



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

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## **GENERAL INFORMATION**

### **Members of the Executive Committee:**

Councillor T M H Mofokeng	Chairman of the executive committee and financial portfolio committee
Councillor T J Mkwani	Chairman of community services portfolio committee
Councillor M J Tshabalala	Chairman of the public works portfolio committee
Councillor M M Radebe	Chairman of corporate services portfolio committee
Councillor M A Mashinini	Chairman of housing services portfolio committee
Councillor DM Mofokeng	Chairman of the local economic development and tourism portfolio committee
Councillor C C Harrington	
Councillor D Stevens	

### **Grading of Local Authority:**

Grade 8

### **Auditor:**

The Auditor-General

### **Bankers:**

ABSA Bank

Branch 502-233

Account number

4052898966

### **Registered Office:**

Civic centre

PO Box 551

Telephone: 058-303 5732

Muller street

Bethlehem

Fax: 058-303 5076

Bethlehem

9700

**Municipal Manager:**

Mr S J Msibi

**Qualifications:**

Post Graduate Diploma: Business Administration

**Chief Financial Officer:**

Mr M M Mahlalela

**Qualifications:**

Bachelor of Commerce Diploma in Management Studies

MBA - pending

**Members of the Dihlabeng Local Municipality**

**Ward No:**

**Councillor**

1	T J Tshabalala
2	S Msimanga
3	HE Mokoena
4	M J Mokoena
5	T M Mofokeng
6	M J Tshabalala
7	N C Bukhali
8	T M H Mofokeng
9	R P Mofokeng
10	CC Harrington
11	M A Mashinini
12	SE Mosia
13	CP Changube
14	L J Wanzi
15	TJ Makwani
16	MP Jacobs
17	DE Malan
18	B D L Venter
19	M S Maseko
PROP	M J Hatla
PROP	M J Khetsi
PROP	J G Kriek
PROP	L J Lemako
PROP	N E Mkhwanazi
PROP	M A Mokoena
PROP	M J Mokoena

PROP	D M Mofokeng
PROP	M H Mofokeng
PROP	P H Motsoeneng
PROP	MA Mokoena
PROP	V D Mzizi
PROP	MA Noosi
PROP	I Ntakane
PROP	J J H Pienaar
PROP	M M Radebe
PROP	L A Ramela
PROP	D Stevens

**Mayor:**

Councillor TMH Mofokeng

**Speaker:**

Councillor M A Noosi

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**APPROVAL OF FINANCIAL STATEMENTS:**

The annual financial statements set out on pages 9 to 55 were signed by the Acting Municipal Manager and Chief Financial Officer on 29 August 2008.

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MUNICIPAL MANAGER

(Accounting Officer)

S J MSIBI

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CHIEF FINANCIAL OFFICER

M M MAHLALELA

## **MAYORAL FOREWORD**

### **For the period of 1 July 2007 - 30 June 2008**

On behalf of the Dihlabeng Local Municipality, I would like to appreciate the positive support we receive from the community of Dihlabeng. Their participation and support for Municipal programmes, indeed are satisfactory. Our IDP consultation activities, budget consultations and the Mayoral Imbizos remain an eye opener.

At this time of the year, we reflect with pride on the requirements of the Municipal Finance Management Act.

We adopted a budget, based on reasonable projections in time for the start of the financial year. The service delivery and Budget Implementation Plan was presented to the Mayor within 14 days of the same adoption of the budget.

The municipality is continuously filling in key strategic posts and at the same time trying to keep the salary budget within the required/acceptable standard.

We also take pride in the measures we've put in place to improve the working relationship in place within the office of the Auditor-General.

Our Municipality has made strides in building internal Financial Capacity. With the help of the Municipal Systems Improvement Grant, interns have been appointed and officials have been trained.

The extension granted to Municipalities for compliance with GRAP/GAMAP has allowed us to make swift changes to the new financial year for the next circle of reporting.

The support we have been receiving from Provincial and National Treasury cannot go unnoticed. The intergovernmental relations among us can only be to the good of our Country.

In conclusion, I want to express my sincere gratitude to the sterling work done by the personnel and Councilors of Dihlabeng Municipality in helping to push back the frontiers of poverty and speeding up quality service delivery to all our people.

Thank you.

**TMH MOFOKENG**  
**MAYOR**

**REPORT OF THE AUDITOR-GENERAL TO THE DIHLABENG LOCAL MUNICIPALITY FOR THE FINANCIAL**

**YEAR ENDED ON 30 JUNE 2008**

The Auditor-General will table his report.



## TREASURER'S REPORT

### 1. OPERATING RESULTS:

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The applicable statistics are shown in Appendix F.

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

<b>INCOME</b>	Actual 2007	Actual 2008	Variances 2007/2008	Budget 2008	Variance Actual/ budget
	R	R	%	R	%
Opening deficit	274 573	-1 001 100	(-464.60%)	-	
Income for the year	251 282 647	249 201 811	-4.06%	305 440 561	(11,6%)
Closing surplus				250 028 084	
	<b>251 557 220</b>	<b>248 200 711</b>		<b>555 579 434</b>	
<b>EXPENDITURE</b>					
Expenditure	242 194 074	239 231 661	-1,22%	305 440 561	(16,23%)
Sundry transfers	10 364 246	-2 549 528			
Closing surplus	-1 001 100	6 419 521	(-7.41)%		
	<b>251 557 220</b>	<b>243 101 654</b>		<b>305 440 561</b>	

The decrease in operating income by 4.06% is as a result of increase in a number of indigents.

## 1.1 Rates and General Services

	Actual 2007 R	Actual 2008 R	Variances 2007/2008 %	Budget 2008 R	Variance Actual/ budget %
Income	162 198 426	160 607 908	-0,98%	94 464 377	73,0%
Expenditure	176 734 020	173 736 793	-1,7%	129 469 883	40,00%
Surplus / (Deficit)	<b>( 14 535 594)</b>	<b>(13 128 885)</b>	<b>...-9.68%</b>	<b>(27 054 332)</b>	
Surplus / (Deficit) as % of total Income	(8,96%)	(8,17%)			

## 1.2 Housing Service

	Actual 2007 R	Actual 2008 R	Variances 2007/2008 %	Budget 2008 R	Variance Actual/ budget %
Income	1 536 548	85 111	-94,46%	200 000	(957,44%)
Expenditure	4 373 389	1 555 751	.....-64,43%	2 702 680	42,44%
Surplus / (Deficit)	<b>(2 836 841)</b>	<b>(1 470 640)</b>	<b>-48,16%</b>	<b>(2 502 680)</b>	
Surplus / (Deficit) as % of total Income	(184.62%)	(1727.91%)			

Expenditure occurred due to payments of salaries. Less income was received for Housing services as a result of non functionality of the Housing Department.

### 1.3 Trading Services

The following is a summary of the operating results of the Municipality's Trading Services:

#### **Electricity Services**

	Actual 2007 R	Actual 2008 R	Variances 2007/2008 %	Budget 2008 R	Variance Actual/ budget %
Income	60 291 976	58 076 917	3,67%	66 500 198	(12.67%)
Expenditure	45 064 464	47 657 626	(5,75%)	52 652 754	(9.49%)
Surplus / (Deficit)	<b>15 227 512</b>	<b>10 419 291</b>	<b>-31,58%</b>	<b>-13 847 444</b>	
Surplus / (Deficit) as % of total Income	25,26%	17,94%			

A significant drop from previous year figure by 31.58% is as a result income expected not received.

#### **Water Services**

	Actual 2007 R	Actual 2008 R	Variances 2007/2008 %	Budget 2008 R	Variance Actual/ budget %
Income	27 255 697	30 431 875	11,65%	43 995 430	(59.17%)
Expenditure	16 022 202	16 281 491	1,62%	30 208 578	(46.10%)
Surplus / (Deficit)	<b>11 233 495</b>	<b>14 150 384</b>	<b>25,97%</b>	<b>13 786 852</b>	
Surplus / (Deficit) as % of total Income	41,22%	46,49%			

The surplus income compared to that of previous year is higher due strategies on revenue enhancements being implemented. The budgeted income was much higher than the actual due to the fact that consumption was less due to high rainfall during the last six months of the financial year, hence the selling of water decreased and therefore our income decreased.

### 1.4 Salaries, Wages and Allowances

The total sum of actual salaries, wages and allowances amounts to

R95 721 017 equaling 40,87% (2007 : 32,59%) of the total operating expenditure to the amount of R234 165 432 (2007: R242 194 074).

### **1.5 General Expenses**

The actual total general expenses amounts to R138 366 770 equaling 59.08% (2007: 35,08%) of the total of the operating expenditure of R234 165 432. (2006: R242 194 074). Included in general expenses is an amount of R3 349 697 (2007:R6 381 564) for administration charges that is credited to other departments. These admin charges equal 1,43% (2007: 2,63%) of the total operating expenditure

### **1.6 Repair and Maintenance**

The total sum of actual repair and maintenance amounts to R3 904 615 (2006:R7 283 721), equaling 1,61% (2007: 3,01%) of the total of the operating expenditure of R242 194 074 (2007: R242 194 074).

### **1.7 Capital Charges**

The total sum of actual capital charges amounts to R8 892 553 (2007:R9 453 904) equaling 3.67% (2007: 3,9%) of the sum of total operating expenditure of R242 194 074 (2007:R242 194 074).

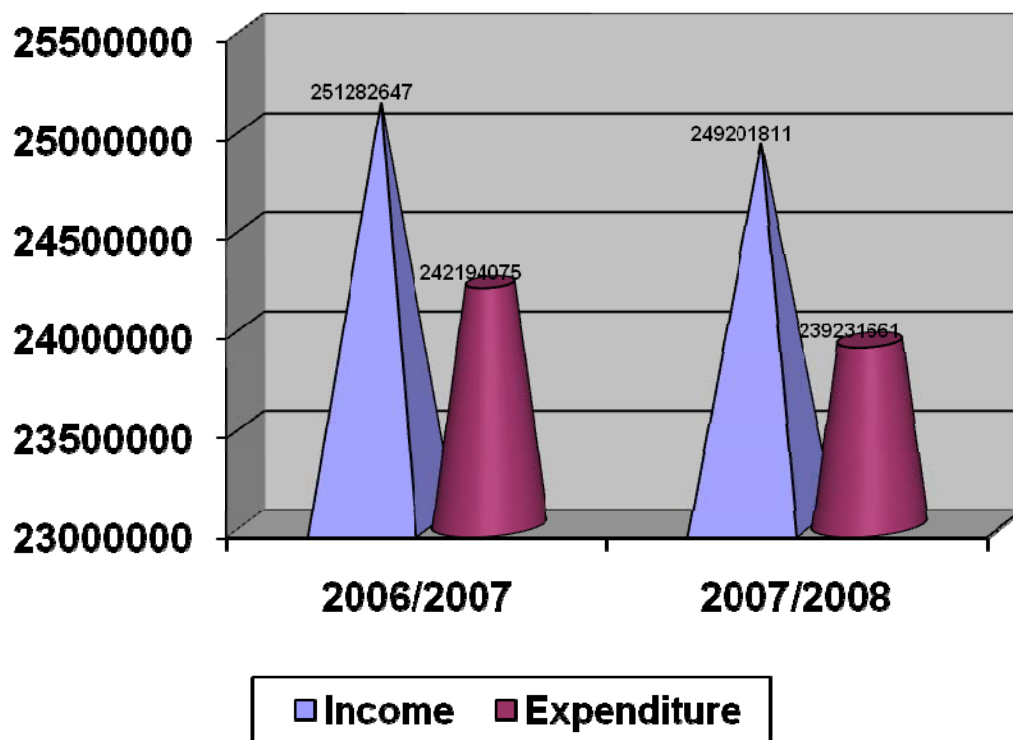
### **1.8 Contributions to Capital Expenditure**

The total sum of actual contributions to capital expenditure amounts to R11 086 231 (2007: R46 150 459) equaling 4.73% (2007:19,06% )of the total operating expenditure of R234 165 432 (2007: 242 194 074). See paragraph 8 below for more detail regarding source of funding for capital expenditure.

## 1.9 Contributions

The total sum of actual contributions toward funds, reserves and provisions amounts to R8 892 553 (2007: R21 791 269) equaling 3,8% (2007: 9,00%) of the total sum of operating expenditure of R234 165 432. See Appendix D for more detail.

### 1.10 Income and expenditure 2007/08



## 2. LOANS

Outstanding loans amounted to R46 659 283 (2007: R50 174 589) on 30 June 2008 and were compiled as follows:

EXTERNAL LOANS	TOTAL LOANS
R46 659 283	R46 659 283

More information regarding loans is disclosed in note 4 and Appendix B to the financial statements.

## 3. FUNDS

### 3.1 Land Trust Fund

The land trust fund decreased from R27 844 566 (2006) to R1 462 212 for the current year. A council resolution (73/2007 dated 27/05/07) determines that all funds and reserves which are not cash backed should be written off to the Provision for Irrecoverable debts.

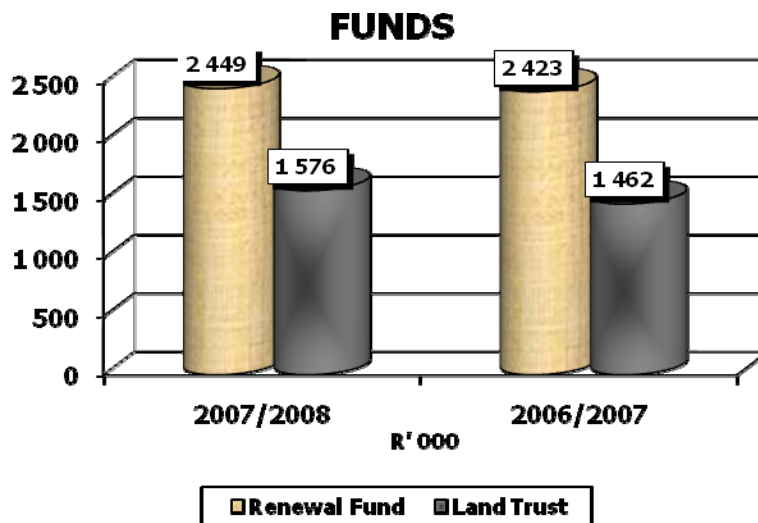
Proceeds from the sale of land are credited to this fund.

### 3.2 Renewal Fund

The renewal fund decreased from R11 243 265 (2006) to R2 423 346 in the current financial year. An amount of R174 431 was spent on acquiring assets.

No interest was received, due to the fact that the fund is not cash backed.

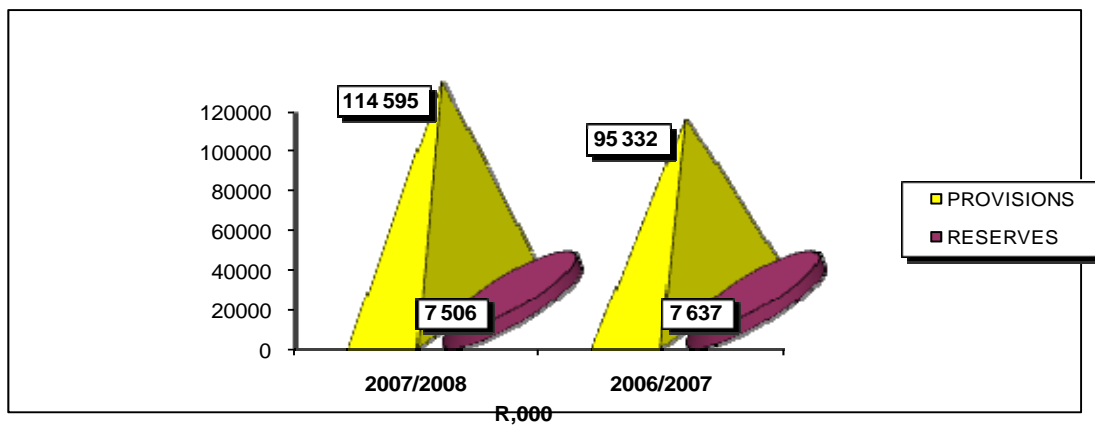
More information regarding funds is disclosed in note 1 and Appendix A to the financial statements



#### 4. PROVISIONS AND RESERVES

Several provisions and reserves were maintained and increased from R72 088 478 to R102 968 814, this was due to the transfer of unfunded Statutory funds written off to Provision for Bad Debts.

More information regarding provision and reserves are disclosed in the notes (2 & 10) and appendix A to the financial statements.



#### 5. TRUST FUNDS

A Housing fund was maintained at R2 168 418 in the current financial year. No contributions were made and no interest received due to cash shortage for investment purposes.

More information regarding trust funds are disclosed in note 3 and appendix A to the financial statements.

#### 6. CREDITORS



Outstanding creditors increased from R31 471 156 (2006) to R36 272 704 at 30 June 2007. Creditors increased as a result of capital projects out of income which were not finalised on time and had to be carried over.

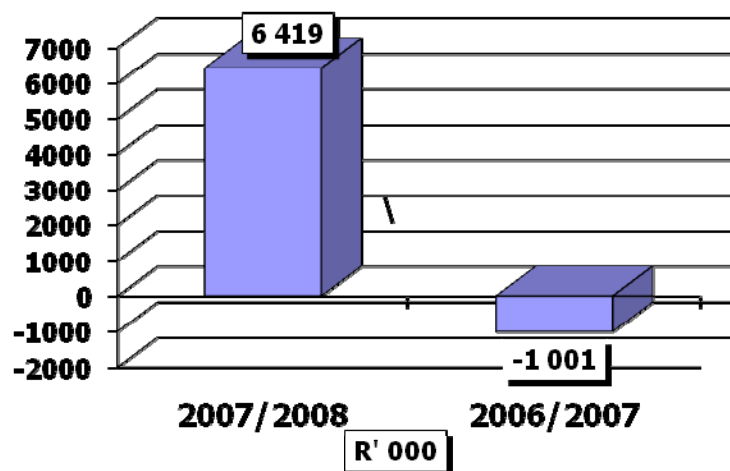
More information regarding creditors is disclosed in note 11 to the financial statements.

## 7. ACCUMULATED DEFICIT) / RETAINED INCOME

The accumulated deficit amounts to R1 001 100 as at 30 June 2007 (surplus of R274 573 in 2006).

More information regarding the accumulated deficit is disclosed in the income statement and appendix E to the financial statements.

### **(ACCUMULATED DEFICIT) / RETAINED INCOME**



## **8. CAPITAL**

The total cost price of fixed assets amounts to R543 809 805 as at 30 June 2007. The expenditure on fixed assets for the year amounted to R55 727 479

More information regarding capital expenditure is disclosed in appendix C to the financial statements.

The budgeted capital expenditure of R62 326 055 is more than the actual expenditure, there was an underspending of R6 598 576. Due to cash constraints and the lack of time not all capital projects financed from own income could be finalised.

## **9. FUNDING**

Assets to the value of R32 663 143 were financed from external loans.

The difference of R17 511 444 relates to penalties and additional interest when the loans were restructured during 2002 and 2005, as disclosed in appendix B. Council has unencumbered assets of R543 809 805.

More information regarding funding is disclosed in appendix C to the financial statements.

## **10. STOCK AND MATERIAL**

Stock on hand amounts to R3 755 188 as at 30 June 2007 (R3 458 717 in 2006) representing an increase of R296 471. Stock and material comprise of stock in stores, water and sewerage chemicals and game at Wolhuterskop Nature Reserve.

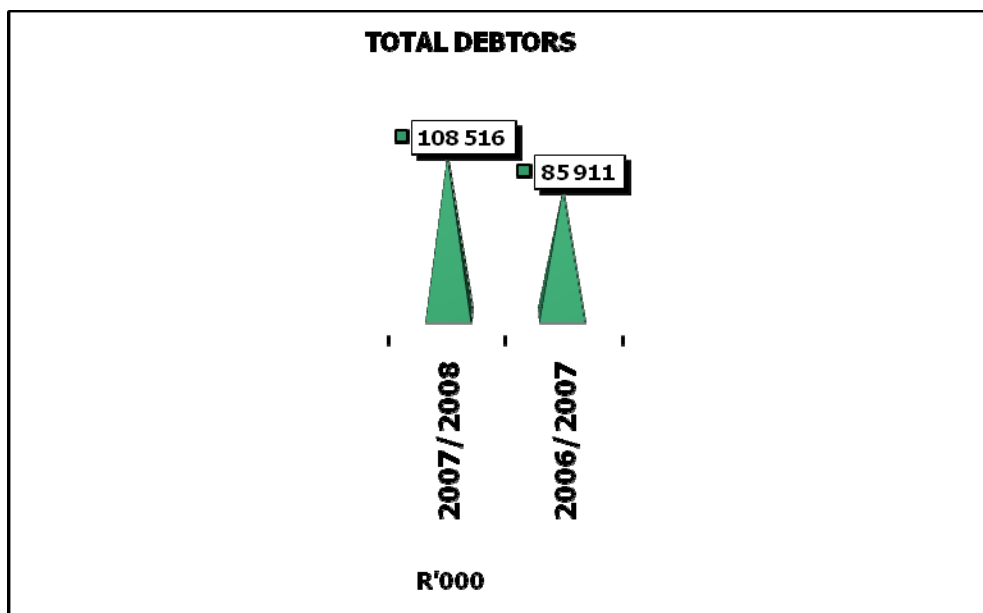
More information regarding inventory is disclosed in note 8 to the financial statements.

## 11. DEBTORS

The outstanding debtors amount to R85 911 137 (2006:R136 810 850) as at 30 June 2007. This amount comprises the total debtors of R168 738 001 the provision of R82 826 865 for irrecoverable debts. The provision for irrecoverable debt increased from R20 351 841 in 2006 to R82 826 865. All funds and reserves which were not cashed back was written off and transferred to the provision for irrecoverable debts.

All arrears of indigent households were written off during June 2006 to an amount of R27 470 157.

More information regarding debtors is disclosed in the note (9) to the financial statements.



## 12. VALUATION ROLL

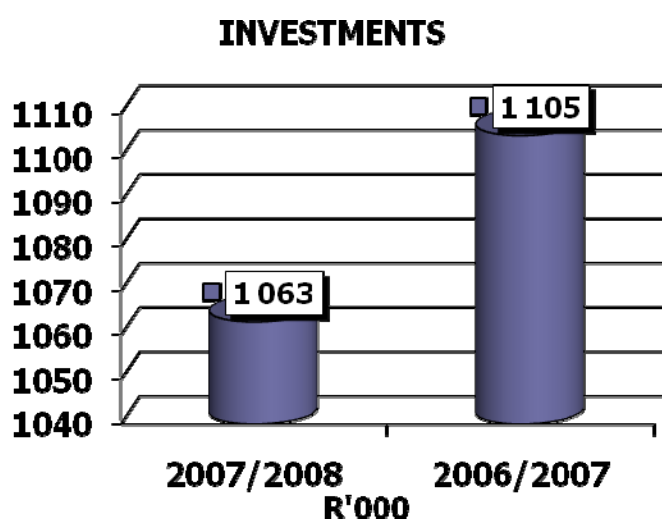
According to the valuation roll the total valuation of Dihlabeng amounts to R2 188 964 707 as at 30 June 2008 and was compiled as follows:

	<u>Bohlokong</u>	<u>Bethlehem</u>	<u>Clarens</u>	<u>Fouriesburg</u>	<u>Paul Roux</u>	<u>Rosendal</u>
Ratable	402 558 701	1 355 224 965	141 530 122	46 988 002	26 426 415	7 491 852
Non Ratable	44 086 406	144 307 832	7 508 858	4 030 103	4 632 801	4 178 651
TOTAL	446 645 107	1 499 532 797	149 038 980	51 018 105	31 059 216	11 670 503

## 13. INVESTMENTS

Investments amount to R1 105 203 at 30 June 2007 (R7 981 454: 2006) Capital expenditure was financed by investments. All funds invested at ABSA could not be verified due to conflicting balance certificates issued by ABSA. Several attempts were made to obtain the information needed on fixed deposits held by ABSA but to no avail.

More information regarding investments is disclosed in note 6 to the financial statements.





#### **14. INTEREST ON INVESTMENTS**

The amount of R635 493 (R890 960 : 2006) was received on external investments during the financial year. The amount of R635 493 was credited to the Income Account vote Interest on Investments no interest was credited to Accumulated Trust Funds and Reserves.

#### **15. CASH**

The bank overdraft facility is R5 000 000 but the Municipality had a negative bank balance of R9 620 018 (2006:R5 032 236) as at 30 June 2007. This was due to the fact that cheques issued were still outstanding.

#### **16. INTERNAL AUDIT**

An effective internal control system accompanied by an efficient accounting system is a necessity. The internal auditor has resigned during October 2006. New internal auditor has been appointed effective from 01 July 2008.

#### **17. SUBSEQUENT EVENTS**

17.1 The court case of Group Five has been won by the council but Group Five is appealing the decision and it is not finalised yet

.

17.2 The court case of SLK Nthute and 3 other, council lost the case but decided to appeal against the judgement.

17.3 Acting allowances to the amount of R1 207 575 will be paid out to various employees who acted in higher positions without an acting allowance (2006:R582 919). Due to cash constraints these acting allowances will be paid from August 2007 over a period of 5 months ending December 2007.

17.4 The new Municipal Manager will be appointed as from the 1 October 2007.

**18. EXPRESSION OF APPRECIATION**

Sincere gratitude is expressed to all personnel of Dihlabeng Municipality especially the Finance Department for their diligence and hard work.

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29/08/2008

CHIEF FINANCIAL OFFICER

MM MAHLALELA

## **ACCOUNTING POLICIES**

### **1. Basis of presentation**

1.1 The financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second edition - January 1996).

1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as fully detailed in Accounting Policy note 3. The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.

1.3 The financial statements are prepared on the accrual basis as stated:

- Income is accrued when measurable and available to finance operations.  
Certain direct income is accrued when received, such as certain licences.
- Expenditure is accrued in the year it is incurred.

### **2. Consolidation**

The financial statements include the Rates and General services, Housing service, Trading services and the different funds and reserves. All inter departmental charges are set-off against each other, with the exception of assessment rates, refuse removal, sewerage, electricity, water and premium charged to the fund, which are treated as income and expenditure in the respective departments.



### **3. Fixed Assets**

3.1 Fixed Assets are stated:

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

3.2 Depreciation

The balance shown against the heading “Loans Redeemed and Other Capital Receipts” in the notes to the balance sheet is tantamount to provision for depreciation; however, certain structural differences do exist. By way of this “Provision” assets are written down over their estimated useful life.

Apart from advances from various Council funds, assets may also be acquired through:

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

3.3 Fixed assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated life of the assets acquired from such loans or advances. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

#### **4. Inventory**

- Inventory is valued at the lower of cost, determined on the weighted average basis, and net realisable value.
- Game is valued at market price.

#### **5. Funds and Reserves**

##### **5.1 Capital Development Fund**

As per section 82(1) of the Local Government Ordinance, 1962 (Ordinance No 8 of 1962), the MEC of Local Government and Housing granted approval for the Dihlabeng Local Municipality to be exempted from this contribution.

##### **5.2 Capital reserve**

In terms of Section 83(1) (a) of the Local Government, 1962 (Ordinance, Ordinance No. 8 of 1962), a Council may establish a capital reserve fund for Capital purposes generally or for any specific capital purpose. A Council may transfer from its accumulated revenue surplus on current revenue to a fund such amounts as it may deem fit. No contributions were made due to financial constraints on the budget for the 2006/2007 financial year. A council resolution determines (29/05/2007 Item 74/2007) that if a fund is not cash backed these funds should be written off to the Provision for Irrecoverable debts.

##### **5.3 Renewal fund**

In terms of Section 83(2) (a) of the Local Government Ordinance, 1962 (Ordinance No. 8 of 1962), a Council shall out of its revenue set aside annually such sums of money as shall be necessary for replacing and maintaining its existing assets on works which were paid from loan funds.

No contributions were made due to financial constraints on the budget for the 2006/2007 financial year. A council resolution determines that funds which are not cash backed should be written off to the Provision for Irrecoverable debts.



5.4 Land Measurement's fund

The land measurement fund is maintained to absorb future costs regarding the measurement of land.

5.5 Provisions

Provision for the following has been provided under the rates and general services:

Leave Payment

Medical Aid Pensioners

Irrecoverable debts

5.6 Land Trust Fund

The proceeds from the sale of land and fixed properties are credited to Land Trust Fund and the spending of these funds is largely confined to the purchase of land or to extend infra structure.

5.7 Loss of Rental Reserve

A reserve is built up to finance large maintenance costs of municipal flats and income lost on municipal flats not being rented out to people. Due to financial constraints no funds were contributed to Loss of Rental Reserve.

5.8 Trust Funds-Housing Fund

The annual interest and redemption payments on the loans are credited to the Housing Fund and the capital will be used to build new houses for the poor.

5.9 Community Facilities Fund

A fund is maintained to create future facilities as and when needed for the community.

#### 5.10 Sundry Reserves

This reserve has been created to pay out grants received which covers more than one financial year.

### 6. **Retirement Benefits**

Dihlabeng Local Municipality and its employees contribute to the Free State Municipal Provident Fund, Samwu National Provident Fund, Sala Pension Fund and Free State Municipal Pension Fund which provide retirement benefits to such employees. Some councillors contribute to the Municipal Councillors Pension Fund.

The retirement benefit plan is subject to the Pensions Fund Act, 1956, with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs.

Unfavourable experience adjustments and the cost of securing increased benefits are written off over the lesser of the remaining period of service of employees or five years. Favourable experience adjustments are retained in the retirement benefit plan.

### 7. **Surpluses and Deficits**

Any surpluses or deficits arising from the operation of the Electricity and Water services are transferred to Rates and General services. There are no closed accounts and therefore no surplus or deficit is retained in that service for its own use.

### 8. **Treatment of administration and other overhead expenses**

The cost of internal support services are transferred to the different services in accordance with the Institute Report on Accounting for Support Services (June 1990).



## **9. Leased assets**

Fixed assets held under finance leases are capitalised. Such assets are effectively amortised over the term of the lease agreement.

Lease finance charges allocated to accounting periods over the duration of the leases, by the effective interest rate method, which reflects the extent and cost of lease finance utilized in each accounting period.

All other leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the assets concerned.

## **10. Investments**

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and are invested per Investment policy as approved by council on 9 June 2006 Item 81/2006.

## **11. Income recognition**

### **11.1 Electricity and Water Billings**

Metres in industrial areas, premises with high tension supplies, high density residential areas and all other properties are read and billed monthly.

### **11.2 Prepaid Electricity**

Prepaid electricity meters are sold to consumers on request, the meters are installed by the Electrical Division. Each consumer buys, as needed, pre-paid electricity either from the municipality or 3 agents in Bethlehem. All sales of prepaid electricity at the municipality is a cash transaction and is recognised immediately. The three agents in Bethlehem sell prepaid electricity after hours and earn a fixed amount each month depending on the

terms of the contract. The income is recognised a day after the sales have taken place.

### 11.3 Other Income

All other income like funeral charges, fire fighting charges, escorting at funerals, hall rentals are either a direct income or get debited to the consumer's account.



**BALANCE SHEET AT 30 JUNE 2008**

	<u>Notes</u>	<b>2008</b> R	<b>2007</b> R
<b><u>CAPITAL EMPLOYED</u></b>			
FUNDS AND RESERVES		11 532 845	11 522 221
Statutory Funds	1	4 026 719	3 885 668
Reserves	2	7 506 125	7 636 553
RETAINED INCOME / (ACCUMULATED DEFICIT)	17	6 419 522	-1 001 100
		17 952 367	10 521 121
TRUST FUNDS	3	2 168 418	2 168 418
LONG-TERM LIABILITIES	4	43 238 278	47 071 887
CONSUMER DEPOSIT	12	2 851 218	2 543 915
		R 66 210 280	R 62 305 340
<b><u>EMPLOYMENT OF CAPITAL</u></b>			
FIXED ASSETS	5	29 646 562	32 663 147
INVESTMENTS	6	660 975	616 121
LONG-TERM DEBTORS	7	0	0
		30 307 536	33 279 268
NETT CURRENT ASSETS		35 902 744	29 026 072
CURRENT ASSETS		112 997 698	90 173 388
Inventory	8	3 954 750	3 755 188
Debtors	9	108 516 297	85 911 136
Short-term investments	6	402 347	489 082
Cash on hand	30	124 304	17 982

**BALANCE SHEET AT 30 JUNE 2008**

CURRENT LIABILITIES

Provisions	10
Creditors	11
Short-term portion of long-term liabilities	4
Bank Overdraft	30

	77 094 954	61 147 316
	9 884 201	12 133 910
	42 946 580	36 272 704
	3 421 005	3 102 702
	20 843 168	9 638 000
	<u>R 66 210 280</u>	<u>R 62 305 340</u>

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/(Deficit) R		2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/(Deficit) R	2008 Budget Surplus/(Deficit) R
162 198 426	176 734 019	-14 535 594	Rates and General Services	160 607 908	173 736 793	-13 128 885	182 279 528
79 361 877	108 541 086	-29 179 209	Community Services	93 001 875	124 786 885	-31 785 010	128 523 307
4 637 455	18 057 615	-13 420 159	Subsidised Services	6 027 502	18 689 171	-12 661 669	19 458 202
78 199 094	50 135 319	28 063 776	Economical Services	61 578 531	30 260 737	31 317 794	34 298 019
1 536 548	4 373 390	-2 836 841	Housing Services	85 111	1 555 751	-1 470 640	1 462 017
87 547 673	61 086 666	26 461 007	Trading Services	88 508 792	63 939 116	24 569 676	66 286 539
<u>251 282 647</u>	<u>242 194 075</u>	<u>9 088 572</u>	<b>TOTAL</b>	<u>249 201 811</u>	<u>239 231 661</u>	<u>9 970 150</u>	<u>250 028 084</u>
		<u>-10 364 246</u>	Appropriations for the Year (Refer note 17)			<u>-2 549 529</u>	
		-1 275 673	(Deficit) / Nett Surplus for the Year			7 420 621	
		<u>274 573</u>	Accumulated surplus/(deficit) at the beginning of the Year			<u>-1 001 100</u>	
		<u>-1 001 100</u>	Accumulated (Deficit) / Surplus at the end of the Year			<u>6 419 521</u>	

Refer to APPENDIX D & E for more detail

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

	Notes	2008 R	2007 R
<b>CASH RETAINED FROM OPERATING ACTIVITIES</b>		38 740 207	75 119 908
Cash generated by operations	19	81 907 736	-36 652 037
Interest earned	16	-	635 493
(Increase)decrease in operating capital	20	-37 442 460	51 344 849
		44 465 276	15 328 305
LESS: Interest paid	16	-5 725 069	-6 829 934
<b>Cash available from operations</b>		38 740 207	8 498 371
Cash contributions from public and government		-	66 621 537
 <b>CASH UTILISED IN INVESTING ACTIVITIES</b>			
Investments in fixed assets	5	-46 471 949	-55 727 479
 <b>NET CASH FLOW</b>		<b>-7 731 742</b>	<b>19 392 429</b>
 <b>CASH EFFECTS OF FINANCING ACTIVITIES</b>			
(Decrease)/Increase in long-term loans	21	-3 515 306	579 304
Decrease in cash investments	22	41 881	6 876 251
Decrease in cash on hand	23	11 205 168	4 591 781
 <b>NETT CASH GENERATED</b>		<b>7 731 743</b>	<b>12 047 337</b>

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>1 <u>STATUTORY FUNDS</u></b>		
Land Trust Fund	1 576 646	1 462 212
Community Facilities Fund	133	110
Renewal Fund	2 449 940	2 423 346
	<u>4 026 719</u>	<u>3 885 668</u>
(Refer to Appendix A for more detail)		
<b>2 <u>RESERVES</u></b>		
Capital Reserve	7 089 223	7 037 876
Loss of Rental	100 258	85 396
Sundries	316 644	513 281
	<u>7 506 125</u>	<u>7 636 553</u>
(Refer to Appendix A for more detail)		
<b>3 <u>TRUST FUNDS</u></b>		
Housing Fund	2 168 418	2 168 418
	<u>2 168 418</u>	<u>2 168 418</u>
(Refer to Appendix A for more detail)		
<b>4 <u>LONG-TERM LIABILITIES</u></b>		
Annuity Loans	46 659 283	50 174 589
	<u>46 659 283</u>	<u>50 174 589</u>
(Refer to Appendix B for more detail)		
LESS: Current portion transfer to Current Liabilities	-3 421 005	-3 102 702
Government Loans, Annuity Loans and Short-Term Loans	<u>43 238 278</u>	<u>47 071 887</u>

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

**2008**  
**R**

**2007**  
**R**

**EXTERNAL LOANS**

The loans carry interest at rates varying between 5 % to 16,05 % per annum and are payable over periods of between 1 and 20 years.

Redeemable at

Free State Pension Fund	16,05%	2011
INCA Loan No. 1	14,00%	2013
INCA Loan No. 2	14,42%	2013
DBSA Rescheduled	14,50%	2020
DBSA - Moveable Assets for facilitation of fire, electricity, roads & waste management	5,00%	2011

No loans were secured by any assets.

(Refer to Appendix B for more detail)

**5 FIXED ASSETS**

Fixed assets at the beginning of the year	543 809 805	490 362 784
Capital Expenditure during the year	46 471 949	55 727 479
Additions		
LESS: Assets written off, transferred or disposed off during the year	-	-2 280 458
<b>Total Fixed Assets</b>	<b>590 281 754</b>	<b>543 809 805</b>
LESS: Loans redeemed and other capital receipts	560 635 193	511 146 658
<b>Nett Fixed Assets</b>	<b>29 646 562</b>	<b>32 663 147</b>

(Refer to Appendix C for more detail)

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>6 <u>INVESTMENTS</u></b>		
<u>Short-term Investments</u>	402 347	489 082
Short-term deposits	402 347	489 082
 <u>Long term investments</u>	 660 975	 616 121
Long term deposits	457 396	450 421
Other Deposits	93 738	50 739
Sanlam	93 761	93 761
Afgri	16 080	16 080
Authorised and issued shares – Sanlam	-	5 120
 Total investments	1 063 321	1 105 203

Management's valuation of unlisted investments amounts to R 1 063 321

Average gross rate of return on investments : between 7% and 8%

Section 13 of the MFMA, No 56/2003, requires municipalities to invest funds which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a plenary rate to meet commitments.

No valuation could be obtained for the current financial regarding the investments.

Investments are disclosed at market value.

**7 LONG-TERM DEBTORS**

Home Loans	371 005	371 005
LESS: Provision for Long term debtors	-371 005	-371 005
	-	-

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>8 <u>INVENTORY</u></b>		
Inventory	<u>3 954 750</u>	<u>3 755 188</u>
Inventory include user material,raw material, work in progress and finished goods and game. Whenever necessary, special provision for obsolete material is made.		
<b>9 <u>DEBTORS</u></b>		
Current Debtors ( consumer and other)	212 855 756	168 738 001
LESS: Provision for Bad Debts	<u>104 339 459</u>	82 826 865
	<u>108 516 297</u>	<u>85 911 136</u>
The average time to recover outstanding consumer debt increased to 404 days. (2007: 404days)		
<b>10 <u>PROVISIONS</u></b>		
Leave Payment	7 284 200	5 910 024
Audit costs	1 668 607	37 374
Provision free basic service	931 394	931 394
Indigent Subsidy: Fouriesburg	-	2 198 642
Indigent Subsidy: Paul Roux	-	1 180 636
Indigent Subsidy: Clarens	-	1 368 844
Indigent Subsidy: Rosendal	-	506 996
(Refer to Appendix A for more detail)	<u>9 884 201</u>	<u>12 133 909</u>
<b>11 <u>CREDITORS</u></b>		
Trade Creditors	2 428 783	7 336 341
Other	40 517 797	28 936 363
	<u>42 946 580</u>	<u>36 272 704</u>





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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>12 <u>CONSUMER DEPOSITS</u></b>		
Electricity and Water	<u>2 851 218</u>	<u>2 543 915</u>
Guarantees in lieu of Electricity and Water Deposits	<u>1 131 413</u>	<u>1 131 413</u>
<b>13 <u>COUNCILLOR'S RUMENERATION</u></b>		
Mayor's allowance	364 872	339 688
Speakers allowance	294 777	274 433
Members of the Executive Committee's allowance	1 074 906	1 003 312
Councillor's allowances	3 195 612	2 990 928
Subsistence and Travelling allowance	-	35 244
Total allowances	<u>4 930 167</u>	<u>4 643 605</u>
Pension Fund contributions Dihlabeng	-	-
Medical Aid contributions	-	-
Transport Allowances	1 528 921	1 428 879
Total contributions	<u>1 528 921</u>	<u>1 428 879</u>

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

**14. ASSESSMENT RATE: BETHLEHEM & BAKENPARK**

GENERAL	2007/2008		2007/2008		Real Income 2008
	Land Valuation on 1 July 2007	Assessment Rate	Improvement Valuations on 1 July 2007	Assessment Rate	
	R	c/R	R	c/R	R
Residential	109 570 802	0.05625	476 629 801	0.00658	9 299 582
Commercial	144 747 106	0.06542	307 039 013	0.03085	18 941 509
Industrial	1 153 000	0.12149	47 617 350	0.05917	2 957 597
Small Holdings	660 001	0.03388	2 295 000	0.00379	31 059
Transnet	789 000	0.05625	3 287 000	0.00658	66 010
Transnet	32 000	0.06661	88 000	0.03142	4 896
Telkom	2 318 000	0.06661	4 656 000	0.03142	300 694
Transnet	4 667 890	0.06661	4 606 000	0.03142	455 649
Prov Administration	2 712 000	0.05234	18 415 000	0.02468	596 428
Prov Administration	1 577 000	0.045	4 808 000	0.00526	96 255
Prov Administration	30 964 600	0.05234	111 244 401	0.02468	4 366 199
Single Businesses	4 193 000	0.06914	17 782 000	0.00808	433 583
Small Holdings Bus	170 000	0.04236	560 000	0.00474	9 856
Telkom	63 000	0.05625	319 000	0.00658	5 643
Bakenpark: Residential	2 947 000	0.05625	27 794 000	0.00658	348 653
Bakenpark: Commercial	362 000	0.06661	2 786 000	0.03142	111 649
Bakenpark: Prov Administration	222 000	0.05234	400 000	0.02468	21 491
Bally Duff	1 151 500	0.03388	3 378 500	0.00379	51 817
Kromkloof Noord	795 000	0.03388	1 877 000	0.00379	34 048
Sundry Small Holdings	2 752 001	0.03388	437 000	0.00379	94 894
	<u>311 846 900</u>		<u>1 036 019 065</u>		<u>38 227 511</u>

Properties are valued with intervals of 5 years and the latest general valuation came into operation on 1 September 2002.

Interim valuations were considered at the levying of assessment rate.

A discount of 20% is admitted to Provincial Administration properties.

The Equitable Share to the amount of R 6 664 213 were allocated to assessment rates is excluded from the real income per note above.

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

**14.1 ASSESSMENT RATE: BOHLOKONG**

GENERAL	2007/2008		2007/2008		Real Income 2008
	Land Valuation on 1 July 2007	Assessment Rate	Improvement Valuations on 1 July 2007	Assessment Rate	
	R	c/R	R	c/R	R
Residential : to 25 000	3 126 000	0.05625	13 776 600	0.00658	266 488
Residential : above 25 000	19 973 600	0.05625	303 530 400	0.00658	3 120 745
Commercial	1 158 101	0.06086	8 489 700	0.02496	282 385
Vacant Sites	10 678 300	0.05625			600 654
Prov Administration	4 034 000	0.05234	37 792 000	0.02468	1 143 846
	<u>38 970 001</u>		<u>363 588 700</u>		<u>5 414 117</u>

**14.2 ASSESSMENT RATE: CLARENS & KGUBETSWANA**

Residential	39 533 769	0.07457	93 483 350		2 948 033
Commercial	1 046 002	0.07457	4 027 000		78 000
<u>Government:</u> Prov Administration	610 000	0.05966	2 830 000		36 393
	<u>41 189 771</u>		<u>100 340 350</u>		<u>3 062 426</u>

**14.3 ASSESSMENT RATE: FOURIESBURG & MASHAENG**

	R	c/R	R	c/R	R
Residential	3 610 100	0.12771	20 220 800	0.00493	560 734
Bussiness	3 001	0.12601	25 000	0.00485	499
<u>Government:</u> Prov Administration	483 400	0.05234	6 140 000	0.02146	157 066
<u>Mashaeng:</u> Residential	1 526 300	0.12771	14 979 401	0.00493	268 772

5 622 801

41 365 201

987 071

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

GENERAL	2007/2008		2007/2008		Real Income 2008
	Land Valuation on 1 July 2007	Assessment Rate	Improvement Valuations on 1 July 2007	Assessment Rate	
	R	c/R	R	c/R	R
Residential	708 950	0.12771	12 544 250		90 540
<u>Government:</u>					
Prov					
Administration	134 201	0.10217	7 365 000		13 711
Telkom					0
<u>Fateng:</u>					
Residential	627 664	0.12771	5 046 350		80 159
	<u>1 470 815</u>		<u>24 955 600</u>		<u>184 410</u>
Residential	203 651	0.44000	2 715 800	0.01200	122 196
Commercial	11 201	0.44000	862 000	0.01200	15 272
<u>Government:</u>					
Prov					
Administration	8 250	0.05234	295 000	0.02146	6 763
<u>Mautse:</u>					
Residential	124 400	0.12771	3 271 900	0.00189	22 071
	<u>347 502</u>		<u>7 144 700</u>		<u>166 302</u>

**RATES INCOME SUMMARY**

Bethlehem	38 227 511
Bohlokong	5 414 117
Fouriesburg	987 071
Rosendal	166 302
Paul Roux	184 410
Clarens	3 062 426
LESS: Uneven Rands	
<b>Real Income</b>	<b>49 300 907</b>
Indigent (IGG Contributions)	6 664 213
<b>Total Income</b>	<b>55 965 120</b>

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>15 AUDITOR'S REMUNERATION</b>		
Audit Fees		
- Current year	1 668 607	1 392 030
- Underprovision prior year	-	-
	<u>1 668 607</u>	<u>1 392 030</u>
<b>16 <u>FINANCING TRANSACTIONS</u></b>		
<b>Total external interest earned or paid</b>		
Interest earned	-	635 493
Interest paid	<u>5 725 069</u>	<u>6 829 934</u>
<b>Capital charges debited to Operating Account</b>		
Interest External	5 725 069	6 829 934
Redemption External	<u>3 016 586</u>	<u>2 623 970</u>
	<u>8 741 655</u>	<u>9 453 904</u>
<b>17 <u>APPROPRIATIONS</u></b>		
<u>Appropriation Account:</u>		
Accumulated Surplus at the beginning of the year	-1 001 100	274 573
Operating surplus for the year	9 970 150	9 088 572
<u>Appropriations for the year:</u>	-2 549 528	-10 364 246
Adjustment - Opening balance difference	-480	-409 142
Adjustment - Receipts	61 218	5 441
Adjustment - Receipts	-	2 861 577
Adjustment - Journal	486 985	-145 376
Adjustment - Journal	-	-303 855
Adjustment - Credit Notes	-1 906 170	-
Adjustment - Orders Cancelled	18 280	-
Adjustment - Cheques	-1 904 720	43 822

Adjustment - Debit Notes

115 823
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-4 690
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

	2008 R	2007 R
Adjustment - Direct Payment Cancelled	10 536	-200 854
Adjustment - Correction Journal	569 000	-605
Adjustment - Trust fund suspense	-	-75 916
Adjustment - LHL Engineers	-	-26 430
Adjustment -Clarens Waterscheme upgrade	-	-829
Adjustment - Orca Project income - discontinue	-	-167 406
Adjustment - Eskom commission previous year	-	-234 031
Adjustment - Vogelfontein committee	-	-50 969
Adjustment - Investment receipted after 30/06/07 Nedbank	-	429 384
Adjustment - Option to Purchase land - no details	-	-300
Adjustment - Eskom deposit Clarens	-	950
Adjustment - Interest en Redemption DBSA - paid in advance	-	-92 949
Adjustment - Creditors	-	-604 295
Adjustment - Linda Makhubu : Back pay & interest	-	83 630
Adjustment - DBSA commitment fees	-	4 572
Adjustment - ABSA investment receipted 23/08/07	-	71 015
Adjustment - Sewerage Upgrade income not spent	-	-178
Adjustment - Prior Year	-	9 181 681
Unappropriated surplus at the end of the year	<u>6 419 522</u>	<u>-1 001 101</u>

**18 OPERATING ACCOUNT**

Contributions to Fixed assets	46 471 949	46 150 459
<u>Contributions to:</u>	38 372 517	21 791 269
Pensioners Medical Aid	1 082 413	875 482
Irrevoerable Debts	21 512 594	15 376 425
Auditors Remuneration	1 668 607	-
I D P Expenses	53 603	-
Provision Free Basic Service	-1 823 354	-
Personnel leave Payment	15 940 392	5 539 362
Parking	-61 738	-
Bakenpark Maintenance	-	-
	<u>84 844 466</u>	<u>67 941 728</u>

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>19 <u>CASH GENERATED BY OPERATIONS</u></b>		
Operating loss/surplus for the year	9 970 150	9 088 572
Amendments in respect of previous years operating transactions	-2 549 528	-10 364 246
Appropriations debited against income	19 273 510	21 791 269
- Other Reserves	141 051	-
Capital Reserve Fund	-130 428	875 482
Provision for Bad Debts	21 512 594	15 376 425
Other Provisions:		
- Sundries	-2 249 708	5 539 362
- Loss of Rental	-	-
Capital Costs	8 741 655	9 453 904
<u>Interest paid:</u>		
- To external loans	5 725 069	6 829 934
<u>Redemption of:</u>		
- External loans	3 016 586	2 623 970
Grants and subsidies received from the State	46 471 949	-66 621 537
	<u>81 907 736</u>	<u>-36 652 039</u>
<b>20 <u>(INCREASE) / DECREASE IN OPERATING CAPITAL</u></b>		
(Increase) / Decrease inventory	-199 562	-296 471
(Increase) / Decrease debtors	-44 117 754	52 165 477
Increase / (Decrease) creditors, consumer deposits	6 981 179	-5 111 936
(Increase) / Decrease cash	-106 322	4 587 779
	<u>-37 442 460</u>	<u>51 344 849</u>

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>21 <u>(DECREASE) / INCREASE IN LONG-TERM LOANS</u></b>		
Loans taken up	-347 822	3 203 274
Loans repaid	-3 167 484	-2 623 970
	<u>-3 515 306</u>	<u>579 304</u>
<b>22 <u>DECREASE IN CASH INVESTMENTS</u></b>		
Investments made	-49 979	-15 006 975
Investments realized	91 860	21 883 226
	<u>41 881</u>	<u>6 876 251</u>
<b>23 <u>(INCREASE) / DECREASE IN CASH ON HAND</u></b>		
Cash Balance 1/7/2006	-9 638 000	-5 048 218
LESS: Cash balance 30/6/2007	-20 843 168	-9 638 000
	<u>11 205 168</u>	<u>4 589 781</u>
Cash on hand 01/07/2007	15 982	15 982
Cash on hand 30/06/2008	23 784	17 982
	<u>-7 802</u>	<u>-2 000</u>
<b>24 <u>RETIREMENT BENEFITS</u></b>		
<p>The personnel and councillors are members of the Free State Municipal Pension Fund, Free State Municipal Provident Fund, SAMWU National Provident Fund, SALA Pension Fund and Municipal Pension Fund for Councillors.</p>		
<u>Valuation Reports:</u>	<u>Finding:</u>	
Free State Municipal Pension Fund (Defined Benefits)	Sound Financial Position	
Free State Municipal Provident Fund (Defined Contributions)	No valuation - Defined Contributions	
SAMWU National Provident Fund as at 30 June 2008	No valuation - Defined Contributions	
SALA Pension Fund as at 30 June 2008	Sound Financial Position	

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

	2008 R	2007 R
<b>25 <u>CAPITAL OBLIGATIONS</u></b>		
<u>Commitments in respect of Capital expenditure:</u>		
- Approved and contracted for	29 311 000	-
- Approved but not yet contracted for	9 218 000	18 742 641
	<u>38 331 000</u>	<u>18 742 641</u>
<u>This expenditure will be financed from:</u>		
- Internal sources	9 500 000	10 394 974
- External sources	28 831 000	8 347 667
Municipal Infrastructure Grant	-	-
	<u>38 331 000</u>	<u>18 742 641</u>

No information was available at reporting date.

**26 CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS**

Litigation by the following is in progress:

Group Five / Case lost against council

Actabis

-

-

Guarantees by Council to Eskom in respect of electricity consumption at the water and sewerage purification works.

-

221 776

Bonus personnel as determined on 30 June 2008

1 929 137

1 826 263

1 929 137

2 048 039

No information was available at reporting date.

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

	2008 R	2007 R
<b>27 <u>IRREGULAR, FRUITLESS, WASTEFUL AND UNAUTHORISED EXPENDITURE</u></b>		
No information was available at reporting date.	-	-
<b>28 <u>RENEWAL FUND</u></b>		
<u>Outstanding advances to borrowing accounts:</u>		
Accrued funds	2 449 940	11 243 265
LESS: Internal investments	-	-
	<u>2 449 940</u>	<u>11 243 265</u>
(Refer to annexure B for further detail)		
<b>29 <u>LAND TRUST FUND</u></b>		
<u>Outstanding advances to borrowing accounts:</u>		
Accrued funds	1 576 646	27 844 565
LESS: Internal investments	-	-
	<u>1 576 646</u>	<u>27 844 565</u>
(Refer to annexure B for further detail)		
<b>30 <u>BANK</u></b>		
Bank overdraft	20 843 168	9 638 000
Actual Overdrawn Cash Balance as at 30 June 2008	<u>20 843 168</u>	<u>9 638 000</u>
<b>31 <u>EMPLOYEE RELATED COSTS</u></b>		
Employee related costs - Salaries and wages	69 123 931	55 773 668
Uniforms and Overalls	153 447	485 849
Contributions for UIF, pensions and medical aids	16 498 252	13 131 109
Travel, motor car. Accommodation, subsistence and other allowances	4 943 535	4 735 957

Housing benefits and allowances	486 667	375 603
Overtime payments	4 515 185	4 439 321

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>Total Employee Related Cost</b>	<b>95 721 017</b>	<b>78 941 507</b>

There were no advances to employees.

**Remuneration of the Municipal Manager**

Annual Remuneration	452 797	464 344
Performance Bonuses	8 500	-
Car Allowance	178 149	216 415
Contribution to UIF, Medical and Pension Funds	64 708	1 405
Leave pay out	122 197	-
<b>Total</b>	<b>826 351</b>	<b>682 164</b>

Municipal Manager : 1 July 2007 to 30 June 2008

**Remuneration of the Chief Financial Officer**

Annual Remuneration	443 560	182 989
Performance Bonuses	-	-
Car Allowance	148 333	62 890
Contribution to UIF, Medical and Pension Funds	1 440	816
Leave pay out	-	103 556
<b>Total</b>	<b>593 333</b>	<b>350 251</b>

Chief Financial Officer : 1 July 2007 to 30 June 2008

**Remuneration of the Director Public Works**

Annual Remuneration	443 560	230 211
Performance Bonuses	-	-
Car Allowance	148 333	84 268
Contribution to UIF, Medical and Pension Funds	1 440	933
Leave pay out	30 160	51 520
<b>Total</b>	<b>623 493</b>	<b>366 932</b>

Director Public Works : 1 July 2007 to 30 June 2008

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

	<b>2008</b>	<b>2007</b>
	<b>R</b>	<b>R</b>
<b>Remuneration of the Director Community Services</b>		
Annual Remuneration	386 043	261 098
Performance Bonuses	-	-
Car Allowance	125 417	116 337
Contribution to UIF, Medical and Pension Funds	1 207	1 169
Leave pay out	-	81 080
<b>Total</b>	<b>512 667</b>	<b>459 684</b>

Director Community Services : 1 July 2007 to 30 June 2008

**Remuneration of the Director Corporate Services**

Annual Remuneration	443 568	296 476
Performance Bonuses	-	-
Car Allowance	148 333	106 446
Contribution to UIF, Medical and Pension Funds	1 565	1 283
Leave pay out	44 000	41 800
Acting Allowance	13 968	-
<b>Total</b>	<b>651 434</b>	<b>446 005</b>

Director Corporate Services : 1 July 2007 to 30 June 2008

**Remuneration of the Director Local Economic Development**

Annual Remuneration	443 560	281 674
Performance Bonuses	-	-
Car Allowance	148 333	79 478
Contribution to UIF, Medical and Pension Funds	1 440	933
	<b>593 333</b>	<b>362 085</b>

Director Local Economic Development : 1 July 2007 to 30 June 2008

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

	2008	2007
	R	R
<b>Remuneration of the Director Housing</b>		
Annual Remuneration	-	417 398
Performance Bonuses	-	-
Car Allowance	-	112 522
Contribution to UIF, Medical and Pension Funds	-	1 435
Leave pay out	-	4 400
<b>Total</b>	<b>-</b>	<b>535 755</b>

Director Housing : 1 July 2007 to 30 June 2008

**32 ARREARS MORE THAN 90 DAYS OUTSTANDING OWED BY INDIVIDUAL MFMA No.56 of 2003 - section 124(b)**

ACC NO	NAME	BALANCE
100012936	TJ Tshabalala	307
100025268	S Msimanga	10 958
100025267	S Msimanga	2 270
100000475	S Msimanga	4 545
100017522	TM Mofokeng	1 710
100016977	MJ Tshabalala	3 536
100027171	NC Bukhali	5 759
100023106	MP Jacobs	410
100039600	MP Jacobs	5 579
100023891	MP Jacobs	3 420
100023890	MP Jacobs	1 926
100016082	MS Maseko	13 338
100016083	MS Maseko	5 984
100023193	MJ Hatla	32 783
100025959	MH Mofokeng	235
100002549	MM Pienaar	-2 263
	K Mofokeng	203
<b>Total</b>		<b>90 700</b>



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

	2008 R	2007 R
<b>33 <u>PAYMENT TO SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION</u></b>		
Amount paid	-	340 572
Amount outstanding as on June 2007	-	-
	-	340 572

No information was available at reporting date.

**34 DETAILS OF BANK ACCOUNTS**

Name of Bank	Type of account		
ABSA BANK BLOEMFONTEIN, Acc No 405-2898-966	Current account	-20 843 168	-9 638 000

Refer to Annexure G for details on bank accounts on Investments.

**35 INTER-GOVERNMENTAL GRANTS AND OTHER ALLOCATIONS**

Allocation in Kind	-	499 123
Indigent subsidy	50 832 139	27 595 997
LG Grant received (Dora)	-	1 568 800
Contribution Fire Brigade 40%	2 636 052	1 777 943
Provision Free Basic Services	-	11 656 043
MIG Sewerage	-	17 136 097
MIG Water	-	531 024
MIG Solid Waste	-	3 605 438
Recurrent Financial Support	-	1 226 149
Recurrent Grant	2 755 805	500 000
Skills Development Levy	-	524 924
	56 223 996	66 621 537

## APPENDIX A

### STATUTORY FUNDS, RESERVES, PROVISIONS AND TRUST FUNDS FOR THE YEAR ENDED 30 JUNE 2008

	Balance as at 01/07/2007	Transfers during the year	Contributions during the year	Interest on Invest- ments	Other Income	Operating Expenditure during the year	Capital Expenditure during the year	Written off during the year	Balance as at 30/06/2008
	R		R	R	R	R	R	R	R
<b><u>STATUTORY</u></b>									
Land Trust Fund	1 462 212	-	-	-	114 434	-	-	-	1 576 646
Community Facilities Fund	110	-	23	-	-	-	-	-	133
Renewal Fund	2 423 346	-	26 595	-	-	-	-	-	2 449 940
	<b>3 885 668</b>	<b>-</b>	<b>26 618</b>	<b>-</b>	<b>114 434</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 026 719</b>
<b><u>RESERVES</u></b>									
Capital Reserve	7 037 876	-	56 198	-	-	4 851	-	-	7 089 223
Land Measurement	-	-	-	-	-	-	-	-	-
Loss of Rental	85 396	-	14 862	-	-	-	-	-	100 258
Sundries	513 281	-196 636	-	-	-	-	-	-	316 644
	<b>7 636 553</b>	<b>-196 636</b>	<b>71 060</b>	<b>-</b>	<b>-</b>	<b>4 851</b>	<b>-</b>	<b>-</b>	<b>7 506 125</b>

APPENDIX A

STATUTORY FUNDS, RESERVES, PROVISIONS AND TRUST FUNDS FOR THE YEAR ENDED 30 JUNE 2008

	Balance as at 01/07/2007	Transfers during the year	Contributions during the year	Interest on Invest- ments	Other Income	Operating Expenditure during the year	Capital Expenditure during the year	Written off during the year	Balance as at 30/06/2008
	R		R	R	R	R	R	R	R
<b><u>PROVISIONS</u></b>									
Bad Debts	83 198 350	-	21 512 594	-	-	-	-	-	104 710 944
Sundries	12 133 908	-	2 754 900	-	-	5 004 606	-	-	9 884 201
	<b>95 332 258</b>	<b>-</b>	<b>24 267 494</b>	<b>-</b>	<b>-</b>	<b>5 004 606</b>	<b>-</b>	<b>-</b>	<b>114 595 146</b>
<b><u>TRUST FUNDS</u></b>									
Housing Fund	2 168 418	-	-	-	-	-	-	-	2 168 418
	<b>2 168 418</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 168 418</b>

## APPENDIX B

### EXTERNAL LOANS FOR THE YEAR ENDED 30 JUNE 2008

#### EXTERNAL LOANS

	Balance as at 01/07/2007	Ajustment during the year	Received during the year	Redeemed or written off during the year	Balance as at 30/06/2008
	R		R	R	R
Annuity Loans - Dihlabeng	50 174 589	-31 178	-316 644	3 167 484	46 659 283
	<b>50 174 589</b>	<b>-31 178</b>	<b>-316 644</b>	<b>3 167 484</b>	<b>46 659 283</b>



## APPENDIX C

### ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008

Expenditure	SERVICE	Budget	Balance as at	Expenditure	Written off, transferred, or redeemed disposed of during the year	Balance as at
2006/2007		2007/2008	01/07/2007	2007/2008	2007/2008	30/06/2008
R		R	R	R	R	R
413 808 706		37 944 136	413 808 706	30 679 725	-	444 488 431
116 988 636	<b><u>Community Services</u></b>	14 577 818	116 988 636	11 407 748	-	128 396 384
212 313	Municipal Manager	8 855	212 313	2 543	-	214 856
30 784	Management Services	-	30 784	-	-	30 784
54 497	Office Equipment	-	54 497	-	-	54 497
2 249 251	Town Planning	-	2 249 251	-	-	2 249 251
337 259	Health Services	-	337 259	-	-	337 259
447 570	Town Secretary	75 000	447 570	28 727	-	476 297
6 122 685	Industrial Area	-	6 122 685	-	-	6 122 685
549 175	Council General	400 000	549 175	175 893	-	725 068
655 755	Transitional fund	-	655 755	-	-	655 755
337 943	Town Engineer Adm - project man unit	-	337 943	-	-	337 943
463 203	Finance	71 168	463 203	33 366	-	496 569
6 759 153	Rates Admin/Debt and Revenue	-	6 759 153	-	-	6 759 153
14 953	Supply Chain Management	-	14 953	-	-	14 953
527 320	Billing Office	-	527 320	-	-	527 320
5 401 366	Public Works	45 500	5 401 366	653	-	5 402 019
66 161 781	Roads and Sundry	13 619 295	66 161 781	11 083 855	-	77 245 636

**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Expenditure</b>	<b>SERVICE</b>	<b>Budget</b>	<b>Balance as at</b>	<b>Expenditure</b>	<b>Written off, transferred, or redeemed disposed of during the year</b>	<b>Balance as at</b>
<b>2006/2007</b>		<b>2007/2008</b>	<b>01/07/2007</b>	<b>2007/2008</b>	<b>2007/2008</b>	<b>30/06/2008</b>
<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
2 275 077	Traffic	220 000	2 275 077	31 329	-	2 306 406
18 887 890	Bohlokong	-	18 887 890	-	-	18 887 890
882 465	Mayor	-	882 465	-	-	882 465
4 474	Speaker	-	4 474	-	-	4 474
2 054 715	Local Economic Development	-	2 054 715	-	-	2 054 715
14 336	Local Economic Development - agriculture	-	14 336	-	-	14 336
1 486 644	Commonage	-	1 486 644	-	-	1 486 644
66 900	Unsold properties	-	66 900	-	-	66 900
232 491	Fouriesburg	-	232 491	-	-	232 491
232 491	Paul Roux	68 000	232 491	36 868	-	269 359
232 491	Clarens	20 000	232 491	838	-	233 329
251 992	Rosendal	50 000	251 992	13 675	-	265 667
1 164	Bally Duff	-	1 164	-	-	1 164
1 542	Kromkloof-Noord	-	1 542	-	-	1 542
38 956	Co-ordinating Committee	-	38 956	-	-	38 956

**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Expenditure</b>	<b>SERVICE</b>	<b>Budget</b>	<b>Balance as at</b>	<b>Expenditure</b>	<b>Written off, transferred, or redeemed disposed of during the year</b>	<b>Balance as at</b>
<b>2006/2007</b>		<b>2007/2008</b>	<b>01/07/2007</b>	<b>2007/2008</b>	<b>2007/2008</b>	<b>30/06/2008</b>
<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
27 030 976	<b>Subsidised Services</b>	1 041 912	27 030 976	198 333	-	27 229 309
10 746	Ambulance Services	-	10 746	-	-	10 746
3 319	Abattoir	-	3 319	-	-	3 319
2 076 968	Cemetery	-	2 076 968	-	-	2 076 968
2 822 094	Clinics	-	2 822 094	-	-	2 822 094
421 407	Library	15 000	421 407	2 652	-	424 059
2 414 657	Fire Brigade	-	2 414 657	-	-	2 414 657
12 424	Protection Service	-	12 424	-	-	12 424
3 533 889	Sport Grounds	64 980	3 533 889	26 050	-	3 559 939
358 485	Cultural Village	-	358 485	-	-	358 485
7 349 887	Municipal Buildings - Town Hall and Offices	641 000	7 349 887	82 892	-	7 432 779
299 233	Municipal Buildings - New Offices	-	299 233	-	-	299 233
104 386	Museums	-	104 386	-	-	104 386
1 631 691	Nature and Environmental Administration	68 552	1 631 691	1 350	-	1 633 041
4 907 598	Parks and Recreation	252 380	4 907 598	85 389	-	4 992 987
169 542	Pretoriuskloof	-	169 542	-	-	169 542
3 000	Pleasure Resort	-	3 000	-	-	3 000
214 054	Show-grounds	-	214 054	-	-	214 054
37 470	Swimming Pool	-	37 470	-	-	37 470
514 328	Aerodrome	-	514 328	-	-	514 328
145 798	Creché Doekspeld	-	145 798	-	-	145 798



**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Expenditure</b>	<b>SERVICE</b>	<b>Budget</b>	<b>Balance as at</b>	<b>Expenditure</b>	<b>Written off, transferred, or redeemed disposed of during the year</b>	<b>Balance as at</b>
<b>2006/2007</b>		<b>2007/2008</b>	<b>01/07/2007</b>	<b>2007/2008</b>	<b>2007/2008</b>	<b>30/06/2008</b>
<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
269 789 093	<b><u>Economical Services</u></b>	<b>22 324 406</b>	<b>269 789 093</b>	<b>19 073 645</b>	-	<b>288 862 738</b>
833 367	Staff Housing	-	833 367	-	-	833 367
2 045 913	Data Processing	-	2 045 913	-	-	2 045 913
8 798	Human Resources	307 289	8 798	10 824	-	19 622
142 833 594	Properties	-	142 833 594	-	-	142 833 594
36 690	Pound	-	36 690	-	-	36 690
4 753	Stores	-	4 753	-	-	4 753
1 168 629	Support Services	2 520 000	1 168 629	885 910	-	2 054 539
14 772 291	Cleansing Services	-	14 772 291	-	-	14 772 291
8 636 038	Waste Management	133 192	8 636 038	54 417	-	8 690 455
705 624	Mechanical Workshop	-	705 624	-	-	705 624
84 911 447	Sewerage	19 363 925	84 911 447	18 122 494	-	103 033 941
1 594 489	Immovable Properties	-	1 594 489	-	-	1 594 489
22 651	Municipal Buildings - Market	-	22 651	-	-	22 651
	Municipal Buildings - Bus					
157 105	Terminus	-	157 105	-	-	157 105
-55 900	Bohlokong	-	-55 900	-	-	-55 900
12 113 604	Vehicle and Plants	-	12 113 604	-	-	12 113 604

**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Expenditure</b>	<b>SERVICE</b>	<b>Budget</b>	<b>Balance as at</b>	<b>Expenditure</b>	<b>Written off, transferred, or redeemed disposed of during the year</b>	<b>Balance as at</b>
<b>2006/2007</b>		<b>2007/2008</b>	<b>01/07/2007</b>	<b>2007/2008</b>	<b>2007/2008</b>	<b>30/06/2008</b>
<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<b>10 869 297</b>	<b><u>Housing Services</u></b>	-	<b>10 869 297</b>	-	-	<b>10 869 297</b>
2 845 872	Farms/ Vogelfontein	-	2 845 872	-	-	2 845 872
80 685	General	-	80 685	-	-	80 685
503 084	Housing other Towns	-	503 084	-	-	503 084
181 883	Housing - Werda Flats	-	181 883	-	-	181 883
289 557	Housing - Sub Economical Dwellings	-	289 557	-	-	289 557
104 683	Housing - Rental Scheme	-	104 683	-	-	104 683
208 941	Housing - 16 Flats - Die Eike	-	208 941	-	-	208 941
76 854	Housing - 2 Sub Economical	-	76 854	-	-	76 854
1 665 862	Housing - Dienssentrum	-	1 665 862	-	-	1 665 862
3 468 426	Bohlokong	-	3 468 426	-	-	3 468 426
1 443 450	Housing - 38 Economical Houses	-	1 443 450	-	-	1 443 450
<b>119 131 799</b>	<b><u>Trading Services</u></b>	<b>15 750 568</b>	<b>119 131 799</b>	<b>15 792 224</b>	-	<b>134 924 023</b>
38 160 564	Electricity : Bethlehem	3 681 118	38 160 564	1 688 346	-	39 848 910
4 663 642	Electricity : Other Towns	449 873	4 663 642	206 334	-	4 869 976
3 602 925	Electricity : Bohlokong	347 552	3 602 925	159 405	-	3 762 330
49 534 741	Water : Bethlehem	7 679 794	49 534 741	9 359 992	-	58 894 733
19 246 095	Water : Other Towns	2 983 886	19 246 095	3 636 706	-	22 882 802

3 923 831	Water : Bohlolong	608 345	3 923 831	741 440	-	4 665 271
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**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

Expenditure	SERVICE	Budget	Balance as at	Expenditure	Written off, transferred, or redeemed disposed of during the year	Balance as at
2006/2007 R		2007/2008 R	01/07/2007 R	2007/2008 R	2007/2008 R	30/06/2008 R
	<b>TOTALE VASTE BATES /</b>					
<b>543 809 801</b>	<b>TOTAL SUM OF FIXED ASSETS</b>	<b>53 694 704</b>	<b>543 809 805</b>	<b>46 471 949</b>	<b>-</b>	<b>590 281 754</b>

**511 146 658 LOANS REDEEMED AND OTHER CAPITAL RECEIPTS**      **511 146 658**      **46 471 949**      **3 016 586**      **560 635 193**

<u>Loans Redeemed:</u>					
61 027 244	Bethlehem	61 027 244	-	3 152 327	64 179 571
15 136 003	Bohlolong	15 136 003	-	-	15 136 003
4 200 053	Clarens	4 200 053	-	4 925	4 204 978
4 600 144	Fouriesburg	4 600 144	-	1 255	4 601 399
1 440 860	Paul Roux	1 440 860	-	-	1 440 860
1 361 500	Rosendal	1 361 500	-	8 976	1 370 475
<u>Contribution from Revenue:</u>					
84 018 502	Revenue	84 018 502	11 034 849	-	95 053 351
2 281 832	Equitable Shares	2 281 832	-	-	2 281 832

**APPENDIX C**

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Expenditure</b>	<b>SERVICE</b>	<b>Budget</b>	<b>Balance as at</b>	<b>Expenditure</b>	<b>Written off, transferred, or redeemed disposed of during the year</b>	<b>Balance as at</b>
<b>2006/2007</b>		<b>2007/2008</b>	<b>01/07/2007</b>	<b>2007/2008</b>	<b>2007/2008</b>	<b>30/06/2008</b>
<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
	<u>Land Trust Fund</u>					
149 010 811	Bethlehem		149 010 811	-	-	149 010 811
156 061	Clarens		156 061	-	-	156 061
325 600	Rosendal		325 600	-	-	325 600
7 600	Bakenpark		7 600	-	-	7 600
	<u>Other Contributions</u>					
547 405	Clarens		547 405	838	-	548 243
	Fouriesburg		-	-	-	-
1 869 460	Paul Roux		1 869 460	36 868	-	1 906 328
	Rosendal					
936 842	Rosendal		936 842	13 675	-	950 517
	<u>Reserves:</u>					
12 175 244			12 175 244	-	-	12 175 244
-			-	-	-	-
	<u>Endowment and Subsidies:</u>					
13 856 687	Bohlokong		13 856 687	-	-	13 856 687
7 631 733	Clarens		7 631 733	-	-	7 631 733
10 228 606	Fouriesburg		10 228 606	-	-	10 228 606
7 884 436	Paul Roux		7 884 436	-	-	7 884 436
4 764 074	Rosendal		4 764 074	-	-	4 764 074

APPENDIX C

**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008**

Expenditure	SERVICE	Budget	Balance as at	Expenditure	Written off, transferred, or redeemed disposed of during the year	Balance as at
2006/2007		2007/2008	01/07/2007	2007/2008	2007/2008	30/06/2008
R		R	R	R	R	R
22 937 385	TMDM		22 937 385	-	-	22 937 385
3 919 587	DLGH		3 919 587	-	-	3 919 587
353 054	NER		353 054	-	-	353 054
67 350 711	CMIP/MIG		67 350 711	35 358 851	-	102 709 562
1 569 191	DWAF		1 569 191	26 868	-	1 596 059
1 351 490	Contribution free Basic Services		1 351 490	-	-	1 351 490
30 150 544	Government		30 150 544	-	-	30 150 544
	Diff TB				-150 898	-150 898
54 000	Public		54 000	-	-	54 000
<b>32 663 142</b>			<b>32 663 146</b>	<b>-</b>	<b>3 016 586</b>	<b>29 646 561</b>



## APPENDIX D

### ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED ON 30 JUNE 2008

<b>Actual 2006/2007 R</b>		<b>Actual 2007/2008 R</b>	<b>Budget 2007/2008 R</b>
<b><u>REVENUE</u></b>			
66 621 537	Grants and subsidies	54 004 072	80 812 021
<span style="border: 1px solid black; padding: 2px;">66 621 537</span>	- Central government	<span style="border: 1px solid black; padding: 2px;">54 004 072</span>	<span style="border: 1px solid black; padding: 2px;">80 812 021</span>
184 661 109	Operating income	195 197 739	224 628 538
<span style="border: 1px solid black; padding: 2px;">44 595 750</span>	- Assessment rates	<span style="border: 1px solid black; padding: 2px;">49 303 407</span>	<span style="border: 1px solid black; padding: 2px;">52 534 040</span>
<span style="border: 1px solid black; padding: 2px;">55 035 507</span>	- Sale of electricity	<span style="border: 1px solid black; padding: 2px;">51 515 041</span>	<span style="border: 1px solid black; padding: 2px;">56 679 402</span>
<span style="border: 1px solid black; padding: 2px;">26 724 673</span>	- Sale of water	<span style="border: 1px solid black; padding: 2px;">29 968 836</span>	<span style="border: 1px solid black; padding: 2px;">34 693 972</span>
<span style="border: 1px solid black; padding: 2px;">58 305 179</span>	- Other service charges	<span style="border: 1px solid black; padding: 2px;">64 410 455</span>	<span style="border: 1px solid black; padding: 2px;">80 721 124</span>
<b><u>251 282 646</u></b>		<b><u>249 201 811</u></b>	<b><u>305 440 559</u></b>
<b><u>EXPENDITURE</u></b>			
78 941 508	Salaries, Wages and Allowances	66 372 407	113 240 924
84 954 776	General Expenditure	138 366 770	102 796 581
<span style="border: 1px solid black; padding: 2px;">35 652 114</span>	- Purchase of electricity	<span style="border: 1px solid black; padding: 2px;">32 120 012</span>	<span style="border: 1px solid black; padding: 2px;">34 430 000</span>
<span style="border: 1px solid black; padding: 2px;">1 652 978</span>	- Purchase of water	<span style="border: 1px solid black; padding: 2px;">1 781 894</span>	<span style="border: 1px solid black; padding: 2px;">1 115 000</span>
<span style="border: 1px solid black; padding: 2px;">47 649 684</span>	- Other general expenses	<span style="border: 1px solid black; padding: 2px;">104 464 865</span>	<span style="border: 1px solid black; padding: 2px;">67 251 581</span>
7 283 721	Repairs and Maintenance	3 904 615	10 206 219
9 453 904	Capital Charges	8 892 553	10 555 000
46 150 459	Contributions to Fixed Assets	11 086 231	53 589 000
<span style="border: 1px solid black; padding: 2px;">21 791 269</span>	Contributions	<span style="border: 1px solid black; padding: 2px;">8 892 553</span>	<span style="border: 1px solid black; padding: 2px;">21 860 584</span>
248 575 637	<b>Gross Expenditure</b>	237 515 129	312 248 308
<span style="border: 1px solid black; padding: 2px;">-6 381 564</span>	LESS: Amounts charged out	<span style="border: 1px solid black; padding: 2px;">-3 349 697</span>	<span style="border: 1px solid black; padding: 2px;">-6 807 749</span>
<b><u>242 194 074</u></b>	<b>Nett Expenditure</b>	<b><u>234 165 432</u></b>	<b><u>305 440 559</u></b>

## APPENDIX E

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

2006/2007	2006/2007	2006/2007		2007/2008	2007/2008	2007/2008	2007/2008
Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Service	Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Budget Surplus/(Deficit) R
162 198 426	176 734 020	-14 535 592	<b>GENERAL SERVICES</b>	160 607 908	173 736 793	-13 128 885	192 645 553
79 361 877	108 541 086	-29 179 207	<b>Community Services</b>	93 001 875	124 786 885	-31 785 010	105 435 191
0	2 638 551	-2 638 551	Municipal Manager	0	1 417 072	-1 417 072	0
382	687 519	-687 137	Administration Community	0	946 101	-946 101	0
300	1 730 366	-1 730 066	Service	149 532	2 369 379	-2 219 847	382 695
0	2 044 691	-2 044 691	Planning	2 088 721	2 135 930	-47 209	0
0	1 053 954	-1 053 954	Billing Office	0	1 344 294	-1 344 294	461 757
0	6 281 622	-6 281 622	Planning & Control (IDP)	0	8 040 650	-8 040 650	56 455
0	909	-909	Support Services	0	5 202	-5 202	0
51 217 350	6 062 288	45 155 062	Community Development	0	0	0	0
0	6 571	-6 571	Assessment Rate	0	0	0	0
5 731	147 167	-141 436	Youth Development	0	0	0	0
4 209	3 194 952	-3 190 743	Enviromental Health	0	0	0	0
0	567	-567	Secretariat	2 181	3 746 644	-3 744 463	1 203
68	444 603	-444 534	Gender Commission	0	0	0	0
23 597	4 820 867	-4 797 270	Industrial Area	0	0	0	241
657 839	2 778 550	-2 120 711	Fouriesburg Unit	38 897	5 672 676	-5 633 779	0
23 951	3 404 818	-3 380 866	Paul Roux Unit	900 602	3 115 217	-2 214 615	0
25 693	3 354 511	-3 328 819	Clarens Unit	0	4 027 801	-4 027 801	0
			Rosendal Unit	48 292	4 362 120	-4 313 828	0



**APPENDIX E**  
**DETAILED INCOME STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2008**

2006/2007	2006/2007	2006/2007	Service	2007/2008	2007/2008	2007/2008	2007/2008
Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R		Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Budget Surplus/(Deficit) R
12 794 727	16 120 637	-3 325 910	Council General	17 486 423	26 014 527	-8 528 104	21 389 021
0	254 179	-254 179	Information Management	0	223 376	-223 376	0
12 456 751	10 345 891	2 110 860	Finances	70 664 669	14 854 134	55 810 535	16 893 158
0	360 630	-360 630	Finance adm n	0	763 203	-763 203	59 735 190
479 233	246 857	232 377	Public Works Adm	253 688	792 233	-538 545	59 167
27 303	24 530 659	-24 503 356	Roads and Sundries	2 343	23 315 868	-23 313 525	49 260
635 219	3 106 279	-2 471 060	Traffic	344 640	3 423 247	-3 078 607	1 900 563
0	929 379	-929 379	Speaker	0	766 387	-766 387	0
0	3 923 697	-3 923 697	Mayor	0	4 003 640	-4 003 640	0
14 058	307 420	-293 362	LED Agriculture	0	721 615	-721 615	0
0	532 687	-532 687	LED Administration	0	892 241	-892 241	0
0	3 512 554	-3 512 554	Local Economic Development	0	2 031 457	-2 031 457	1 200 000
525 037	2 629 874	-2 104 837	LED Tourism (marketing)	0	338 547	-338 547	0
0	393 685	-393 685	Human Resources	290 684	2 895 236	-2 604 552	1 500 000
0	679	-679	Corporate services - admin	0	840 621	-840 621	1 240 331
0	1 357 039	-1 357 039	Learnership Programme	0	0	0	66 150
210 241	221 537	-11 296	Internal Audit	0	4 590 999	-4 590 999	0
0	854 708	-854 708	Primary Health Care Bethlehem	0	0	0	0
260 189	260 189	0	Admin Land & Housing	0	264 876	-264 876	0
			Intership Programme	731 203	871 592	-140 389	500 000



**APPENDIX E**  
**DETAILED INCOME STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2008**

2006/2007	2006/2007	2006/2007		2007/2008	2007/2008	2007/2008	2007/2008
Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Service	Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Budget Surplus/(Deficit) R
4 637 455	18 057 615	-13 420 160	<b>Subsidised Services</b>	6 027 502	18 689 171	-12 661 669	7 073 979
579 405	1 513 210	-933 805	Cemetery	594 552	1 562 265	-967 713	781 902
25 912	1 139 654	-1 113 742	Library	29 372	1 361 684	-1 332 312	277 667
1 877 138	4 678 048	-2 800 910	Fire Fighting	2 754 215	4 028 798	-1 274 583	3 551 999
0	506 575	-506 575	Disaster Management	0	436 615	-436 615	0
108 922	2 169 887	-2 060 965	Sport & Recreation	71 306	3 021 477	-2 950 171	130 551
353 721	625 823	-272 102	Municipal Buildings - N/Offices	1 281 596	472 862	808 734	0
1 147 491	616 092	531 399	Municipal Buildings - Townhall & Offices	540 097	1 535 146	-995 049	1 505 277
342	10 839	-10 496	Museum	342	12 572	-12 230	1 359
283 018	1 032 943	-749 925	Nature Conservation	522 798	1 178 162	-655 364	382 860
4 671	4 991 707	-4 987 036	Parks	1 002	4 299 670	-4 298 668	70 422
54 565	266 328	-211 763	Pretoriuskloof	40 296	340 506	-300 210	94 500
49 645	279 582	-229 937	Swimming Pool	18 040	208 278	-190 238	42 102
135 286	225 473	-90 187	Aerodrome	150 323	229 565	-79 242	207 840
17 339	1 455	15 884	Creche Doekspeld	23 563	1 571	21 992	27 500

**APPENDIX E**  
**DETAILED INCOME STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2008**

2006/2007	2006/2007	2006/2007		2007/2008	2007/2008	2007/2008	2007/2008
Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Service	Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Budget Surplus/(Deficit) R
78 199 094	50 135 319	28 063 776	<b>Economical Services</b>	61 578 531	30 260 737	31 317 794	80 136 383
159 355	43 308	116 047	Staff Housing	0	0	0	0
155 407	22 658	132 749	Supply Chain Management	69 023	271 017	-201 994	251 336
63 843	3 696	60 148	Municipal Taxi Terminal	79 812	2 952	76 860	72 176
68 475	0	68 475	Municipal Buildings - Strapp	0	0	0	0
29 579 278	16 485 600	13 093 679	Solid Waste Management - Refuse	28 270 811	13 735 218	14 535 593	27 668 269
953 718	3 603 811	-2 650 093	Mechanical Engineering	660 142	3 535 194	-2 875 052	5 193 172
815 960	833 291	-17 331	Project Management		409 976	-409 976	0
46 399 947	29 053 607	17 346 340	Sewerage	32 498 743	12 272 770	20 225 973	46 951 430
0	89 349	-89 349	Ikgatholeng Pleasure Resort	0	33 610	-33 610	0
3 112	0	3 112	Municipal Buildings - Market	0	0	0	0
<b>1 536 548</b>	<b>4 373 389</b>	<b>-2 836 841</b>	<b>Housing Services</b>	<b>85 111</b>	<b>1 555 751</b>	<b>-1 470 640</b>	<b>400 000</b>
687 039	4 136 169	-3 449 130	Housing	85 111	1 555 751	-1 470 640	400 000
599 538	174 728	424 810	Housing - Werda Flats	0	0	0	0
217 671	47 917	169 754	Housing - Sub Economical	0	0	0	0
32 301	14 576	17 725	Housing - 16 Flats Die Eike	0	0	0	0

**APPENDIX E**  
**DETAILED INCOME STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2008**

2006/2007	2006/2007	2006/2007		2007/2008	2007/2008	2007/2008	2007/2008
Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Service	Actual Income R	Actual Expenditure R	Actual Surplus/(Deficit) R	Budget Surplus/(Deficit) R
87 547 673	61 086 666	26 461 007	Trading Services	88 508 792	63 939 117	24 569 675	112 395 008
60 291 976	45 064 464	15 227 511	Electricity : Dihlabeng	58 076 917	47 657 626	10 419 291	63 763 938
27 255 697	16 022 202	11 233 495	Water : Dihlabeng	30 431 875	16 281 491	14 150 384	48 631 070
<b>251 282 647</b>	<b>242 194 075</b>	<b>9 088 574</b>	<b>TOTAL</b>	<b>249 201 811</b>	<b>239 231 662</b>	<b>9 970 149</b>	<b>305 440 561</b>
		-10 364 246	Appropriation for the year (Refer to note 17)			-2 549 529	
		-1 275 672	Net surplus / (deficit) for the year			7 420 620	
		274 573	Accumulated income / (deficit) at the beginning of the year			-1 001 099	
		-1 001 099	ACCUMULATED INCOME/(DEFICIT) AT THE END OF THE YEAR			6 419 521	

## APPENDIX F

### STATISTICAL INFORMATION

#### A) GENERAL STATISTICS

	2008	2007	2006
<b><u>BETHLEHEM/BAKENPARK:</u></b>			
a) Population	26 175	26 175	26 175
b) Valuation of ratable properties	1 347 865 965	1 318 365 172	1 280 404 979
c) Valuation of non-ratable properties	151 666 831	151 852 833	152 055 333
d) Valuation Date	1 September '02	1 September '02	1 September '02
e) Valuation of residential and commercial properties	1 080 362 222	1 065 227 930	1 023 459 733
f) Valuation of Industrial, Agricultural and other properties	267 503 743	62 016 351	256 945 246
g) Valuation Departmental	105 652 015	191 120 891	152 055 333
h) Number of residential and commercial properties (sites)	3 868	3825	3813
i) Number of Industrial, Agricultural and other properties (sites)	415	108	295
j) Departmental	683	825	825

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**2008**

**2007**

**2006**

**BETHLEHEM/BAKENPARK:**

k) Rate of assessment:

1.1

Single Residential area:

Land

0.05625

0.05233

0.04757

Improvements

0.00658

0.00612

0.00556

1.2

Other Zones:

Land

0.06542

0.06086

0.05533

Improvements

0.03085

0.02870

0.02609

1.3

Single Business:

Land

0.06914

0.06432

0.05847

Improvements

0.00808

0.00752

0.00684

1.4

Smallholdings (single residential):

Land

0.03388

0.03152

0.02865

Improvements

0.00379

0.00353

0.00321

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BETHLEHEM/BAKENPARK:**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
1.5 <u>Smallholdings (business):</u>			
Land	0.04236	0.03939	0.03582
Improvements	0.00474	0.00441	0.00401
1.6 <u>Building Clauses:</u>			
Single Residential	0.00658	0.00612	0.00556
Sundry Zones	0.03085	0.02870	0.02609
 <u>Groenvoerlande Industrial Area</u>			
2.1 Land	0.12149	0.11301	0.10274
Improvements	0.05917	0.05504	0.05004
Building Clauses	0.05917	0.05504	0.05004



**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BETHLEHEM/BAKENPARK:**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
<u>Government</u>				
3.1	<u>Single Residential Area:</u>			
	Land	0.045	0.04186	0.03806
	Improvements	0.00526	0.00489	0.00445
3.2	<u>Sundry Zones:</u>			
	Land	0.05234	0.04869	0.04426
	Improvements	0.02468	0.02296	0.02087
<u>Transnet</u>				
4.1	<u>Single Residential Area:</u>			
	Land	0.05625	0.05233	0.04757
	Improvements	0.00658	0.00612	0.00556

**APPENDIX F  
STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BETHLEHEM/BAKENPARK:**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
4.2	<u>Sundry Zones:</u>			
	Land	0.06661	0.06196	0.05633
	Improvements	0.03142	0.02923	0.02657
	<u>Telkom</u>			
5.1	<u>Single Residential Area:</u>			
	Land	0.05625	0.05233	0.04757
	Improvements	0.00658	0.00612	0.00556
5.2	<u>Sundry Zones:</u>			
	Land	0.06661	0.06196	0.05633
	Improvements	0.03142	0.02923	0.02657
	<u>Bakenpark</u>			
6.1	<u>Single Residential Area:</u>			
	Land	0.05625	0.05233	0.04757
	Improvements	0.00658	0.00612	0.00556

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BETHLEHEM/BAKENPARK:**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
6.2	<u>Sundry Zones:</u>			
	Land	0.6661	0.06196	0.05633
	Improvements	0.03142	0.02923	0.02657
6.3	<u>Building Clauses:</u>			
	Single Residential Area	0.00658	0.00612	0.00556
	Sundry Zones	0.02468	0.02870	0.02657
	<u>Government</u>			
7.1	<u>Sundry Zones:</u>			
	Land	0.05234	0.04869	0.05533
	Improvements	0.02468	0.02296	0.02609

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BOHLOKONG:**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
a) Population	109 555	109 555	109 555
b) Valuation of ratable properties	402 558 701	402 558 701	385 259 560
c) Valuation of non-ratable properties	44 086 406	44 086 406	43 114 105
d) Valuation Date	1 September '02	1 September '02	1 September '02
e) Valuation of residential and commercial properties	351 084 900	343 450 560	343 450 560
f) Valuation of Industrial, Agricultural and other properties	51 473 801	41 809 000	41 809 000
g) Valuation Departmental	28 497 601	31 764 912	31 764 912
h) Number of residential and commercial properties (sites)	10 037	10101	9577
i) Number of Industrial, Agricultural and other properties (sites)	67	17	17
j) Departmental	227	482	482
k) <u>Rate of assessment:</u>			

1.1

Other Zones:

Land	0.05234	0.04869	0.05533
Improvements	0.02468	0.01997	0.02269

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**BOHLOKONG:**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
1.2	<u>Single Residential Area:</u>			
	Land	0.05625	0.05233	0.04757
	Improvements	0.00658	0.00612	0.00556
1.3	<u>Government:</u>			
	Land	0.05234	0.04869	0.05533
	Improvements	0.02468	0.01997	0.02269
1.4	<u>Single Business:</u>			
	Land	0.06542	0.06086	
	Improvements	0.02683	0.02496	

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

**CLARENS:**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
a) Population	3 500	3 500	3 500
b) Valuation of ratable properties	141 530 121	141 530 122	141 989 986
c) Valuation of non-ratable properties	7 508 858	7 508 858	6 953 858
d) Valuation Date	1 Julie '2003	1 Julie '2003	1 Julie '2003
e) Valuation of residential and commercial properties	137 745 121	137 745 122	138 549 986
f) Valuation of Industrial, Agricultural and other properties	3 785 000	4 676 257	4 676 257
g) Valuation Departmental	3 802 358	3 802 358	3 802 358
h) Number of residential and commercial properties (sites)	1 429	1455	1290
i) Number of Industrial, Agricultural and other properties (sites)	9	9	9
j) Departmental	117	117	117
k) <u>Rate of assessment:</u>			
1.1 <u>Single Residential area:</u>			
Land	0.07457	0.06937	0.06937
1.2 <u>Government:</u>			

Land	0.05966	0.06105	0.06937
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**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

<b>2008</b>	<b>2007</b>	<b>2006</b>
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**FOURIESBURG:**

a) Population	17000	17 000	17 000
b) Valuation of ratable properties	46 988 002	46 988 002	46 980 002
c) Valuation of non-ratable properties	4 030 103	4 030 103	4 034 103
d) Valuation Date	1 September '02	1 September '02	1 September '02
e) Valuation of residential and commercial properties	23 858 901	23 858 901	40 356 602
f) Valuation of Industrial, Agricultural and other properties	23 129 101	27 163 204	27 163 204
g) Number of residential and commercial properties (sites)	3 742	3741	3741
h) Number of Industrial, Agricultural and other properties (sites)	68	160	160
i) Departmental	91	91	91

j) Rate of assessment:

1.1

Single Residential area:

Land	0.12771	0.11880	0.10800
Improvements	0.00493	0.00459	0.00417

**APPENDIX F**  
**STATISTICAL INFORMATION**  
**A) GENERAL STATISTICS**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
<b><u>FOURIESBURG:</u></b>				
1.2	<u>Single Business:</u>			
	Land	0.12601	0.11722	0.10656
	Improvements	0.00485	0.00451	0.0041
1.3	<u>Government:</u>			
	Land	0.05234	0.04869	0.05533
	Improvements	0.02146	0.01997	0.02269
1.2	<u>Single Residential area - Mashaeng:</u>			
	Land	0.12771	0.11880	0.10800
	Improvements	0.00493	0.00459	0.00417



**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b><u>PAUL ROUX:</u></b>			
a) Population	7 000	7 000	7 000
b) Valuation of ratable properties	26 426 415	26 426 415	26 421 515
c) Valuation of non-ratable properties	5 632 801	4 632 801	4 637 701
d) Valuation Date	1 September '02	1 September '02	1 September '02
e) Valuation of residential and commercial properties	18 924 214	13 253 200	18 922 314
f) Valuation of Industrial, Agricultural and other properties	7 502 201	13 073 215	8 690 401
g) Valuation Departmental	3 441 601	3 440 601	3 446 501
h) Number of residential and commercial properties (sites)	2 006	2037	1998
i) Number of Industrial, Agricultural and other properties (sites)	33	37	37
j) Departmental	83	87	87
k) <u>Rate of assessment:</u>			
1.1			
	<u>Single Residential area:</u>		
	Land	0.12771	0.11880
			0.10800
1.2			
	<u>Government:</u>		

Land

0.10217

0.09504

0.10800

**APPENDIX F**  
**STATISTICAL INFORMATION**

**A) GENERAL STATISTICS**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b><u>ROSENDAL:</u></b>			
a) Population	7 130	7 130	7 130
b) Valuation of ratable properties	7 492 202	7 491 852	7 491 501
c) Valuation of non-ratable properties	4 178 301	4 178 651	4 179 001
d) Valuation Date	1 August '99	1 August '99	1 August '99
e) Valuation of residential and commercial properties	7 188 952	3 792 302	3 791 951
f) Valuation of Industrial, Agricultural and other properties	303 250	5 170 700	5 170 700
g) Valuation Departmental	4 178 301	2 707 851	2 707 851
h) Number of residential and commercial properties (sites)	1 183	1215	492
i) Number of Industrial, Agricultural and other properties (sites)	30	719	719
j) Departmental	44	45	45
k) <u>Rate of assessment:</u>			
1.1			
	<u>Single Residential area:</u>		
Land	0.44	0.22880	0.20800
Improvements	0.012	0.00176	0.00160



**APPENDIX F**  
**STATISTICAL INFORMATION**  
**A) GENERAL STATISTICS**

		<b>2008</b>	<b>2007</b>	<b>2006</b>
<b><u>ROSENDAL:</u></b>				
1.2	<u>Single Business:</u>			
	Land	0.44	0.22880	0.20800
	Improvements	0.012	0.00174	0.00158
1.3	<u>Government:</u>			
	Land	0.05234	0.04869	0.05533
	Improvements	0.02146	0.01997	0.02269
1.3	<u>Mautse</u>			
	Land	0.12771	0.11880	0.10800
	Improvements	0.00189	0.00176	0.00160

**APPENDIX F****STATISTICAL INFORMATION****B) ELECTRICITY STATISTICS****2008****2007****2006****BETHLEHEM & BAKENPARK:**

a) Number of users (residential and commercial)	1801	1956	1948
Number of users (pre-pay)	4682	4527	3905
b) Number of units bought	119 935 950		136 940 943
c) Number of units sold	137 732 003	121 657 838	100 376 650
Number of units sold-prepay	29 688 796	29 688 796	82 982 249
d) Number of units lost during reticulation (b-c)	28 973 988	28 973 988	28 973 988
e) Number of units lost during reticulation as % of (b)	8.15	8.15	8.15
f) Cost per unit bought	16c	16c	16c
g) Reticulation loss [(d) x (f)]			

**FOURIESBURG:**

a) Number of users (residential and commercial)	300	362	321
Number of users (residential and commercial)-prepay	81	19	
b) Number of units bought	2 201 083	3 606 909	3 606 909
c) Number of units sold	3 503 532	4 120 491	3 311 890
Number of units sold-prepay	64 296	64 296	
d) Number of units lost during reticulation (b-c)	59 260	59 260	59 260
e) Number of units lost during reticulation of % of (b)	1.64	1.64	1.64
f) Cost per unit bought	23c	23c	23c

**APPENDIX F**  
**STATISTICAL INFORMATION**

**B) ELECTRICITY STATISTICS**

**2008**                      **2007**                      **2006**

**PAUL ROUX & FATENG:**

a) Number of users (residential and commercial)	136	312	304
Number of users (residential and commercial)-prepay	1814	1638	1538
b) Number of units bought	2 129 447	3 752 132	3 752 132
c) Number of units sold	2 793 625	1 713 329	1 576 121
Number of units sold-prepay	1 485 771	1 485 771	1 178 440
Number of units lost during			
d) reticulation (b-c)	663 005	663 005	663 005
e) Number of units lost during reticulation as % of (b)	17.67	17.67	17.67
f) Cost per unit bought	26c	26c	26c

**ROSENDAL:**

a) Number of users (residential and commercial)	89	327	323
Number of users (residential and commercial)-prepay	255	17	
b) Number of units bought	1 288 435		1 295 621
c) Number of units sold	1 203 262	1 566 077	1 051 185
Number of units sold-prepay	43 502	43 502	
Number of units lost during			
d) reticulation (b-c)	140 660	140 660	140 660
e) Number of units lost during reticulation as % of (b)	10.86	10.86	10.86
f) Cost per unit bought	19c	19c	19c

**APPENDIX F****STATISTICAL INFORMATION****B) ELECTRICITY STATISTICS****2008****2007****2006****DIHLABENG:**

a) Cost per unit sold (operation expenditure)		25c	25c
b) Revenue per unit sold (operating income)		35c	35c

**C) WATER STATISTICS****BETHLEHEM, BAKENPARK & BOHLOKONG:**

a) Number of users (residential and commercial) - Bohl	8982	10101	9627
- Bethlehem & Bakenpark	4021	4816	4791
b) Number of units bought/purified KI	7244200		6 300 230
c) Number of units sold - KI - Bethlehem	3 766 309	3 056 033	3 363 057
Bohlokong	5 051 202	2 733 133	2 916 050
d) Number of units lost during reticulation [(b) - (c)]	179 696	179 696	179 696
e) Number of units lost during reticulation as a % of (b)	2.85	2.85	2.85
f) Cost per unit bought/purified			
g) Reticulation loss [(d) x (f)]			



**APPENDIX F**

**STATISTICAL INFORMATION**

**C) WATER STATISTICS**

**CLARENS:**

a) Number of users (residential and commercial)	1062	1455	1232
Number of units bought/purified KI			296080
b) Number of units sold - KI	292064	281940	230398
Number of units lost during reticulation [(b) - (c)]	72194	72194	72194
Number of units lost during reticulation as a % of (b)	24.38	24.38	24.38

**FOURIESBURG:**

a) Number of users (residential and commercial)	270	419	372
b) Number of units sold - KI	114539	91358	75399

**PAUL ROUX & FATENG:**

a) Number of users (residential and commercial)	1225	2037	1921
b) Number of units sold - KI	163016	141301	79979

**ROSENDAL & MAUTSE:**

a) Number of users (residential and commercial)	621	1215	1201
b) Number of units sold - KI	972756	79429	42364

**APPENDIX F****STATISTICAL INFORMATION****C) WATER STATISTICS****DIHLABENG:**

Cost per unit bought	192c	192c	192c
a) Cost per unit sold (operation expenditure)	1.92c	1.92c	1.92c
b) Revenue per unit sold (operating income)	4.29c	4.29c	4.29c

**D) SUNDRY STATISTICS****DIHLABENG:**

a) Surface in km	4739km	4739km	4739km
b) <u>Number of registered voters during previous elections:</u>	61810	61810	61810
% of voters cast during previous elections - Dihlabeng	0.7559	0.7559	0.7559
c) <u>Fire Brigade/Ambulance Services/Security Department:</u>			
Fire Brigade (stations)	1	1	1
Number of Fire Brigade employees (administrative staff excluded)	23	23	23
Number of Fire Brigade vehicles	8	8	8
d) Building control - total of building plans approved	276	276	276
Total value of building plans approved	32800000	32800000	32800000

**APPENDIX F**  
**STATISTICAL INFORMATION**  
**D) SUNDRY STATISTICS**

e)	<u>Parks and Recreation:</u>				
1.		Number of developed parks (surface of developed parks km <sup>2</sup> )	1,32km <sup>2</sup>	1,32km <sup>2</sup>	1,32km <sup>2</sup>
2.		Number of tennis courts, rugby fields	20	20	20
f)		Number of library books issued	295240	295240	295240
g)		Road and works - Total km of roads maintained Surface in hectare			
h)	<u>Parks and Recreation:</u>				
1.		Number of developed parks (surface km <sup>2</sup> )	1,77km <sup>2</sup>	1,77km <sup>2</sup>	1,77km <sup>2</sup>
2.		Number of tennis courts, rugby fields	5	5	5
i)		Roads and works - Total km of roads maintained (after amalgamation)	250.3km tar 260.2km gravel		
j)		Total personnel in the service of Dihlabeng	812	812	812

## APPENDIX G

### INVESTMENT STATUS REPORT AS AT 30 JUNE 2008

Institution	Type	Ref Number	Shares	01-Jul-07				30-Jun-08
				Balance	Investment	Disinvestment	Interest	Balance
Absa	Fixed	205 630 2408		13 024	-	-	-	13 024
Absa	Fixed	205 189 9282		357 278	-	-	-	357 278
Absa	Fixed	205 710 3524		73 468	-	43 732	-	29 736
Standard Bank	32 Days	248 586 327		43 035	-	43 003	-	32
Standard Bank	Call account	248 786 032		2 277	-	-	-	2 277
<b>Short Term Deposit</b>				<b>489 082</b>	<b>-</b>	<b>86 735</b>	<b>-</b>	<b>402 347</b>
<b><u>Long Term Deposit</u></b>								
Sanlam		102 31036*4	1 June 2008	<b>450 421</b>	<b>6 975</b>			<b>457 396</b>
<b><u>Co-operative funds</u></b>								
Insemia	Listed Shares		5 Shares	5	43 004	5	-	43 004
Co-op Rosendal	Shares		5088 Shares	14 602	-	-	-	14 602
Co-op Fouriesburg	Shares		12590 Shares	36 132	-	-	-	36 132
				<b>50 739</b>	<b>43 004</b>	<b>5</b>	<b>-</b>	<b>93 738</b>
				<b>990 242</b>	<b>49 979</b>	<b>86 740</b>	<b>-</b>	<b>953 481</b>

**APPENDIX G**

**INVESTMENT STATUS REPORT AS AT 30 JUNE 2008**

Institution	Type	Ref Number	Shares	01-Jul-07			30-Jun-08	
				Balance	Investment	Disinvestment	Interest	Balance
<b><u>Listed</u></b>								
Sanlam	Listed Shares	R 2 714 634 125.00	1873 Shares	42 124	-	-	-	42 124
Sanlam	Listed Shares	R 2 714 634 346.00	2296 Shares	51 637	-	-	-	51 637
				<b>93 761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93 761</b>
Afgri Clarens	Shares		2400 Shares	<b>16 080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 080</b>
<b><u>Authorised and issued shares</u></b>								
Sanlam	Listed Shares	R 3 468 466 797.00		<b>5 120</b>	<b>-</b>	<b>5 120</b>	<b>-</b>	<b>-</b>
<b>TOTAL LISTED INVESTMENTS</b>				<b>114 961</b>	<b>-</b>	<b>5 120</b>	<b>-</b>	<b>109 841</b>
Total Long Term Investments				<b>1 105 203</b>	<b>49 979</b>	<b>91 860</b>	<b>-</b>	<b>1 063 321</b>

**STATEMENT OF CAPITAL RESERVES FOR THE YEAR ENDED 30 JUNE 2008**

<b>DETAILS</b>	<b>Balance on 01/07/2007 R</b>	<b>Contributions 2007 / 2008 R</b>	<b>Other Income R</b>	<b>Transferred to Prov for Bad Debts R</b>	<b>Operational Expenditure 2007 / 2008</b>	<b>Balance on 30/06/2008 R</b>
<b><u>RATES GENERAL SERVICES</u></b>						
Maintenance						
Allowances: Retired Other	15 170.72	-	-	-	4 851.00	10 319.72
Bonus Personnel	1 826 262.90	-	-	-	-	1 826 262.90
Pensioners Medical aid	554 083.96	-	-	-	-	554 083.96
Valuation Costs	3 275 155.32	-	-	-	-	3 275 155.32
General Income Reserve	561 949.15	38 635.87	-	-	-	600 585.02
Parking	134 701.24	15 744.26	-	-	-	150 445.50
IDP expenses	629 000.12	-	-	-	-	629 000.12
Library Subscription	41 552.79	1 818.00				43 370.79
	<b>7 037 876.20</b>	<b>56 198.13</b>	-	-	<b>4 851.00</b>	<b>7 089 223.33</b>
Rosendal Municipality Building Rentals	83 176.98	14 471.90	-	-	-	97 648.88
Rosendal Abbattoir Rental	2 219.22	390.00	-	-	-	2 609.22
	<b>85 396.20</b>	<b>14 861.90</b>	-	-	-	<b>100 258.10</b>
<b>GRAND TOTAL</b>	<b>7 123 272.40</b>	<b>71 060.03</b>	-	-	<b>4 851.00</b>	<b>7 189 481.43</b>

**STATEMENT OF GENERAL PROVISIONS FOR THE YEAR ENDED 30 JUNE 2008**

<b>DETAILS</b>	<b>Balance 2007/07/01 R</b>	<b>Contributions 2007 / 2008 R</b>	<b>Operational Expenditure R</b>	<b>Other Income R</b>	<b>Transfer to Bad Debts R</b>	<b>Capital Expenditure 2007/2008 R</b>	<b>Balance on 2008/06/30 R</b>
<b><u>SUNDRIES</u></b>							
Leave Payment	5 910 023.70	1 086 292.66	-287 883.99	-	-	-	7 284 200.35
Audit fees : Dihlabeng	37 373.58	1 668 607.00	37 373.58	-	-	-	1 668 607.00
Provision free basic service	931 394.13	-	-	-	-	-	931 394.13
Indigent Subsidy:							
Fouriesburg	2 198 641.92	-	-	-	2 198 641.92	-	-
Indigent Subsidy: Paul Roux	1 180 635.94	-	-	-	1 180 635.94	-	-
Indigent Subsidy: Clarens	1 368 843.92	-	-	-	1 368 843.92	-	-
Indigent Subsidy: Rosendal	506 995.92	-	-	-	506 995.92	-	-
	<b>12 133 909.11</b>	<b>2 754 899.66</b>	<b>-250 510.41</b>	<b>-</b>	<b>5 255 117.70</b>	<b>-</b>	<b>9 884 201.48</b>





**STATEMENT : PROVISIONS AND RESERVES FOR THE YEAR ENDED 30 JUNE 2008**

<b>DETAILS</b>	<b>Balance 2007/07/01 R</b>	<b>Contributions 2007 / 2008 R</b>	<b>Interest R</b>	<b>Other Income R</b>	<b>Operational Expenditure</b>	<b>Written off 2007/2008 R</b>	<b>Balance 2008/06/30 R</b>
<b><u>Community Facility Fund</u></b>							
Bakenpark - Facility Fund	110.22	22.88	-	-	-	-	133.10
<b>GRAND TOTAL</b>	<b>110.22</b>	<b>22.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133.10</b>



**STATEMENT OF RENEWAL FUNDS FOR THE YEAR ENDED 30 JUNE 2008**

DESCRIPTION	Balance	Contributions	Other	Transferred	Expenditure		Balance
	2007/07/01	2007 /2008	Income	Prov Bad	Capital	Operational	2008/06/30
	R	R	R	Debts	2007/2008		R
				2007 /2008	R		
<u>Tax and general services</u>							
<u>Repairs &amp; Maintenance</u>							
Data process	17 095.01	-	-	-	-	-	17 095.01
Vehicle and implements	1 455 447.50	-	-	-	-	-	1 455 447.50
New offices	238 007.29	-	-	-	-	-	238 007.29
Fouriesburg old Municipal building	5 400.00	5 850.00	-	-	-	-	11 250.00
Paul Roux Municipal Building	13 560.00	14 690.00	-	-	-	-	28 250.00
Electricity Upgrade	3.00	-	-	-	-	-	3.00
	<u>1 729 512.80</u>	<u>20 540.00</u>					<u>1 750 052.80</u>
<u>ELECTRICITY</u>							
Repairs & maintenance	-	-	-	-	-	-	-
<u>SEWERAGE</u>							
Repairs & maintenance	-	-	-	-	-	-	-

**STATEMENT OF RENEWAL FUNDS FOR THE YEAR ENDED 30 JUNE 2008**

DESCRIPTION	Balance	Contributions	Other	Transferred	Expenditure		Balance
	2007/07/01	2007 /2008	Income	Prov Bad Debts	Capital	Operational	2008/06/30
	R	R	R	2007 /2008	R	2007/2008	R
<u>WATER</u>							
Repairs & maintenance	-	-	-	-	-	-	-
<u>SMALL HOLDINGS</u>							
Bally Duff	-	-	-	-	-	-	-
Kromkloof-North	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1 729 512.80</b>	<b>20 540.00</b>	-	-	-	-	<b>1 750 052.80</b>
<u>Repairs &amp; maintenance</u>							
Home 38	223 774.65	4 532.50	-	-	-	-	228 307.15
Die Eike	138 393.57	33.16	-	-	-	-	138 426.73
	<b>362 168.22</b>	<b>4 565.66</b>	-	-	-	-	<b>366 733.88</b>

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**STATEMENT OF RENEWAL FUNDS FOR THE YEAR ENDED 30 JUNE 2008**

DESCRIPTION	Balance	Contributions	Other	Transferred	Expenditure		Balance
	2007/07/01	2007 /2008	Income	Prov Bad	Capital	Operational	2008/06/30
	R	R	R	Debts		2007/2008	R
Bakenpark maintenance	331 664.60	1 489.15	-	-	-	-	333 153.75
<b>GRAND TOTAL</b>	<b>2 423 345.62</b>	<b>26 594.81</b>	-	-	-	-	<b>2 449 940.43</b>

**STATEMENT OF ACCUMULATED FUNDS FOR THE PERIOD ENDING 30 JUNE 2008**

	<b>Balance 2007/06/30 R</b>	<b>Transferred Prov B/Debts</b>	<b>Expenditure Capital</b>	<b>Balance 2008/06/30 R</b>
FMG -Finance Reforms	196 636.49	196 636.49	-	-
DBSA Loan Outstanding	316 644.27	-	-	316 644.27
	<b>513 280.76</b>	<b>196 636.49</b>	<b>-</b>	<b>316 644.27</b>

**STATEMENT OF ACCUMULATED FUNDS FOR THE YEAR ENDING 30 JUNE 2008**

Details	Balance on 2007/07/01 R	Other Income R	Transferred to Prov Bad Debts R	Expenditure		Balance on 2008/06/30 R
				Operational 2007/2008 R	Capital R	
<u>STANDTRUSTFUNDS</u>						
General: Bethlehem	398 569.95	42 056.00	-	-	-	440 625.95
Erf Sales: Rosendal	2 000.00	-	-	-	-	2 000.00
Trust funds Paul Roux	14 235.09	-	-	-	-	14 235.09
Bakenpark	18 525.00	-	-	-	-	18 525.00
Sale of stands & interest Bohlokong	175 038.86	-	-	-	-	175 038.86
Subdivision of stands	245 315.14	-	-	-	-	245 315.14
<u>STANDIMPROVEMENTFUNDS</u>						
Ou Dorp	75 000.00	-	-	-	-	75 000.00
Bohlokong (code 9)	5 105.22	-	-	-	-	5 105.22
Morelig	70 175.44	-	-	-	-	70 175.44
Panorama	116 893.30	11 143.00	-	-	-	128 036.30
Bergsig	125 499.25	60 550.60	-	-	-	186 049.85
Bakenpark	23 525.00	-	-	-	-	23 525.00
Stands BOH 50%	175 038.86	-	-	-	-	175 038.86

**STATEMENT OF ACCUMMULATED FUNDS FOR THE YEAR ENDING 30 JUNE 2008**

Details	Balance on	Other	Transferred to	Expenditure		Balance on
	2007/07/01	Income	Prov Bad Debts	Operational	Capital	2008/06/30
	R	R	R	R	R	R
Fateng	1 056.00	684.00	-	-	-	1 740.00
Rosendal	2 000.00	-	-	-	-	2 000.00
Sale of stands Paul Roux	14 235.09	-	-	-	-	14 235.09
<b>GRAND TOTAL</b>	<b>1 462 212.20</b>	<b>114 433.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 576 645.80</b>



**LONG TERM DEBTORS**

<b>Details</b>	<b>Amount 2008</b>	<b>Amount 2007</b>
<b><u>HOUSING</u></b>		
Ou Dorp	50 100.24	50 100.24
Panorama	10 152.57	10 152.57
Staffordshill	2 290.93	2 290.93
Bakenpark	2 716.57	2 716.57
Sale of land Fateng	43 883.09	43 883.09
Levies and Credits: Fouriesburg	2 382.19	2 382.19
	<b><u>111 525.59</u></b>	<b><u>111 525.59</u></b>
60 Residences	13 217.86	13 217.86
Bakenpark Housing	246 261.27	246 261.27
	<b><u>259 479.13</u></b>	<b><u>259 479.13</u></b>
<b>TOTAL HOUSING</b>	<b><u>371 004.72</u></b>	<b><u>371 004.72</u></b>
Provision for long-term debtors	-371 004.72	-371 004.72
<b>TOTAL LONG TERM DEBTORS</b>	<b><u>-</u></b>	<b><u>-</u></b>

**STATEMENT OF PROVISIONS FOR BAD DEBTS FOR THE YEAR ENDED 30 JUNE 2008**

<b>Details</b>	<b>Balance 01/07/2007</b>	<b>Contributions 2007/2008</b>	<b>Other Income</b>	<b>Trans from Funds and other acc.</b>	<b>Transferred to Prov B/Debts</b>	<b>Expenditure 2007/2008</b>	<b>Balance 2008/06/30</b>
	<b>R</b>	<b>R</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<u>Provision for Long term debts</u>							
Longterm debts	371 486.85	-	-	-	-	-	371 486.85
	<b>371 486.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>371 486.85</b>
<u>Provision for Irrecoverable debts</u>							
Rates & General Services	82 826 864.68	21 512 594.00	-	-	-	-	104 339 458.68
	<b>82 826 864.68</b>	<b>21 512 594.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104 339 458.68</b>
<b>GRAND TOTAL</b>	<b>83 198 351.53</b>	<b>21 512 594.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104 710 945.53</b>



**CASH AND BANK**

<b>Vote no.</b>	<b>Details</b>	<b>2008</b>	<b>2007</b>
<b><u>CASHBOOK</u></b>			
510 8800 017	Cash book balance	-20 843 167.72	-9 637 999.66
		<b>-20 843 167.72</b>	<b>-9 637 999.66</b>
<b><u>ABSA - PROJECTS ACCOUNT</u></b>			
9100/05/7/05/0031	ABSA	100 520.80	-
		<b>100 520.80</b>	<b>-</b>
<b><u>CASH ADVANCES</u></b>			
511 0054 009	Petty Cash Advances	23 783.59	17 982.00
		<b>23 783.59</b>	<b>17 982.00</b>
<b><u>TOTAL</u></b>		<b>-20 718 863.33</b>	<b>-9 620 017.66</b>



## HOUSING TRUST FUNDS

<b>DETAILS</b>	<b>Balance as on 2007/07/01</b>	<b>Contributions 2007/2008</b>	<b>Interest</b>	<b>Other Income</b>	<b>Expenditure 2007/2008</b>	<b>Balance on 2008/06/30</b>
	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
<u>BEHUISINGFONDS</u>						
Opgehoopte fondse Huise DLM	2 031 545.28	-	-	-	-	2 031 545.28
Paul Roux	136 873.06	-	-	-	-	136 873.06
<b>TOTAL</b>	<b>2 168 418.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 168 418.34</b>



## INVENTORY

	2008	2007
Stores	-	1 953 572.21
Wild	1 686 117.00	1 686 117.00
Beskermingsdienste	-	-
Water-chemicals	107 922.92	107 922.92
Sewerage-chemicals	7 576.05	7 576.05
Main Store Bethlehem	1 921 169.36	-
MAIN STORE - PETROL UNLEADED	57 504.98	-
MAIN STORE - PETROL LEADED	36 340.90	-
MAIN STORE - DIESEL	82 471.26	-
ELECTRICAL CABLE STORE	1 163.25	-
CLARENS DIESEL	24 916.22	-
ROSENDAL DIESEL	7 330.44	-
PAUL ROUX DIESEL	22 237.60	-
	<u>3 954 749.98</u>	<u>3 755 188.18</u>



**FIXED ASSETS GRANTS**

<b>Vote</b>	<b>Name</b>	<b>R</b>	<b>Funded</b>
<b>CIVIL ENGINEERING ROADS</b>			
	STREETS IN MASHAENG 5.9KM	1 915 158.54	MIG
	MIG STORMWATER MASHAENG RIEMLAND PEDESTRIAN CROSSING PMU 2007/2008	604 237.98	MIG
		<u>1 061 722.84</u>	MIG
		<b><u>3 581 119.36</u></b>	
<b>CIVIL ENGINEERING SEWERAGE</b>			
	MIG BUCKETT ERADICATION MASHAENG	7 251 907.60	MIG
	MIG BUCKETT ERADICATION ROSENDAL/MAUTSE	1 514 499.65	MIG
	MIG BUCKETT ERADICATION FATENG	<u>9 304 838.00</u>	MIG
		<b><u>18 071 245.25</u></b>	
<b>CIVIL ENGINEERING WATER</b>			
	MIG UPGRADE SUP PH1 MASHAENG RESERVIOR 1.3 MG CLARENS/ KGUBETSWANA	2 326 325.80	MIG
	MIG BULK SUPPLY FOURIESBURG	1 664 970.43	MIG
	BOREHOLES FOURIESBURG	9 715 189.88	MIG
		26 867.55	DAWAF
		<u>13 733 353.66</u>	
		35 358 850.72	MIG
		26 867.55	DAWAF
		<b><u>35 385 718.27</u></b>	