-	-	-	-	-	-	(1 046 321)	(1 046 321)
Cost / revaluation	-	-	-	-	-	-	(3 160 041)	(3 160 041)
Accumulated depreciation	-	-	-	-	-	-	2 113 720	2 113 720
<b>Carrying values at 30 June 2009</b>	<b>10 887 135</b>	<b>22 758 241</b>	<b>998 624 858</b>	<b>32 808 749</b>	<b>17 544</b>	<b>2 155 744</b>	<b>33 043 742</b>	<b>1 100 296 013</b>
Cost	27 541 938	30 048 542	2 135 510 194	81 362 497	17 544	2 769 735	45 378 091	2 322 628 542
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	(16 654 803)	(7 290 301)	(1 136 885 336)	(48 553 748)	-	(613 991)	(12 334 349)	(1 222 332 528)

**PROPERTY, PLANT AND EQUIPMENT**

**30 June 2008**

Reconciliation of Carrying Value	Land and Buildings R	Investment Property	Infra-structure R	Community R	Heritage R	Intangible Assets	Other R	Total R
<b>Carrying values at 1 July 2007</b>	<b>11 781 325</b>	<b>23 219 869</b>	<b>1 049 242 940</b>	<b>36 582 352</b>	<b>17 544</b>	<b>1 427 777</b>	<b>25 840 394</b>	<b>1 148 112 202</b>
Cost	27 541 938	30 048 542	2 109 278 642	81 362 497	17 544	1 427 777	34 828 631	2 284 505 572
As previously stated	113 820 216	-	225 734 058	50 161 850	10 253	-	92 748 645	482 475 022
Correction of prior period error to cost	(86 278 278)	30 048 542	1 883 544 584	31 200 647	7 291	1 427 777	(57 920 014)	1 802 030 550
Accumulated depreciation	(15 760 613)	(6 828 673)	(1 060 035 702)	(44 780 145)	-	-	(8 988 237)	(1 136 393 370)
As previously stated	(156 985)	-	-	-	-	-	(291 945)	(448 930)
Correction of prior period error to Accumulated Depreciation	(15 603 628)	(6 828 673)	(1 060 035 702)	(44 780 145)	-	-	(8 696 292)	(1 135 944 440)
Acquisitions	-	-	16 844 021	-	-	1 341 958	12 243 483	30 429 462
As previously stated	161 507	-	22 707 073	9 930 729	-	-	11 236 206	44 035 515
Correction of prior period error to additions	(161 507)	-	(5 863 052)	(9 930 729)	-	1 341 958	1 007 277	(13 606 053)
Depreciation	(447 095)	(226 005)	(38 424 816)	(1 891 610)	-	(166 672)	(2 115 531)	(43 271 729)
As previously stated	(81 259)	-	-	-	-	-	(1 184 468)	(1 265 727)
Correction of prior period error to depreciation	(365 836)	(226 005)	(38 424 816)	(1 891 610)	-	(166 672)	(931 063)	(42 006 002)
Carrying value of disposals	-	-	-	-	-	-	-	-
Cost / revaluation	-	-	-	-	-	-	(448 023)	(448 023)
Prior Period Error	-	-	-	-	-	-	448 023	448 023
Accumulated depreciation	-	-	-	-	-	-	272 636	272 636
Prior Period Error	-	-	-	-	-	-	(272 636)	(272 636)
<b>Carrying values at 30 June 2008</b>	<b>11 334 230</b>	<b>22 993 864</b>	<b>1 027 662 146</b>	<b>34 690 742</b>	<b>17 544</b>	<b>2 603 063</b>	<b>35 968 346</b>	<b>1 135 269 935</b>
Cost	27 541 938	30 048 542	2 126 122 664	81 362 497	17 544	2 769 735	47 072 114	2 314 935 034
As previously stated	113 572 199	-	248 441 131	60 092 579	10 253	-	103 536 828	525 652 990
Correction of prior period error to cost	(86 030 261)	30 048 542	1 877 681 533	21 269 918	7 291	2 769 735	(56 464 714)	1 789 282 045
Accumulated depreciation	(16 207 708)	(7 054 678)	(1 098 460 518)	(46 671 755)	-	(166 672)	(11 103 768)	(1 179 665 099)
As previously stated	(238 244)	-	-	-	-	-	(1 203 777)	(1 442 021)
Correction of prior period error to cost	(15 969 464)	(7 054 678)	(1 098 460 518)	(46 671 755)	-	(166 672)	(9 899 991)	(1 178 223 078)

There are currently no restrictions on title and property, plant and equipment as a result of them being pledged as securities for liabilities,

The entity currently has the following capital commitments with regards to capital expenditure: *refer note 30 for detailed disclosures regarding capital commitments*

	2009	2008
Approved and contracted for	98 423 000	3 346 064
Approved and not contracted for	590 929 251	37 948 560
	<u>689 352 251</u>	<u>41 294 624</u>

Included in *Other Income* is an amount of R4 343 504 received from insurers for items of Property, Plant and Equipment that were impaired, lost or given up.

Included in other assets is leased vehicles and equipment.

	2009	2008
Net Book Value of leased assets	<u>8 875 756</u>	<u>10 758 932</u>
Lease Liability	<u>9 382 484</u>	<u>10 715 671</u>

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R
<b>2. INVESTMENTS</b>		
<b>Unlisted Shares</b>	<b>142 349</b>	<b>138 013</b>
Senwes Ltd Shares	66 203	70 932
Senwesbel Ltd Shares	76 146	67 081
<b>Financial instruments</b>	<b>2 463 489</b>	<b>736 213</b>
Short-term deposits maturing before 12 months	2 359 207	639 526
Fixed deposits	104 282	96 687
<b>Total cash investments</b>		
<b>Total investments</b>	<b>2 605 838</b>	<b>874 226</b>
<b>Non-current investments</b>	<b>246 631</b>	<b>234 700</b>
Unlisted Shares	142 349	138 013
Fixed Deposits	104 282	96 687
<b>Current investments</b>	<b>2 359 207</b>	<b>639 526</b>
Short-term deposits maturing before 12 months	2 359 207	639 526
<b>Council's valuation of unlisted shares (Market value)</b>	<b>142 349</b>	<b>138 013</b>
Senwes Ltd Shares	66 203	70 932
Senwesbel Ltd Shares	76 146	67 081

**Unlisted Shares**

*Unlisted shares consist of equity shares in Senwesbel Limited (no. of shares 11830) and Senwes Limited (no. of shares 11822). There was no movement in the volume of shares during the financial year.*

**Pledged investments**

*An investment of R11 300 held at First National Bank is pledged as security to Eskom for the electricity connection.*

Fair values are determined annually at the reporting date.

The municipality has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

**2.1 Fair value of investments**

The carrying value of the investments approximate their fair values.

**2.2 Impairment of investments**

None of the investments are considered to be impaired and consequently no provision was raised for the recoverability of these financial assets. None of the investments that were fully performing, were re-negotiated during the year.

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R
<b>3. LONG-TERM RECEIVABLES</b>		
Housing selling scheme loans	39 142	39 142
<b>Total long-term receivables</b>	<b>39 142</b>	<b>39 142</b>

**Housing selling scheme loans**

*Housing loans are granted to qualifying individuals and public organisations in terms of the housing program. These loans attract interest of between 7% per annum and are repayable over 10 years.*

Fair values are determined annually at the reporting date.

The municipality has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

**3.1 Pledged as security**

None of the long term receivables have been pledged as security and are therefore not encumbered.

Additionally, the municipality holds no security for the amounts receivable.

**3.2 Aging of long term receivables**

	Aging	2009 R	2008 R
Housing selling scheme loans	Brought over from prior year	39 142	39 142
	Additional raised in current year	-	-
		<b>39 142</b>	<b>39 142</b>

**3.4 Fair value of long term receivables**

The carrying value long term receivables approximate their fair values

**3.5 Impairment of long term receivables**

None of the long term receivables are considered to be impaired and consequently no provision was raised for the recoverability of these financial assets. None of these loans and receivables that were fully performing were re-negotiated during the year.

**4. INVENTORY**

Consumables - at cost	4 728 731	4 990 781
<b>Total inventory</b>	<b>4 728 731</b>	<b>4 990 781</b>

**4.1 Inventories at fair value less cost to sell**

None of the inventories held by the municipality were measured at fair value less cost to sell. Furthermore none of the municipality's inventories were impaired during the year.

**4.2 Write downs of inventories and reversals of inventories**

None of the inventories held by the municipality were written down during the year or during the prior year.

There were no reversals of write downs to inventories because none of the inventories held by the municipality were written down.

**4.3 Pledged as security**

None of the inventories held by the municipality were pledged as security for any liabilities, during either the current or prior year.

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R	
<b>5. CONSUMER RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>			
	<b>Gross Balance</b>	<b>Provision for Bad Debt</b>	
		<b>Net Balance</b>	
<b>As at 30 June 2009</b>			
<b>Service receivables</b>	<b>210 177 647</b>	<b>(114 744 514)</b>	<b>95 433 133</b>
Electricity	23 510 879	(10 749 396)	12 761 483
Refuse	18 745 738	(8 896 284)	9 849 454
Sewerage	18 255 781	(8 545 673)	9 710 108
Assessment rates	27 906 245	(14 445 666)	13 460 579
Water	39 782 331	(18 596 815)	21 185 516
Sundry Services	25 207 231	(21 442 968)	3 764 263
VAT Billed	14 682 346	(7 113 858)	7 568 488
Interest on Debtors	40 956 400	(24 242 938)	16 713 462
Deposits	1 130 695	(710 916)	419 779
<b>As at 30 June 2008</b>			
<b>Service receivables</b>	<b>180 783 564</b>	<b>(89 198 255)</b>	<b>91 585 309</b>
Electricity	22 535 421	(11 118 932)	11 416 489
Refuse	17 144 320	(8 458 974)	8 685 346
Sewerage	16 412 856	(8 098 071)	8 314 785
Assessment rates	17 568 363	(8 668 196)	8 900 167
Water	31 675 715	(15 628 735)	16 046 980
Sundry Services	31 105 071	(15 347 181)	15 757 890
VAT Billed	11 967 832	(5 904 905)	6 062 927
Interest on Debtors	31 105 071	(15 347 181)	15 757 890
Deposits	1 268 915	(626 080)	642 835
<b>Rates: ageing</b>		<b>27 906 245</b>	<b>17 568 362</b>
Current (0 – 30 days)		2 881 687	1 538 945
31 - 60 Days		1 734 161	3 610 419
61 - 90 Days		1 277 906	396 930
90+ Days		22 012 491	12 022 068
<b>Electricity, Water, Refuse and Sewerage: ageing</b>		<b>182 271 402</b>	<b>163 215 200</b>
Current (0 – 30 days)		12 060 535	11 090 371
31 - 60 Days		4 453 731	22 935 237
61 - 90 Days		3 805 717	2 933 275
90+ Days		161 951 419	126 256 317
<b>Summary of receivables by customer classification</b>	<b>Consumers</b>	<b>Industrial/ Commercial</b>	<b>National and Provincial Government</b>
	<b>R</b>	<b>R</b>	<b>R</b>
<b>30 June 2009</b>			
Current (0 – 30 days)	7 392 360	5 367 439	2 182 423
31 - 60 Days	4 350 500	732 373	1 105 020
61 - 90 Days	4 160 913	367 749	554 962
90+ Days	172 828 125	9 603 638	1 532 146
<b>Sub-total</b>	<b>188 731 898</b>	<b>16 071 200</b>	<b>5 374 551</b>
Less: Provision for bad debt	(107 085 128)	(7 533 675)	(125 712)
<b>Total receivables by customer classification</b>	<b>81 646 770</b>	<b>8 537 525</b>	<b>5 248 839</b>
<b>30 June 2008</b>			
Current (0 – 30 days)	5 842 485	4 314 216	2 472 616
31 - 60 Days	23 875 973	2 023 696	645 987
61 - 90 Days	2 440 863	360 845	528 497
90+ Days	125 905 823	9 122 670	3 249 892
<b>Sub-total</b>	<b>158 065 144</b>	<b>15 821 428</b>	<b>6 896 992</b>
Less: Provision for bad debt	(77 989 032)	(7 806 261)	(3 402 962)
<b>Total receivables by customer classification</b>	<b>80 076 112</b>	<b>8 015 167</b>	<b>3 494 030</b>
<b>Reconciliation of bad debt provision</b>			
Balance at beginning of year		89 198 255	64 863 017
Contributions to provision		25 547 469	24 334 028
Bad debts written off against provision		(1 211)	-
Balance at the end of the year		<b>114 744 513</b>	<b>89 197 045</b>

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>5. CONSUMER RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)</b>		
<b>5.1 Fair value of consumer receivables</b>		
The carrying value of consumer receivables approximate their fair values		
<b>5.2 Pledged as security</b>		
None of the consumer receivables held by the municipality were pledged as security for any liabilities, during either the current or prior year.		
<b>6. OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS</b>		
Interest on receivables	64 042	2 108 589
Sundry receivables	373 924	1 001 269
Other receivables	7 185 851	6 355 445
Unallocated amounts	367 446	2 695 081
<b>Total other receivables</b>	<b>7 991 263</b>	<b>12 160 383</b>
Interest on outstanding receivables are charged at prime plus 1% (2007: prime plus 1%)		
<b>6.1 Pledged as security</b>		
None of the other receivables held by the municipality were pledged as security for any liabilities, during either the current or prior year.		
<b>6.2 Fair value of other receivables</b>		
The carrying value other receivables approximate their fair values		
<b>6.3 Impairment of other receivables</b>		
None of the other receivables that were fully performing during the year were re-negotiated. These receivables are not considered to be impaired.		
<b>7. OTHER RECEIVABLES FROM NON- EXCHANGE TRANSACTIONS</b>		
Government subsidies	26 443	1 750 769
	<b>26 443</b>	<b>1 750 769</b>
<b>8. DEFERRED OPERATING LEASE ASSETS</b>		
Deferred operating lease asset	77 015	7 294
<b>Total operating lease assets</b>	<b>77 015</b>	<b>7 294</b>
<b>At the reporting date the municipality has outstanding commitments under operating leases which fall due as follows:</b>		
Not later than 1 year	59 153	59 153
Between 1 and 5 years	11 539	11 539
Later than 5 years	1 293	1 293
	<b>71 984</b>	<b>71 984</b>
<b>Detail of operating leases</b>		
<i>Grazing camps near Steynsrus, Viljoenskroon and Kroonstad are leased to various individuals over a period of 3 - 5 years with an average increase rate of 10% per annum.</i>		
<b>9. CASH AND CASH EQUIVALENTS</b>		
<i>For the purpose of the cash flow statement, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts.</i>		
Cash and bank balances	323 413	178 307
Bank overdraft (See note 38)	(36 035 103)	(3 392 499)
<b>Total cash and cash equivalents</b>	<b>(35 711 690)</b>	<b>(3 214 192)</b>
Prior period amounts have been restated.		
<b>9. CASH AND CASH EQUIVALENTS (CONTINUED)</b>		
<b>8.1 Pledged as security</b>		

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

2009  
R

2008  
R

None of the municipality's bank accounts were pledged as security for the bank overdraft as at year end

**8.2 Fair value of cash and cash equivalents**

The carrying value of the cash and cash equivalents approximate their fair values

**8.3 Impairment of trade and other receivables**

None of the cash and cash equivalents are considered to be impaired and consequently no provision was raised for the recoverability of these financial assets.

**10. LONG-TERM BORROWINGS**

	2009 R	2008 R
<b>Long term loans</b>	<b>53 929 847</b>	<b>34 587 320</b>
Annuity loans	47 377 030	23 871 649
Finance lease liabilities - vehicles (note 10.1.1)	22 953	920 366
Finance lease liabilities - equipment (note 10.1.2)	6 529 864	9 795 305
<b>Less: current portion transferred to current liabilities</b>	<b>9 953 543</b>	<b>8 363 230</b>
Annuity loans	8 133 710	5 841 167
Finance lease liabilities - vehicles	22 953	889 608
Finance lease liabilities - equipment	1 796 880	1 632 455
<b>Total long-term borrowings</b>	<b>43 976 304</b>	<b>26 224 090</b>

Refer to Appendix A for more detail on long-term borrowings.

**10.1 OBLIGATION UNDER FINANCE LEASE**

**10.1.1 Finance lease liabilities - vehicles**

	<u>Minimum lease payments</u>		<u>Present value of minimum lease payments</u>	
	2009 R	2008 R	2009 R	2008 R
Not later than 1 year	23 662	961 871	22 953	889 608
Between 1 and 5 years	-	40 445	-	30 758
	<b>23 662</b>	<b>1 002 316</b>	<b>22 953</b>	<b>920 366</b>
Less future finance charges	709	81 950	-	-
	<b>22 953</b>	<b>920 366</b>	<b>22 953</b>	<b>920 366</b>
<b>Included in the financial statements as follows:</b>				
Current borrowings			22 953	889 608
Non-current borrowings			-	30 758
			<b>22 953</b>	<b>920 366</b>

**Detail of vehicle finance leases**

Finance leases are secured by the vehicles leased. The borrowings are a mixture of variable and fixed interest rate debt at Wesbank, ABSA and Daimler Chrysler. The repayment periods do not exceed 5 years.

**10.1.2 Finance lease liabilities - Equipment**

	<u>Minimum Lease Payments</u>		<u>Present value of minimum lease payments</u>	
	2009 R	2008 R	2009 R	2008 R
Not later than 1 year	3 577 418	2 944 756	1 796 880	1 632 456
Between 1 and 5 years	10 356 366	12 361 832	7 562 651	8 162 849
	<b>13 933 784</b>	<b>15 306 588</b>	<b>9 359 531</b>	<b>9 795 305</b>
Less future finance charges	4 574 253	5 511 283	-	-
	<b>9 359 531</b>	<b>9 795 305</b>	<b>9 359 531</b>	<b>9 795 305</b>

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>10.2 LONG-TERM BORROWINGS (CONTINUED)</b>		
<b>Included in the financial statements as follows:</b>		
Current borrowings	1 796 880	1 632 456
Non-current borrowings	7 562 651	8 162 849
	<b>9 359 531</b>	<b>9 795 305</b>
<b>Detail of equipment finance leases</b>		
Finance leases are secured by the equipment leased. The borrowings are a mixture of variable and fixed interest rate debt at Minolta and Nashua. The repayment periods do not exceed 5 years.		
<b>11. NON-CURRENT PROVISIONS</b>		
Provision for the rehabilitation cost of landfill sites	1 672 244	1 256 243
Provision for the rehabilitation cost of quarries	1 115 735	487 480
<b>Total non-current provisions</b>	<b>2 787 979</b>	<b>1 743 723</b>
<b>The movement in these non-current provisions are reconciled as follows:-</b>		
<b>Landfill sites</b>	<b>1 672 244</b>	<b>1 256 243</b>
Balance at beginning of year	1 256 243	1 574 664
Increase in provision due to the effect of time value of money	559 552	91 103
Expenditure incurred	(143 551)	(409 524)
<b>Balance at end of year</b>		
<b>Quarries</b>	<b>1 115 735</b>	<b>487 480</b>
Balance at beginning of year	487 480	417 075
Contributions to provisions	628 255	70 405
Expenditure incurred	-	-
<b>Balance at end of year</b>		
<i>In terms of the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002), it is required from the municipality to execute the environmental management program to restore the landfill sites and quarries at Kroonstad, Viljoenskroon and Steynsrus. Provision has been made for this cost based on actual valuations received. No significant judgments were made, because actual quotations were obtained at the specified dates to determine these costs.</i>		
<b>Detail on rehabilitation provision for landfill sites quarries:</b>		
<b>Kroonstad landfill site:</b>		
<i>The landfill site at Kroonstad needs to be rehabilitated after 26 years (2034). Rehabilitation costs to be incurred is stipulated by the above mentioned Act that the area needs to be covered by 100mm top soil and be planted with grass.</i>		
<b>Viljoenskroon landfill site:</b>		
<i>The landfill site at Viljoenskroon needs to be rehabilitated after 26 years (2034). Rehabilitation costs to be incurred is stipulated by the above mentioned Act that the area needs to be covered by 100mm top soil and be planted with grass.</i>		
<b>Steynsrus landfill site:</b>		
<i>The landfill site at Steynsrus needs to be rehabilitated after 21 years(2029). Rehabilitation costs to be incurred is stipulated by the above mentioned Act that the area needs to be covered by 100mm top soil and be planted with grass.</i>		
<b>Kroonstad gravel quarry</b>		
<i>The gravel quarry at Kroonstad needs to be rehabilitated after 15 years (2023). Rehabilitation costs to be incurred is stipulated by the above mentioned Act that the area needs to be covered by 100mm top soil and be planted with grass and the slopes erected.</i>		

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>11. NON-CURRENT PROVISIONS (CONTINUED)</b>		
<b>Steynsrus gravel quarry</b>		
<i>The gravel quarry at Steynsrus needs to be rehabilitated after 16 years (2024). Rehabilitation costs to be incurred is stipulated by the above mentioned Act that the area needs to be covered by 100mm top soil and be planted with grass and the slopes erected.</i>		
<i>Rehabilitation costs are incurred, as these sites are used and not at the end of the useful lives of this sites.</i>		
<b>12. CONSUMER DEPOSITS</b>	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
Kroonstad	6 415 264	6 115 534
Steynsrus and Viljoenskroon	-	363 158
<b>Total consumer deposits</b>	<b>6 415 264</b>	<b>6 478 692</b>
Consumer deposits are raised when an services account is opened and is refunded to the consumer after the account is closed.		
<b>13. PROVISIONS</b>		
Provision for Bonuses	-	486 718
	-	486 718
<b>The movement in the non-current provision is reconciled as follows:-</b>		
<b>30 June 2009</b>		
Balance at beginning of year		486 718
Contributions to provision		(486 718)
Increase in provision due to the effect of time value of money		-
<b>Balance at end of year</b>		<b>-</b>
<b>30 June 2008</b>		
Balance at beginning of year		486 718
Contributions to provisions		-
<b>Balance at end of year</b>		<b>486 718</b>
<b>Detail on provision for bonuses</b>		
<i>Performance bonuses were awarded to qualifying employees after an assessment was done. These bonuses were not approved by council. Bonuses have not been paid and the outcome of the situation are uncertain. The performance bonuses in the accounting records were reversed.</i>		
<b>14. PAYABLES FROM EXCHANGE TRANSACTIONS</b>		
Payments received in advance	9 240 873	15 275 477
Other payables	48 480 908	49 370 234
Staff leave	738 743	1 718 857
Deposits other	(55 508)	2 287 610
Unallocated amounts	-	374 116
<b>Total payables</b>	<b>58 405 016</b>	<b>69 026 294</b>
Suppliers are paid within the prescribed 30 day period.		
<b>15. UNSPENT CONDITIONAL GRANTS AND RECEIPTS</b>		
<b>Conditional grants from other spheres of government</b>		
Grants	6 323 951	3 378 559
<b>Total conditional grants and receipts</b>	<b>6 323 951</b>	<b>3 378 559</b>
<i>See note 20 for reconciliation of grants from other spheres of government. These amounts are invested until utilised. The amounts will be recognised as revenue when the qualifying expenditure is incurred. No grants were withheld due to unfulfilled conditions.</i>		

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R
<b>16. TAXES PAYABLE</b>		
VAT payable	-	9 885 542
VAT receivable	2 900 244	
<b>Total VAT payable / receivable</b>	<b>2 900 244</b>	<b>9 885 542</b>
<i>The Municipality is registered on the cash basis for VAT purposes. This means that VAT is only paid once cash is received or actual payments are made.</i>		
<b>17. PROPERTY RATES</b>		
<b>Assessment rates</b>		
Residential and commercial	32 449 783	16 410 995
State	6 238 063	8 581 095
<b>Total assessment rates</b>	<b>38 687 846</b>	<b>24 992 090</b>
<b>Valuations</b>		
Residential	5 980 893 344	1 090 944 951
Commercial	1 214 248 175	352 160 475
State	752 730 366	299 226 521
Municipal	111 146 732	
Non-ratable	165 793 104	264 625 633
<b>Total property valuations</b>	<b>8 224 811 721</b>	<b>2 006 957 580</b>
<i>Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2008. Interim valuations are processed on a quarterly basis to take into account changes in individual property values due to alterations and subdivision. A general rate of R0.005 (2008: R0.0125) is applied to property valuations to determine assessment rates. Rebates of 20% are granted to residential and state property owners. Rates are levied on an monthly basis and interest at prime plus 1% per annum (2007: prime plus 1%) is levied on outstanding rates.</i>		
<b>18. SERVICE CHARGES</b>		
Sale of electricity	99 881 987	84 294 646
Sale of water	24 820 619	23 922 404
Refuse removal	7 107 658	6 303 360
Sewerage and sanitation charges	8 245 067	8 665 650
<b>Total service charges</b>	<b>140 055 331</b>	<b>123 186 060</b>
<b>19. INVESTMENT INCOME</b>		
<b>Interest income</b>	<b>3 930</b>	<b>529 726</b>
Bank deposits	3 930	529 726
	<b>2 572 586</b>	<b>15 804</b>
Dividends received	2 572 586	15 804
<b>Total investment income</b>	<b>2 576 516</b>	<b>545 530</b>
<b>20. GOVERNMENT GRANTS AND SUBSIDIES</b>		
Equitable share	19.1 82 920 849	63 119 620
Councillors remuneration grant	19.2 -	1 786 000
Restructuring grant	19.3 54 000	500 000
Institutional grant	19.4 1 235 000	734 000
Municipal infrastructure grant	19.5 -	34 755 528
Website development grant	19.6 -	45 000
<b>Total government grants &amp; subsidies</b>	<b>84 209 849</b>	<b>100 940 148</b>

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R
<b>20. GOVERNMENT GRANTS AND SUBSIDIES (CONTINUED)</b>		
<b>20.1 Equitable share</b>		
Balance unspent at beginning of year	-	-
Current year receipts	82 920 849	63 119 620
Conditions met - transferred to revenue	(82 920 849)	(63 119 620)
Conditions still to be met - transferred to liabilities - note 15	-	-
<i>In terms of the Constitution of the Republic of South Africa (No. 108), this grant is used to subsidise the provision of basic and administrative services to indigent community members and to subsidise income.</i>		
<b>20.2 Councillor remuneration grant</b>		
Balance unspent at beginning of year	-	-
Current year receipts	-	1 786 000
Conditions met - transferred to revenue	-	(1 786 000)
Conditions still to be met - transferred to liabilities - note 15	-	-
<i>In terms of the Constitution of the Republic of South Africa (No. 108), this grant is used to subsidise the remuneration of council.</i>		
<b>20.3 Restructuring grant</b>		
Balance unspent at beginning of year	-	-
Current year receipts	54 000	500 000
Conditions met - transferred to revenue	(54 000)	(500 000)
Conditions still to be met - transferred to liabilities - note 15	-	-
<i>The purpose of the grant is to support municipal restructuring initiatives of large municipalities. Funds are made available on the basis of an approved restructuring plan that addresses challenges in a sustainable manner.</i>		
<b>20.4 Institutional grant</b>		
Balance unspent at beginning of year	-	-
Current year receipts	1 235 000	734 000
Conditions met - transferred to revenue	(1 235 000)	(734 000)
Conditions still to be met - transferred to liabilities - note 15	-	-
<i>The purpose of the grant is to support municipal restructuring initiatives of large municipalities. Funds are made available on the basis of an approved restructuring plan that addresses challenges in a sustainable manner.</i>		
<b>20.5 Municipal infrastructure grant</b>		
Balance unspent at beginning of year	34 916 705	4 705 357
Current year receipts	-	-
Conditions met - transferred to revenue	34 916 705	34 916 705
Conditions still to be met - transferred to liabilities - note 15	-	(30 211 348)
<i>The grant is used to supplement municipal capital budgets to eradicate backlogs in municipal infrastructure utilised in providing basic services.</i>		
<i>The grant is not utilised in full, because some of the capital projects takes more than a year to be completed.</i>		
<b>20.6 Website development grant</b>		
Balance unspent at beginning of year	-	-
Current year receipts	-	45 000
Conditions met - transferred to revenue	-	(45 000)
Conditions still to be met - transferred to liabilities - note 15	-	-
<i>The grant is used to develop the municipal website.</i>		

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	2009 R	2008 R
<b>21. OTHER INCOME</b>		
Advertisement	272 933	48 744
Burial income	594 787	548 657
Connection fees	1 101 422	972 021
Non exchange revenue	-	1 145 291
Railway siding industrial	468 802	456 522
Erven sales	1 534 067	3 343 066
Fire Brigade Fees	76 036	85 261
Sundry income	12 828	459 263
Special services	221 059	165 857
Other income	7 068 907	1 865 913
<b>Total other income</b>	<b>11 350 841</b>	<b>9 090 595</b>
<b>22. EMPLOYEE RELATED COSTS</b>		
Employee related costs - Salaries and wages	77 200 252	63 769 974
Employee related costs - Contributions for UIF, pensions and medical aids	23 121 577	20 809 198
Travel, motor car, accommodation, subsistence and other allowances	2 666 335	10 111 781
Housing allowance	1 029 532	824 923
Overtime payments	6 118 628	4 725 552
<b>Total employee related costs</b>	<b>110 136 324</b>	<b>100 241 428</b>
<b>Remuneration of the Municipal Manager</b>	<b>764 926</b>	<b>732 023</b>
Annual remuneration	420 665	416 386
Performance bonus	-	36 866
Allowances	256 300	198 669
Contribution to UIF, medical and pension funds	87 961	80 103
<b>Remuneration of the Chief Financial Officer</b>	<b>584 773</b>	<b>656 720</b>
Annual remuneration	339 897	336 440
Performance bonus	-	96 061
Allowances	212 378	194 195
Contribution to UIF, medical and pension funds	32 498	30 024
<b>Remuneration of individual Executive Directors:</b>		
<b>Executive Director: Technical Services</b>	<b>720 968</b>	<b>236 040</b>
Annual remuneration	381 650	141 624
Performance bonus	-	-
Allowances	337 821	93 792
Contribution to UIF, medical and pension funds	1 497	624
<i>The remuneration as reflected in 2008 is for a period of 5 months; a new director for technical services were appointed during the year after the position was vacant.</i>		
<b>Executive Director: Corporate Services</b>	<b>766 909</b>	<b>463 510</b>
Annual remuneration	381 650	269 760
Performance bonus	-	-
Allowances	301 903	134 760
Contribution to UIF, medical and pension funds	83 356	58 990
<i>The remuneration as reflected in 2008 is for a period of 7 months; a new director for corporate services were appointed during the year after the position was vacant.</i>		
<b>Executive Director: Community Services</b>	<b>769 550</b>	<b>477 876</b>
Annual remuneration	381 650	283 248
Acting Allowance	-	-
Allowances	386 403	193 388
Contribution to UIF, medical and pension funds	1 497	1 240
<i>During the prior financial year the director; community services was vacant and acting allowances were paid.</i>		

**MOQHAKA LOCAL MUNICIPALITY**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	2009 R	2008 R
<b>23. REMUNERATION OF COUNCILLORS</b>		
Executive Mayor	336 219	309 447
Speaker	265 970	257 488
Mayoral Committee Members	1 882 671	1 713 705
Councillors	4 274 795	6 153 274
Councillors' medical and pension contributions	1 791 915	1 677 868
<b>Total Councillors' Remuneration</b>	<b>8 551 570</b>	<b>10 111 782</b>
<i><b>In-kind benefits</b></i>		
<i>The Mayor, Speaker and Executive Committee Members are full time. Each is provided with an office and secretarial support at the cost of the council. The Mayor has use of a council owned vehicle for official duties. The Mayor has one full-time bodyguard.</i>		
<b>24. INTEREST PAID</b>		
Annuity loans	3 238 705	3 889 246
Finance leases - vehicles	48 371	223 228
Bank overdraft	897 695	1 131 934
<b>Total interest on external borrowings</b>	<b>4 184 771</b>	<b>5 244 408</b>
<b>25. BULK PURCHASES</b>		
Electricity	64 454 175	46 599 766
<b>Total bulk purchases</b>	<b>64 454 175</b>	<b>46 599 766</b>
<b>26. GENERAL EXPENSES</b>		
<b>Included in general expenses is the following:</b>		
Advertisements	795 486	465 195
Audit fees	2 407 309	2 857 454
Bank charges	1 003 253	766 542
Bursaries	264 363	358 728
Chemicals	3 753 422	1 403 038
Cleaning campaign	674 807	352 339
Conferences and seminars	3 981 494	1 826 199
Consultant fees	8 907 030	4 373 381
Discretionary fund	290 485	278 360
Entertainment cost	1 423 233	489 110
Forex (Profit)/ Loss	111 099	0
Fuel and lubricants	5 097 566	3 875 049
Indigent contributions	2 653 733	1 746 236
Insurance	1 810 460	1 983 793
Legal fees	1 401 505	1 563 069
Licenses other	1 378 883	256 856
Postal services	926 507	909 114
Printing and stationery	1 297 409	898 399
Protective clothing	655 816	371 730
Rent - office equipment	1 312 844	735 480
Skills development levy	853 022	766 822
Special programs	505 689	194 183
Stock and material	189 515	230 264
Telephone and fax	755 559	1 452 618
Training staff	1 291 918	450 457
Tourism extravaganza	-	9 161 018
Valuation roll	1 447 368	1 527 573
Workmen's compensation	600 000	555 026
Other expenditure	5 918 607	12 707 225
<b>Total</b>	<b>51 708 382</b>	<b>52 555 259</b>

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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>27. PRIOR PERIOD ERRORS</b>		<b>2008</b>
		<b>2008</b>
<b>27.1 Audit fees and audit committee expenditure</b>		
Audit fees and audit committee expenditure paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>(2 100)</u></u>
Increase in audit fees	249 486	
Increase in audit committee expenditure	3 266	
Net effect on deficit for the year 30 June 2008		<u><u>252 752</u></u>
Decrease in other receivables	(250 214)	
Increase in taxes payable	(2 539)	
Decrease in other payables	2 100	
Increase in net assets		<u><u>-</u></u>
<b>27.2 Employee social contributions</b>		
Employee social contributions paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>-</u></u>
Increase in employee social contributions	14 858	
Net effect on deficit for the year 30 June 2008		<u><u>14 858</u></u>
Decrease in other receivables	(14 858)	
Increase in net assets		<u><u>-</u></u>
<b>27.3 Employee salaries and allowances</b>		
Employee salaries and wages paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>-</u></u>
Increase in employee salaries and allowances	206	
Net effect on deficit for the year 30 June 2008		<u><u>206</u></u>
Decrease in other receivables	(206)	
Increase in net assets		<u><u>-</u></u>
<b>27.4 Employee Cost</b>		
Employee salaries and wages paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>-</u></u>
Increase in general expenditure	200	
Net effect on deficit for the year 30 June 2008		<u><u>200</u></u>
Decrease in other receivables	(200)	
Increase in net assets		<u><u>-</u></u>
<b>27. PRIOR PERIOD ERRORS (CONTINUED)</b>		
<b>27.5 Printing and Stationery</b>		

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<p>Printing and stationery paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:</p>		
Adjustment against opening accumulated surplus 30 June 2007		-
Increase in printing and stationery		7 244
Net effect on deficit for the year 30 June 2008		<b>7 244</b>
Decrease in other receivables		(7 244)
Increase in net assets		-
<b>27.6 Vehicle related expenditure</b>		
<p>Vehicle expenditure paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:</p>		
Adjustment against opening accumulated surplus 30 June 2007		<b>138 037</b>
Increase in vehicle licenses		1 206
Increase in fuel		997 720
Increase in vehicle repair and maintenance		697 177
Net effect on deficit for the year 30 June 2008		<b>1 696 103</b>
Decrease in other receivables		(2 029 590)
Increase in sundry receivables		10 000
Decrease in taxes payable		166 289
Decrease in other payables		19 162
Increase in net assets		-
<b>27.7 Youth officer activities</b>		
<p>Youth officer activities paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:</p>		
Adjustment against opening accumulated surplus 30 June 2007		-
Increase in Youth Officer activities		149 500
Increase in committees childcare		28 840
Net effect on deficit for the year 30 June 2008		<b>178 340</b>
Decrease in other receivables		(178 340)
Increase in net assets		-

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>27. PRIOR PERIOD ERRORS (CONTINUED)</b>		
<b>27.8 Stock and material</b>		
Expenditure for stock and material paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007	-	-
Increase in stock and material	11 953	
Increase in sundry income	(719)	
Net effect on deficit for the year 30 June 2008	<b>11 234</b>	
Decrease in other receivables	(12 388)	
Decrease in taxes payable	1 154	
Increase in net assets	-	
<b>27.9 Advertisement</b>		
Expenditure for advertisements paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007	-	-
Increase in advertisement expenditure	155 005	
Net effect on deficit for the year 30 June 2008	<b>155 005</b>	
Decrease in other receivables	(258 672)	
Increase in property, plant and equipment	61 926	
Decrease in taxes payable	19 244	
Decrease in other payables	22 497	
Increase in net assets	-	
<b>27.10 Government grants and subsidies</b>		
Government grants and subsidies received which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007	-	-
Increase in government grants and subsidies	(2 844 500)	
Increase in training cost	136 500	
Increase in postal services	23 791	
Net effect on deficit for the year 30 June 2008	<b>(2 684 209)</b>	
Decrease in other receivables	(1 540 291)	
Decrease in unspent grants	591 500	
Increase in Property, plant and equipment	3 633 000	
Increase in net assets	-	

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>27. PRIOR PERIOD ERRORS (CONTINUED)</b>		
<b>27.11 Tourism expenditure</b>		
Expenditure for tourism paid which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>(1 566 966)</u></u>
Net effect on deficit for the year 30 June 2008		<u><u>-</u></u>
Increase in Property plant and equipment		145 091
Increase in taxes payable		(933)
Decrease in other payables		1 422 809
Increase in net assets		<u><u>-</u></u>
<b>27.12 Unallocated suspense accounts</b>		
Expenditure and income allocated to suspense accounts which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>(28 477 947)</u></u>
Increase in valuation roll expenditure		20 400
Increase in legal fees		361 691
Increase in contracted fees		375 892
Increase in books and magazines		15 381
Decrease in repair and maintenance		(5 362)
Decrease in employee cost		2 883 267
Increase in commission paid		16 551
Increase in other expenditure		4 538 015
Increase in other income		(441 193)
Increase in government grants and subsidy income		(372 882)
Net effect on deficit for the year 30 June 2008		<u><u>7 391 761</u></u>
Decrease in other receivables		(15 691 952)
Increase in inventory		319 543
Increase in unspent conditional grant		(1 918 298)
Decrease in consumer deposits		663 588
Decrease in payments received in advance		16 540
Decrease in consumer receivables		7 311 038
Increase in Property plant and equipment		19 888 239
Increase in taxes payable		1 546 741
Decrease in other payables		8 950 748
Increase in net assets		<u><u>-</u></u>
<b>27.13 Provision for bad debt</b>		
Provision for bad debt which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>-</u></u>
Decrease in contribution to bad debt		15 965 562
Decrease in contribution to bad debt reserve		(2 262 500)
Net effect on deficit for the year 30 June 2008		<u><u>13 703 062</u></u>
Decrease in provision for bad debt		(17 156 790)
Increase in other receivables		3 453 727
Increase in net assets		<u><u>-</u></u>
<b>27. PRIOR PERIOD ERRORS (CONTINUED)</b>		
<b>27.14 Reconstruction of the fixed asset register</b>		

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<p>A complete reconstruction of the Fixed Asset Register was performed during the current year due to numerous, material errors in prior periods. Due to this reconstruction of the fixed asset register the following reclassifications were done which related to the 2007/8 financial year was recorded in the 2006/7 financial year.</p>		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>(568 044 038)</u></u>
Net effect on deficit for the year 30 June 2008		<u><u>-</u></u>
Increase in Property plant and equipment		1 747 203 027
Increase in accumulated surplus		(1 178 223 078)
Decrease in other payables		(935 911)
Increase in net assets		<u><u>-</u></u>
<b>27.15 Consumer receivables</b>		
<p>Due to a consumer receivable confirmation the following reclassifications which related to the 2007/8 financial year was recorded in the 2006/7 financial year. The comparative figures have been restated. The effect of the restatement is as follows:</p>		
Adjustment against opening accumulated surplus 30 June 2007		<u><u>6 129 797</u></u>
Net effect on deficit for the year 30 June 2008		<u><u>-</u></u>
Decrease in consumer receivables		(7 576 526)
Increase in consumer deposits		48 382
Decrease payments in advance		1 402 203
Increase in taxes payable		(3 856)
Increase in net assets		<u><u>-</u></u>
<b>28 CASH GENERATED BY OPERATIONS</b>	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
Net surplus for the year	(48 603 649)	13 644 680
<i>Adjustment for:</i>		
Depreciation and amortisation of non-current assets	44 781 150	1 265 728
Surplus on sale or disposal of property, plant and equipment	(428 303)	(41 305)
Surplus on revaluation of fair value through profit or loss financial assets		(29 241)
Investment income recognised in net surplus/deficit	(7 800 205)	(5 796 256)
Contributions to provisions - non-current	1 044 256	161 508
Contributions to bad debt provision	21 890 531	7 900 000
Finance cost recognised in net surplus/deficit	4 184 771	4 884 911
<b>Operating surplus before working capital changes:</b>	<b>15 068 551</b>	<b>21 990 025</b>
	<b>(59 350 045)</b>	<b>16 938 730</b>
Increase in inventories	262 050	(1 232 956)
Decrease in consumer receivables	(43 160 632)	(53 657 348)
Increase in other receivables	5 893 446	64 358 919
Decrease in operating lease assets	(69 721)	6 503
Increase/(decrease) in conditional grants & receipts	1 618 594	4 705 357
Increase/(decrease) in provisions	(486 718)	(818 171)
(Decrease)/increase in tax payable	(12 785 786)	(3 840 302)
Increase/(decrease) in payables	(10 621 278)	7 416 729
Opening balance restatement		-
<b>Cash generated by operations</b>	<b>(44 281 494)</b>	<b>38 928 755</b>

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	2009 R	2008 R
<b>29. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT</b>		
<b><u>29.1 Audit fees</u></b>		
Opening balance	37 158	-
Current year audit fee	2 407 308	2 610 068
Amount paid - current year	(2 063 724)	(2 610 068)
Amount paid - previous years	(37 158)	-
<b>Balance unpaid (included in payables)</b>	<b>343 584</b>	<b>-</b>
<b><u>29.2 PAYE AND UIF</u></b>		
Opening balance	-	-
Current year payroll deductions	10 034 109	9 142 347
Amount paid - current year	(10 034 109)	(9 142 347)
Amount paid - previous years	-	-
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b><u>29.3 Pension and medical aid deductions</u></b>		
Opening balance	-	-
Current year payroll deductions and council contributions	27 505 103	27 505 103
Amount paid - current year	(27 505 103)	(27 505 103)
Amount paid - previous years	-	-
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b><u>29.4 Skills Development Levy</u></b>		
Opening balance	-	-
Current year payroll deductions and council contributions	850 709	766 822
Amount paid - current year	(850 709)	(766 822)
Amount paid - previous years	-	-
<b>Balance unpaid (included in payables)</b>	<b>-</b>	<b>-</b>
<b><u>29.5 Councillor's arrear consumer accounts</u></b>		

The following councillors had arrear accounts outstanding for more than 90 days as at:

<b>30 June 2009</b>	<b><u>Total</u></b>	<b><u>Outstanding less than 90 days</u></b>	<b><u>Outstanding more than 90 days</u></b>
<b>Councillor:</b>			
Dire AMS	2 378	-	2 378
Mbono MD	355	180	175
Mckenzie AE	359	94	266
Moamogoa MS	4 982	265	4 717
Mofokeng MJ	13 401	180	13 222
Mohlolo PM	527	293	234
Mokodutlo NP	2 943	-	2 943
Mokotla ME	6 927	-	6 927
Monoto MA	339	124	215
Nakedi ACWD	1 278	194	1 084
Raphuthing PP	3 514	-	3 514
Seakhela SS	1 146	431	716
Tladi SB	6 753	130	6 623
<b>Total councillor arrear consumer accounts</b>	<b>44 903</b>	<b>1 890</b>	<b>43 013</b>

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	2009 R	2008 R
<b>29. ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (CONTINUED)</b>		
<b>30 June 2008</b>	<b><u>Total</u></b>	<b><u>Outstanding less than 90 days</u></b>
		<b><u>Outstanding more than 90 days</u></b>
<b>Councillor:</b>		
Brink DJ	568	568
Dire AMS	540	540
Letsabo J	488	488
Makau TL	12 889	9 569
Makoele LE	4 354	50
Matli SJ	996	263
Mbono MD	652	78
Mckenzie AE	16 400	3 906
Mokodutlo NP	3 555	3 555
Mokotla ME	7 802	7 802
Monoto MA	2 890	80
Pittaway M	4 700	4 700
Seakhela SS	7 202	179
Taje F	6 280	268
Tladi SB	2 433	78
Tumisi TJ	6 489	705
Viljoen AH	709	709
Wille GV	823	823
<b>Total councillor arrear consumer accounts</b>	<b><u>79 769</u></b>	<b><u>34 360</u></b>

**30. CAPITAL COMMITMENTS**

Commitments in respect of capital expenditure:

**Approved and contracted for**

Infrastructure	98 423 000	3 346 064
<b>Total</b>	<b><u>98 423 000</u></b>	<b><u>3 346 064</u></b>

**Approved and contracted for**

Infrastructure	590 929 251	37 948 560
	<b><u>590 929 251</u></b>	<b><u>37 948 560</u></b>
	<b><u>689 352 251</u></b>	<b><u>41 294 624</u></b>

This expenditure will be financed from:

Government Grants	308 190 490	5 192 064
Own Resources	346 561 761	36 102 560
External Loans	34 600 000	-
<b>Total</b>	<b><u>689 352 251</u></b>	<b><u>41 294 624</u></b>

**31. RETIREMENT BENEFIT INFORMATION**

The municipality provides retirement benefits for its employees and councillors. Benefits are provided via defined contribution plans and defined benefit plans.

**31.1 Defined benefit plans**

**The following are defined contribution plans:**

Free State Municipal Pension Fund  
 Free State Municipal Provident Fund  
 Maokeng Provident Fund  
 SAMWU National Provident Fund

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	2009 R	2008 R
<b>31. RETIREMENT BENEFIT INFORMATION (CONTINUED)</b>		
<b>31.2 Defined benefit plans</b>		
<b>The following are defined benefit plans:</b>		
Government Employment Pension Fund		
SALA Pension Fund		
<p><i>These are not treated as a defined benefit plan as defined by IAS 19 (AC 116), but as a defined contribution plan. These funds are multi employer plans and actuarial valuations done by actuaries could not be provided due to a lack of information. According to the actuaries it is not possible to report separately for each municipality on the fund, thus the reason for treating it as a contribution plan in terms of IAS 19(AC116).30</i></p>		
<p><i>Some employees belong to the SALA Pension Fund. The latest actuarial valuation of the funds was on 1 July 2007. These valuations indicate that the funds are in sound financial position. The estimated liability of the fund is R5,580.3 million which is adequately financed by assets of R6,138.70 million.</i></p>		
<p><i>Some employees belong to the Government Employment Pension Fund. The latest actuarial valuation of the fund was on 31 March 2006. These valuations indicate that the fund are in a sound financial position. The estimated liability of the fund is R447,474 million which is adequately financed by assets of R545,563 million.</i></p>		
<p><i>An amount of R16.4 million was contributed by council in respect of councillor and employees retirement funding. These contributions have been expensed.</i></p>		
<b>32. CONTINGENT LIABILITY</b>		
The municipality is being sued in the following pending claims against the council. All the claims are being contested based on legal advice.		
The timing of the outflow of these liabilities are uncertain. The amounts disclosed are the possibility of the amount of outflow.		
<b>32.1 Pending claims</b>	<b>300 000</b>	<b>1 498 411</b>
Claims by individuals due to damage of vehicles in various incidents	75 000	45 965
Claim for performance bonus	-	65 362
Claim for unfair property levy	-	70 000
Claim from creditor - account dispute	-	37 992
Claim for damages to property due to spread of fire	200 000	466 564
Claims for damages to electrical appliances due to power surge	-	24 757
Claims by individuals due to injuries in various incidents	-	660 872
Claims for damages of telephone cables	25 000	-
Claim for damages to property due to storm water damage	-	126 899
<b>33. RELATED PARTIES</b>		
No related party transactions were identified which had a material effect on the fair presentation of the annual financial statements.		
<b>34. EVENTS AFTER THE REPORTING DATE</b>		
None		
<b>35. COMPARISON WITH THE BUDGET</b>		
The comparison of the Municipality's actual financial performance with that budgeted is set out in Appendix C.		

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	<b>2009</b>	<b>2008</b>
	<b>R</b>	<b>R</b>
<b>36. IRREGULAR EXPENDITURE</b>		
<p>Paragraph 12(1)(d)(i) of Government Gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.</p>		
<p>Altimax Consultants was appointed during the financial year. The deviation of the SCM Policy was reported to National Treasury and not yet tabled before council.</p>	2 620 621	2 620 621
<p>The reason for the appointment of Altimax consultants was that they have a good record and changed some municipal audit reports from a disclaimer to an unqualified audit report.</p>		
<b>Purchase of air conditioners for housing department at Moakeng</b>		
Opening Balance	8 633	8 633
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	8 633	8 633
<i>The matter is still under investigation.</i>		
<b>Missing computers</b>		
Opening Balance	38 500	38 500
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	38 500	38 500
<i>The matter is still under investigation.</i>		
<b>Rendering of security services</b>		
Opening Balance	39 612	39 612
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	39 612	39 612
<i>The matter is still under investigation.</i>		
<b>Appointment of managers directly accountable to municipal manager</b>		
Opening Balance	2 145 809	2 145 809
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	2 145 809	2 145 809
<i>The matter is still under investigation.</i>		
<b>Refurbishment of traffic offices at Moakeng</b>		
Opening Balance	33 087	33 087
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	33 087	33 087
<i>The matter is still under investigation.</i>		
<b>Misuse of Council vehicle</b>		
Opening Balance	436	436
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	436	436
<i>The matter is still under investigation.</i>		
<b>Performance Bonuses</b>		
Opening Balance	141 954	141 954
Irregular, fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Irregular, fruitless and wasteful expenditure awaiting condonement	141 954	141 954
<i>The matter is still under investigation.</i>		
<b>37. FRUITLESS AND WASTEFUL EXPENDITURE</b>		
<b>Fruitless and wasteful expenditure occurred, late VAT payment.</b>		

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	2009 R	2008 R
Opening Balance	46 697	46 697
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	46 697	46 697

*The matter is still under investigation.*

*The following matters were identified from a special investigation done:*

**Painting roof of municipal offices at Maokeng**

Opening Balance	110 338	110 338
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	110 338	110 338

*The matter is still under investigation.*

**Refurbishment and painting of six chalets and managers house at Kroonpark**

Opening Balance	95 437	95 437
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	95 437	95 437

*The matter is still under investigation.*

**Painting of chalets at Kroonpark**

Opening Balance	46 590	46 590
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	46 590	46 590

*The matter is still under investigation.*

**Painting of offices and the roof at Brentpark**

Opening Balance	40 053	40 053
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	40 053	40 053

*The matter is still under investigation.*

**Painting housing offices at Moakeng**

Opening Balance	44 930	44 930
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	44 930	44 930

*The matter is still under investigation.*

**Painting councillors offices and board room at Moakeng**

Opening Balance	39 960	39 960
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	39 960	39 960

*The matter is still under investigation.*

**Replacement of damaged tiles at the theatre**

Opening Balance	2 596	2 596
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-
Fruitless and wasteful expenditure awaiting condonement	2 596	2 596

*The matter is still under investigation.*

**37. FRUITLESS AND WASTEFUL EXPENDITURE (CONTINUED)**

**Fencing of Kroonpark**

Opening Balance	479 934	479 934
Fruitless and wasteful current year	-	-
Condoned or written off by council	-	-

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	2009	2008
	R	R
Fruitless and wasteful expenditure awaiting condonement	479 934	479 934

*The matter is still under investigation.*

**38. BANK BALANCES AND CASH**

The municipality has the following bank accounts:

**Current account (primary bank account)**

ABSA Bank  
 Account number 40 532 74826

Cashbook balance at the beginning of the year	(3 392 499)	1 586 602
Cashbook balance at the end of the year (overdrawn)	(36 156 669)	(3 392 499)
Bank statement balance at the beginning of the year	(3 958 296)	5 514 987
Bank statement balance at the end of the year (overdrawn)	(10 880 801)	(3 958 296)

**Current account (Stevnsrus)**

First National Bank  
 Account Number 62028349349

Cashbook balance at the beginning of the year	159 197	64 854
Cashbook balance at the end of the year	303 804	159 197
Bank statement balance at the beginning of the year	64 854	64 854
Bank statement balance at the end of the year	303 804	159 197

<b>Total cashbook balance at the beginning of the year</b>	<b>(3 233 302)</b>	<b>1 651 456</b>
<b>Total cashbook balance at the end of the year</b>	<b>(35 852 865)</b>	<b>(3 233 302)</b>

**Cash on hand**

Balance at the beginning of the year	19 110	16 915
Balance at the end of the year	18 610	19 110

**Limited Cession facility:**

- ABSA Fixed Deposit Account no. 2048435948 to the amount of R20 000
- ABSA Notice Deposit Account no. 6301219190 to the amount of R7 800

**Unlimited Cession facility:**

- ABSA Bonus Deposit Account no. 2058247882 with an balance of R41 039

**39. Going concern**

going concern. This basis presumes that funds will be available to finance future operations and that the

**40. Restatement of comparatives**

Certain comparatives have been reclassified.

**MOQHAKA LOCAL MUNICIPALITY  
SCHEDULE OF EXTERNAL LOANS AT 30 JUNE 2009**

**APPENDIX A**

External loans	Loan Number	Redeemable	Balance at 30/6/2008	Received during the year	Redeemed or written off during the year	Balance at 30/6/2009	Carrying value of Property, Plant & Equipment	Other costs in accordance with MFMA
			R	R	R	R	R	R
<b>Annuity loans</b>								
Development Bank of SA @ 13.50%	100769	2012	15 561 406			15 561 406	15 561 406	-
Development Bank of SA @ 12.00%	12841	2013	196 663			196 663	196 663	-
Development Bank of SA @ 13.30%	12842	2014	42 324			42 324	42 324	-
Development Bank of SA @ 10.70%	101183	2026	2 496 283			2 496 283	2 496 283	-
<b>Total</b>			<b>18 296 676</b>	-	-	<b>18 296 676</b>	<b>18 296 676</b>	-
Infrastructure Finance Corporation Ltd @ 17,25%	27	2011	1 605 951	-	214 473	1 391 478	1 391 478	-
<b>Total</b>			<b>1 605 951</b>	-	<b>214 473</b>	<b>1 391 478</b>	<b>1 391 478</b>	-
ABSA @ 9.94%	2	2010	574 859	-	177 205	397 654	397 654	-
<b>Total</b>			<b>574 859</b>	-	<b>177 205</b>	<b>397 654</b>	<b>397 654</b>	-
Standard Bank @ 8.73%	36	2010	1 400 000	-	500 000	900 000	900 000	-
<b>Total</b>			<b>1 400 000</b>	-	<b>500 000</b>	<b>900 000</b>	<b>900 000</b>	-
Sanlam @ 16.75%	15	2007	-	-	-	-	-	-
Sanlam @ 17.00%	18	2008	20 033	-	20 033	-	-	-
Sanlam @ 17.10%	20	2009	165 106	-	165 106	-	-	-
Sanlam @ 16.50%	21	2010	403 533	-	173 126	230 407	230 407	-
Sanlam @ 16.80%	23	2011	411 600	-	118 696	292 904	292 904	-
Sanlam @ 17.26	25	2011	775 945	-	177 961	597 984	597 984	-
<b>Total</b>			<b>1 776 217</b>	-	<b>654 922</b>	<b>1 121 295</b>	<b>1 121 295</b>	-
Free State Municipal Pension Fund @ 13.00%	36035	2004	-	-	-	-	-	-
Free State Municipal Pension Fund @ 11.45%	36039	2008	-	-	-	-	-	-
Free State Municipal Pension Fund @ 9.50%	36042	2005	14 172	-	6 921	7 251	7 251	-
Free State Municipal Pension Fund @ 9.50%	36043	2009	13 227	-	6 460	6 767	6 767	-
Free State Municipal Pension Fund @ 9.50%	36046	2007	76 186	-	24 226	51 960	51 960	-
Free State Municipal Pension Fund @ 10.00%	36047	2010	114 360	-	20 696	93 664	93 664	-
<b>Total</b>			<b>217 945</b>	-	<b>58 303</b>	<b>159 642</b>	<b>159 642</b>	-
<b>Total external loans</b>			<b>23 871 649</b>	-	<b>1 604 904</b>	<b>22 266 745</b>	<b>22 266 745</b>	-

**MOQHAKA MUNICIPALITY  
APPENDIX D**

**DEPARTMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009**

Actual Income 2008 R	Actual Expenditure 2008 R	Surplus/ (Deficit) 2008 R		Actual Income 2009 R	Actual Expenditure 2009 R	Surplus/ (Deficit) 2009 R
2 958 355	43 043 816	(40 085 461)	Executive & Council	#REF!	#REF!	#REF!
55 475 704	(6 130 605)	61 606 309	Finance & Administration	#REF!	#REF!	#REF!
-	2 436 922	(2 436 922)	Planning & Development	#REF!	#REF!	#REF!
-	121 101	(121 101)	Health	#REF!	#REF!	#REF!
699 942	14 600 300	(13 900 358)	Community & Social Services	#REF!	#REF!	#REF!
3 761 197	1 635 359	2 125 838	Housing	#REF!	#REF!	#REF!
867 216	18 281 959	(17 414 743)	Public Safety	#REF!	#REF!	#REF!
2 651 050	7 418 782	(4 767 732)	Sport & Recreation	#REF!	#REF!	#REF!
-	-	-	Environmental Protection	-	-	-
13 664 872	13 465 300	199 572	Waste Management	#REF!	#REF!	#REF!
7 897 426	7 160 943	736 483	Road Transport	#REF!	#REF!	#REF!
36 574 201	25 893 206	10 680 995	Water	#REF!	#REF!	#REF!
99 151 078	91 132 072	8 019 006	Electricity	#REF!	#REF!	#REF!
39 264 960	12 077 179	27 187 781	Sewerage	#REF!	#REF!	#REF!
525 474	4 006 108	(3 480 634)	Other	#REF!	#REF!	#REF!
<b>263 491 477</b>	<b>235 142 443</b>	<b>28 349 034</b>	<b>Sub-total</b>	<b>#REF!</b>	<b>#REF!</b>	<b>#REF!</b>
	(6 020 100)	6 020 100	Less Inter-Departmental Charges	-	-	-
<b>263 491 477</b>	<b>229 122 343</b>	<b>34 369 134</b>	<b>Total</b>	<b>#REF!</b>	<b>#REF!</b>	<b>#REF!</b>

**MOQHAKA LOCAL MUNICIPALITY  
APPENDIX E1**

**ACTUAL VERSUS BUDGET (REVENUE & EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2009**

<b>Revenue</b>	<b>Actual 2009 R</b>	<b>Budget 2009 R</b>	<b>Variance 2009 R</b>	<b>Variance 2009 %</b>	<b>Explanation of significant variances of 10% and greater versus budget</b>
Property rates	38 687 846	34 742 000	3 945 846		11 High volume of consumers with long outstanding accounts. New valuations and tariffs
Service charges	140 055 331	150 126 730	(10 071 399)		(7) Not Applicable
Rental of facilities and equipment	2 690 747	4 399 636	(1 708 889)		(39) Rental of municipality services not realized as budgeted for.
Interest earned - external investments	3 930	400 000	(396 070)		(99) More interest earned on municipal infrastructure grant invested before actual expenditure occurred.
Interest earned - outstanding receivables	5 223 689	11 000 000	(5 776 311)		(53) Interest calculated on a higher amount of receivables than actually existed during the year.
Fines	765 069	1 257 500	(492 431)		(39) Poor recovery of fines issued.
Government grants and subsidies	84 209 849	106 187 848	(21 977 999)		(21) Not Applicable
Other income	11 350 841	5 333 864	6 016 977		113 Includes income from non-exchange transactions amounting to R1.1million
Surplus/(deficit) on sale of assets	428 303	-	428 303		100 Not budgeted for
Dividends	2 572 586	-	2 572 586		100 Not budgeted for
Fair value through surplus/(deficit)	4 336	-	4 336		100 Not budgeted for
<b>Total Revenue</b>	<b>285 992 527</b>	<b>313 447 578</b>	<b>(27 455 051)</b>	<b>(9)</b>	
<b>Expenditure</b>					
Employee related costs	110 136 324	107 811 509	2 324 815		2 Not Applicable
Remuneration of councillors	8 551 570	11 359 349	(2 807 779)		(25) Not Applicable
General expenditure departments	51 708 382	48 907 986	2 800 396		6 Not Applicable
General expenditure bulk purchases	64 454 175	58 095 604	6 358 571		11 Increase in Tariffs from supplier
General expenditure contracted services	6 336 442	9 919 100	(3 582 658)		(36) Contracted services not realized as budgeted for
Interest paid	4 184 771	16 774 884	(12 590 113)		(75) Loans did not realised as planned
Repairs and maintenance	22 552 831	18 620 008	3 932 823		21 Not as much repairs and maintenance done as budgeted for
Bad debts	21 890 531	-	21 890 531		#DIV/0! Less debts were provided for during the year
Depreciation	44 781 150	-	44 781 150		100 Not budgeted for and Asset reconstruction was performed
<b>Total Expenditure</b>	<b>334 596 176</b>	<b>271 488 440</b>	<b>63 107 736</b>	<b>23</b>	
<b>Reconciling items between IMFO budget and GRAP/GAMAP/GAAP financial statements.</b>					
Contributions to special funds	-	12 256 377	(12 256 377)		
Provision for working capital	-	7 950 000	(7 950 000)		
Capital Expenditure	-	8 000 000	(8 000 000)		(100)

Net surplus/(deficit) for the year

<u>(48 603 649)</u>	<u>13 752 761</u>	<u>(82 562 787)</u>
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**MOQHAKA LOCAL MUNICIPALITY**  
**APPENDIX F**

**DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 2003 FOR THE YEAR ENDED 30 JUNE 2009**

**Grants and subsidies received**

Name of Grants	Name of organ of state or municipal entity.	Quarterly Income				Quarterly Expenditure				Delayed or withheld	Comply with conditions
		Sept 2008	Dec 2008	March 2009	June 2009	Sept 2008	Dec 2008	March 2009	June 2009		
Equitable Share	National Government	26 602 228	19 951 671	36 366 949	-	26 602 228	19 951 671	36 366 949	-	No	Yes
Councillors Grant	National Government	-	-	-	-	-	-	-	-	No	Yes
Institutional Grant	National Government	735 000	-	-	-	147 008	-	168 938	419 054	No	Yes
Website Development Grant	National Government	-	-	-	-	-	-	-	-	No	Yes
Municipal Infrastructure Grant	National Government	4 538 422	3 360 000	11 031 578	2 050 000	1 231 130	2 888 057	6 013 127	10 269 324	No	Yes
LGSETA	National Government	210 949	127 759	371 883	-	78 000	-	80 997	551 594		
Financial Management Grant	National Government	-	554 000	-	-	-	159 649	237 720	156 631	No	Yes
		<b>32 086 599</b>	<b>23 993 430</b>	<b>47 770 410</b>	<b>2 050 000</b>	<b>28 058 366</b>	<b>22 999 377</b>	<b>42 867 731</b>	<b>11 396 603</b>		

MOQHAKA LOCAL MUNICIPALITY

APPENDIX B

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AT 30 JUNE 2009

	Cost							Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Transfer In	Revaluation	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Transfer In	Disposals	Closing Balance	
<b>Land and Buildings</b>													
Land and Buildings	27 541 938	-	-	-	-	-	27 541 938	16 207 708	447 095	-	-	16 654 803	10 887 135
	<b>27 541 938</b>	-	-	-	-	-	<b>27 541 938</b>	<b>16 207 708</b>	<b>447 095</b>	-	-	<b>16 654 803</b>	<b>10 887 135</b>
<b>Investment Property</b>													
Land and Buildings	30 048 542	-	-	-	-	-	30 048 542	7 054 678	235 623	-	-	7 290 301	22 758 241
	<b>30 048 542</b>	-	-	-	-	-	<b>30 048 542</b>	<b>7 054 678</b>	<b>235 623</b>	-	-	<b>7 290 301</b>	<b>22 758 241</b>
<b>Infrastructure</b>													
Electricity	675 125 831	457 018	-	-	-	-	675 582 848	326 860 355	10 363 468	-	-	337 223 823	338 359 025
Infrastructure assets at parks	77 732 531	-	-	-	-	-	77 732 531	41 545 677	1 577 274	-	-	43 122 951	34 609 580
Potable water networks	417 806 440	223 289	-	-	-	-	418 029 729	208 056 350	7 092 092	-	-	215 148 442	202 881 287
Roads, bridges and roadside structures.	563 251 896	-	-	-	-	-	563 251 896	336 229 228	11 905 706	-	-	348 134 935	215 116 962
Waste water network	318 430 148	8 707 223	-	-	-	-	327 137 370	150 191 969	6 273 005	-	-	156 464 974	170 672 396
Storm Water	63 034 765	-	-	-	-	-	63 034 765	29 672 259	859 084	-	-	30 531 342	32 503 423
Solid waste	10 741 053	-	-	-	-	-	10 741 053	5 904 680	354 189	-	-	6 258 869	4 482 184
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>2 126 122 664</b>	<b>9 387 530</b>	-	-	-	-	<b>2 135 510 193</b>	<b>1 098 460 518</b>	<b>38 424 818</b>	-	-	<b>1 136 885 336</b>	<b>998 624 857</b>
<b>Community Assets</b>													
Parks & Gardens	70 789 078	-	-	-	-	-	70 789 078	41 826 946	1 779 284	-	-	43 606 230	27 182 848
Land and Buildings	10 573 419	-	-	-	-	-	10 573 419	4 844 809	102 707	-	-	4 947 516	5 625 903
	<b>81 362 497</b>	-	-	-	-	-	<b>81 362 497</b>	<b>46 671 755</b>	<b>1 881 992</b>	-	-	<b>48 553 746</b>	<b>32 808 751</b>
<b>Intangible Assets</b>													
Intangible Assets	2 769 735	-	-	-	-	-	2 769 735	166 672	447 319	-	-	613 992	2 155 743
	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>2 769 735</b>	-	-	-	-	-	<b>2 769 735</b>	<b>166 672</b>	<b>447 319</b>	-	-	<b>613 992</b>	<b>2 155 743</b>
<b>Heritage Assets</b>													
Heritage Assets	17 544	-	-	-	-	-	17 544	-	-	-	-	-	17 544
	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>17 544</b>	-	-	-	-	-	<b>17 544</b>	-	-	-	-	-	<b>17 544</b>
<b>Other Assets</b>													
Motor Vehicles	25 778 063	80 582	-	-	-	3 160 041	22 698 604	6 109 338	493 692	-	2 113 720	4 489 310	18 209 294
Furniture	2 010 021	269 069	-	-	-	-	2 279 090	572 223	86 244	-	-	658 467	1 620 623
Office Equipment	13 230 527	593 256	-	-	-	-	13 823 783	1 746 163	2 180 334	-	-	3 926 497	9 897 286
Plant and Equipment	2 693 431	223 140	-	-	-	-	2 916 571	1 159 217	213 657	-	-	1 372 874	1 543 697
IT Equipment	3 360 071	299 971	-	-	-	-	3 660 042	1 516 828	370 374	-	-	1 887 202	1 772 840
	<b>47 072 113</b>	<b>1 466 018</b>	-	-	-	<b>3 160 041</b>	<b>45 378 090</b>	<b>11 103 769</b>	<b>3 344 301</b>	-	<b>2 113 720</b>	<b>12 334 350</b>	<b>33 043 740</b>
	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2 314 935 033</b>	<b>10 853 548</b>	-	-	-	<b>3 160 041</b>	<b>2 322 628 540</b>	<b>1 179 665 100</b>	<b>44 781 149</b>	-	<b>2 113 720</b>	<b>1 222 332 529</b>	<b>1 100 296 011</b>

MOQHAKA LOCAL MUNICIPALITY

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AT 30 JUNE 2009

	Cost							Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Transfer In	Revaluation	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Transfer In	Disposals	Closing Balance	
Assessment Rates	87 157						87 157	28 926	12 313			41 239	45 918
Brentpark Swimming Bath	4 334 986						4 334 986	2 858 899	91 179			2 950 078	1 384 908
Budgets							-					-	-
Building Survey	1 807 546						1 807 546	69 008	167 484			236 492	1 571 054
Buildings	68 163 899						68 163 899	28 107 194	785 426			28 892 620	39 271 279
Cemetaries	3 319 820						3 319 820	2 020 823	63 805			2 084 628	1 235 192
Civic Centre	236 919						236 919	94 762	12 394			107 156	129 763
Civil Services	1 286 051						1 286 051	249 125	185 661			434 786	851 265
Committee Services							-					-	-
Communication and Marketing	48 333						48 333	16 192	5 831			22 023	26 310
Community Halls	42 045						42 045	19 504	2 238			21 742	20 303
Community Services Administration	608 728						608 728	174 895	70 713			245 608	363 120
Coporate Services Administration	4 853 222						4 853 222	634 219	796 866			1 431 085	3 422 137
Council General Expenses	5 660						5 660	2 989	409			3 398	2 262
Drawing Office	81 275						81 275	2 250	1 107			3 357	77 918
Electricity Distribution	647 725 913	457 018					648 182 930	305 337 978	722 750			306 060 728	342 122 202
Electricity Generation	1 220						1 220					-	1 220
Electricity Metering Section	719 890						719 890	85 997	16 521			102 518	617 372
Electricity Services Administration	29 982 359						29 982 359	22 167 558	9 745 331			31 912 888	(1 930 529)
Emergency and Disaster Management Administration	624 987						624 987	149 920	53 023			202 943	422 044
Finance Services	1 923 298						1 923 298	596 691	238 907			835 598	1 087 700
Fleet Management	3 837 484						3 837 484	916 008	216 747			1 132 755	2 704 729
Grants- in- aid							-					-	-
Housing	27 550						27 550	10 243	3 356			13 599	13 951
Human Resources	171 774						171 774	47 076	17 702			64 778	106 996
Information Technology	3 646 530						3 646 530	440 299	535 662			975 961	2 670 569
Integrated Development and Planning	5 750						5 750	1 984	784			2 768	2 982
Internal Audit	197 031						197 031	29 846	29 336			59 182	137 849
Jukseipark							-					-	-
Kroonpark	58 580 711						58 580 711	24 235 086	1 465 414			25 700 500	32 880 211
Landfill Site	10 968 932						10 968 932	5 924 158	358 037			6 282 195	4 686 737
Libraries	223 187						223 187	94 349	14 591			108 940	114 247
Local Economic Development							-					-	-
Loubserpark Manager Corporate Services	13 068 627						13 068 627	9 098 576	292 965			9 391 541	3 677 086
Mayor's Office	76 636						76 636	24 635	7 761			32 396	44 240
Morewag Swimming Bath	365 800						365 800	48 251	12 961			61 212	304 588
Mowing Section	7 633 326						7 633 326	4 989 554	184 607			5 174 161	2 459 165
Municipal Manager	557 483						557 483	162 066	11 861			173 927	383 556
Nyakallong Recreation Resort	2 690 947						2 690 947	3 622 203				3 622 203	(931 256)
Occupational Health and Safety	4 971 279						4 971 279	1 997 507	142 479			2 139 986	2 831 293
Office of the Whip	125 760						125 760	22 516	3 634			26 150	99 610
Other Councillors	1 030 154						1 030 154	116 277	204 413			320 690	709 464
	1 177 331						1 177 331	131 851	189 987			321 838	855 493

MOQHAKA LOCAL MUNICIPALITY

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AT 30 JUNE 2009

	Cost							Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Transfer In	Revaluation	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Transfer In	Disposals	Closing Balance	
Parks Administration	1 284 040						1 284 040	375 863	103 413			479 276	804 764
Pavements and Open Spaces	242 683						242 683	23 371	2 926			26 297	216 386
Properties Farmlands							-					-	-
Public Gardens North	200 743						200 743	28 699	2 714			31 413	169 330
Public Gardens South	28 770						28 770					-	28 770
Public Toilets							-					-	-
Public Works	497 721						497 721	107 518	9 451			116 969	380 752
Pumps and Purification	154 737 726	212 105					154 949 832	110 206 444	2 995 426			113 201 870	41 747 961
Railway sidings							-					-	-
Recreation	59 532 549						59 532 549	39 027 579	1 253 264			40 280 843	19 251 706
Refuse Removal	3 001 235						3 001 235	460 149	62 903			523 052	2 478 183
Regional Co-ordinator Steynsrus	137 302						137 302	41 296	7 626			48 922	88 380
Regional Co-ordinator Viljoenskroon	98 878						98 878	1 170	897			2 067	96 811
Riverside Swimming Bath							-					-	-
Roads and Streets	570 960 045	1 466 018				3 160 041	569 266 022	336 583 332	12 350 810		2 113 720	346 820 422	222 445 600
Security	145 773						145 773	12 980	2 571			15 551	130 222
Sewerage and Purification	128 507 451	8 465 271					136 972 721	72 356 763	3 065 385			75 422 148	61 550 573
Sewerage Network	190 825 825	241 952					191 067 777	78 059 483	3 232 070			81 291 553	109 776 224
Speaker's Office	277 972						277 972	39 067	13 844			52 911	225 061
Storage Dams	12 768 146	11 184					12 779 330	4 969 901	181 216			5 151 117	7 628 213
Stores and Procurement	2 910						2 910	1 035	151			1 186	1 724
Street Cleaning Services							-					-	-
Town Hall	52 222						52 222	22 071	2 548			24 619	27 603
Traffic	797 798						797 798	63 436	13 568			77 004	720 794
Valuations							-					-	-
Water Reticulation	313 784 183						313 784 183	122 586 426	4 781 161			127 367 586	186 416 596
Water Services Administration	1 841 463						1 841 463	169 102	34 952			204 054	1 637 409
													-
													-
<b>Total</b>	<b>2 314 935 033</b>	<b>10 853 548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 160 041</b>	<b>2 322 628 540</b>	<b>1 179 665 100</b>	<b>44 781 149</b>	<b>-</b>	<b>2 113 720</b>	<b>1 222 332 529</b>	<b>1 100 296 011</b>
	2314935033	10853547.8						1 179 665 100	44781148.56				1 100 296 011

MOQHAKA LOCAL MUNICIPALITY

APPENDIX E (2)

ACTUAL EXPENDITURE VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2009

	2009 Actual R	2009 Under Construction R	2009 Total Additions R	2009 Budget R	2009 Variance R	2009 Variance %	Explanation of significant variances greater than 5% versus budget
Assessment Rates							
Brentpark Swimming Bath							
Budgets							
Buildging Survey							
Buildings							
Cemetaries							
Civic Centre							
Civil Services							
Committee Services							
Communication and Marketing							
Community Halls							
Community Services Administration							
Coporate Services Administration							
Council General Expenses							
Drawing Office							
Electricity Distribution							
Electricity Generation							
Electricity Metering Section							
Electricity Services Administration							
Emergency and Disaster Management Administration							
Finance Services							
Fleet Management							
Grants- in- aid							
Housing							
Human Resources							
Information Technology							
Integrated Development and Planning							
Internal Audit							
Jukseipark							
Kroonpark							
Landfill Site							
Libraries							
Local Economic Development							
Loubserpark							
Manager Corporate Services							
Mayor's Office							
Morewag Swimming Bath							
Mowing Section							
Municipal Manager							
Nyakallong Recreation Resort							
Occupational Health and Safety							

MOQHAKA LOCAL MUNICIPALITY

APPENDIX E (2)

ACTUAL EXPENDITURE VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2009

	2009 Actual R	2009 Under Construction R	2009 Total Additions R	2009 Budget R	2009 Variance R	2009 Variance %	Explanation of significant variances greater than 5% versus budget
Office of the Whip							
Other Councillors							
Parks Administration							
Pavements and Open Spaces							
Properties Farmlands							
Public Gardens North							
Public Gardens South							
Public Toilets							
Public Works							
Pumps and Purification							
Railway sidings							
Recreation							
Refuse Removal							
Regional Co-ordinator Steynsrus							
Regional Co-ordinator Viljoenskroon							
Riverside Swimming Bath							
Roads and Streets							
Security							
Sewerage and Purification							
Sewerage Network							
Speaker's Office							
Storage Dams							
Stores and Procurement							
Street Cleaning Services							
Town Hall							
Traffic							
Valuations							
Water Reticulation							
Water Services Administration							
<b>Total</b>	-	-	-	-	-	-	