

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

GENERAL INFORMATION

MEMBERS OF THE COUNCIL

Z Pungwani (Mayor)
D Hartkopf
GDH Swart
NBB Mokhantso
M Jan
S Mathetha
Me F E Loest
MW Mokhoabane
Me TE Gaba
Me ZA Betana
Me PN Williams
Me SE Mbana

GRADING OF LOCAL AUTHORITY

Grade 2

AUDITORS

Office of the Auditor General

BANKERS

ABSA Bank
Corner of Somerset and Collins Street
Aliwal North
9750

INSURANCE BROKERS

Phezulu Risk Solutions (Pty) Ltd
Tel No. (011) 486-3901
Fax No. (011) 388-1291
Email: biancas@phezulurisk.co.za
FSP License No: 342

REGISTERED OFFICE

CIVIC CENTRE
BARKLY STREET
ALIWAL NORTH
9750

PRIVATE BAG X1011
ALIWAL NORTH
9750

TELEPHONE NUMBER
(051) 633 2441
FAX NUMBER
(051) 634 1307

MUNICIPAL MANAGER

Mr. M P Nonjola

MANAGER: FINANCIAL SERVICES

Mr. B J Rautenbach

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 28, in terms of Section 126(1) of the Finance Management Act and which I have signed in behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 15 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this act.

The annual financial statements will be tabled at the next General Council Meeting.

MR. MP NONJOLA
Municipal Manager
(Accounting Officer)

Date

MR B J RAUTENBACH
Manager: Financial Services

FOREWORD TO THE ANNUAL FINANCIAL STATEMENTS

The promulgation of the Municipal Finance Management Act, Act 56 of 2003 ushered in a profoundly new approach, procedures, systems and processes to financial planning, management and accounting in the local sphere of government. Accordingly, new ways of doing things require a paradigm shift in terms of attitude and managerial outlook on the part of those involved.

Although strict adherence to the letter and spirit of the MFMA has proven to be a daunting task, significant strides are being and will continue to be taken towards ensuring compliance with the same.

The compliance with the legislative prescripts of the MFMA and other pertinent pieces of legislation is not an end in itself but an important and essential step towards meeting a constitutional obligation of the municipality to provide a transparent and accountable government to local communities.

During the period under review, the council took conscious and deliberate efforts to improve internal controls, systems and procedures by undertaking the following activities:

- **The establishment of a new audit committee after the resignation of the old members,**
- **The implementation of internal audit projects focusing on the revenue and receivables, fixed assets, Aliwal spa and performance review**
- **The reviewal of the Supply management policy**
- **The migration of data from Data M, an old financial management system, to SEBATA**

In spite of the successes made during the year under review and other preceding years, the municipality is still confronted by a number of challenges which it hopes to progressively address as time goes on. These include:

- **The adoption of the anti-corruption strategy and plan by the council- this will entail customizing the National strategy to the peculiar conditions prevalent in Maletswai Municipality;**
- **Concretizing and implementing a decision about the future of the Aliwal Spa Holiday resort;**
- **Enhancing council's capacity to collect its debts;**
- **Consciously implementing cost saving measures and simultaneously adopting revenue enhancement measures and**
- **Devising concrete strategies to augment and expand council's revenue base**

These and other action strategies, if pursued vigorously, hold enormous potential to improve the financial life of the Municipality over a period of time.

Finally, it is heartening to note that the debts of the Council have been reduced significantly thus resulting in improved liquidity of the municipality during the year under review.

M.P.NONJOLA

MUNICIPAL MANAGER

MALETSWAI MUNICIPALITY ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

- 1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Financial 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.
- 1.3 The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.
- 1.4 The financial statements are prepared on the accrual basis as stated:
 - (a) Income is accrued when measurable and available to finance operations. Certain direct income is accrued when received, such as traffic fines and certain licenses.
 - (b) Expenditure is accrued in the year it is incurred.

2. CONSOLIDATION

The financial statements include the Rate 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 premiums charged by the insurance fund, which are treated as income and expenditure in the respective departments.

3. FIXED ASSETS

3.1 Fixed Assets are stated:

- (a) at historical cost, or
- (b) 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 Financing Services Manager

3.2 Depreciation

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

- (a) Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income, and therefore it is unnecessary to make any further provision for depreciation.
- (b) Grant or donation is immediately credited to the "loans redeemed and other Capital Receipts" account.

- 3.3 All net proceeds from the sale of fixed property are credited to the Capital Development Fund. Net proceeds from the sale of all other assets are credited to the Special Capital fund or the development fund.

3.4 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 lives 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 stated at historical cost.

5. FUNDS AND RESERVES

5.1 Capital and Development Fund.

The Capital and Development fund Ordinance requires a contribution of 7.5% of the defined income of a local authority for the immediately preceding year.

5.2 Funds.

In addition to Funds and reserves listed under 5.1 a Local Authority can have other funds and reserves

6. RETIREMENT BENEFITS

Maletswai Municipality and its employees contribute to various RSA Municipal pension Funds and Maletswai Municipal and its Councilors contribute to the Old Mutual Pension Fund which provides retirement benefits to such employees and councilors.

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

7 SURPLUSES AND DEFICITS

Any surpluses or deficits arising from the operation of electricity and water services are transferred to Rte end General Services

8 TREATMENT OF ADMINISTRATION AND OTHER OVERHEAD EXPENSES

The cost of internal support services are transferred to the votes that are being supported.

9 LEASING

All other leases are treated as operating leases and the relevant rentals are charged to the operating account as they become due and payable.

10. INVESTMENTS

Investments are recorded at the lower cost or market value if a permanent decline in the value occurred.

11. INCOME RECOGNITION

11.1 *Electricity and Water Billings*

Meters in industrial areas, premises with high tension supplies and residential areas are billed monthly.

11.2 Other Income

Other income is recognised and recorded as and when received

11.3 Unconditional grants are recognized when received and conditional grants are recognized as and when the conditions are met.

12. LEAVE PROVISION

Provision are recognized when the municipality had a present (legal or constructive) as a result of a past event, it is probable that the municipality will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

13 GAME

The game in the reserve are counted and valued according to the value determined according to the fare value.

**MALETSWAI MUNICIPALITY
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FOR THE YEAR ENDED 30 JUNE 2008**

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**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
REPORT OF THE MANAGER: FINANCIAL SERVICES DEPARTMENT**

The Maletswai Local Municipality was established in terms of Section 12 of the Local Government Structures Act of 1988 (Act 117 of 1988). The establishment Notice was promulgated under Provincial Notice 82 dated 27 September 2000 as amended. The Maletswai Local Municipality consists of the Area of Jurisdiction of the former Aliwal North Transitional Local Council, the former Jamestown Transitional Local Council as well as the former Aliwal North Representative Council.

In the year under review we experienced a significant improvement in the financial position of the municipality, most notably the increase in the cash position. This is mainly as a result of the payments on arrear accounts made by the Ukhahlamba District Municipality for the delivering of the water- and sanitation functions. Expenditure was generally in line with the budget, save for bulk electricity purchases which exceeded the budget. The most significant area of underspending on the budget is for expenditure from grants, which grants were not received.

As per the previous financial year we still experienced the situation that, due to the poor socio-economic conditions in the area, revenue as budgeted did not realise in full. Future budgets will have to address this, both on the operating- and capital side.

From the above it is then also true that Capital Projects, financed from own sources, has become almost non-existent and that the Maletswai Municipality has to rely heavily on Grant funding and external loans for the execution of such Capital Projects and/or the upgrading of existing infrastructure.

These financial statements have been compiled on the formats as issued by the Institute of Municipal Finance Officers in 1996. This is the last time the financial statements will be compiled in this format and future financial statements will be compiled according to the requirements of the Constitution and the Municipal Finance Management Act in General Recognised Accounting Practices (GRAP) standards. It is going to be a huge challenge for all managers and staff to implement these new requirements and much focus will be on that in the coming months to prepare for these significant changes.

The operating results for the year under review are as follows:

	ACTUAL 2006/2007	ACTUAL 2007/2008	VARIANCE	BUDGET 2006/2007	VARIANCE ACTUAL/BUDGET
REVENUE					
OPENING SURPLUS	15 981 319	7 265 158	-55		
OPERATING INCOME FOR THE YEAR	45 552 834	58 971 196	29	79 754 891	26.1
SUNDRY TRANSFERS	2 410 028	17 969 522	646		
CLOSING DEFICIT	-	-			
	63 944 181	84 205 876	32		
EXPENDITURE					
OPENING DEFICIT					
OPERATING EXPENDITURE FOR THE YEAR	56 679 023	64 996 318	15	79 754 890	18.5
SUNDRY TRANSFERS	-	-			
CLOSING SURPLUS	7 265 158	19 209 558	164		
	63 944 181	84 205 876	32		
	ACTUAL 2006/2007	ACTUAL 2007/2008	VARIANCE	BUDGET 2007/2008	VARIANCE ACTUAL/BUDGET
RATES & GENERAL SERVICES					
REVENUE	25 011 762	30 290 367	21	50 650 401	40.2
EXPENDITURE	-37 796 155	-41 205 402	9	-56 804 540	27.5
SURPLUS/DEFICIT	-12 784 393	-10 915 035	-15	-6 154 139	-149.9
SURPLUS/DEFICIT as % of income	-51.11	-36.03	-199.00		
HOUSING SERVICE					
REVENUE	-	-			
EXPENDITURE	-412 745	-594 370	44	-564 450	-5.3
SURPLUS/DEFICIT	-412 745	-594 370	44	-564 450	
ELECTRICITY SERVICE					
REVENUE	17 248 751	27 774 416	61	29 104 490	4.6
EXPENDITURE	-12 717 486	-19 094 327	50	-22 385 900	14.7
SURPLUS/DEFICIT	4 531 265	8 680 089	92	6 718 590	
SURPLUS/DEFICIT as % of income					
	ACTUAL 2006/2007	ACTUAL 2007/2008	TRANSFER		
CAPITAL EXPENDITURE					
LAND		0	-		
BUILDINGS	1 209 423	1 816 189	-		
VEHICLES	2 730 040	118 421	-		
HOUSING		-	-		
EQUIPMENT	162 283	51 622	-		
OFFICE FURNITURE	516 240	1 290 821	-		
SEWERAGE			-		
ELECTRICITY	101 602	3 298 967	-		
PLANNING		0	-		
PUBLIC WORKS	1 436 551	7 927 666	-		
SPA	94 221	69 508	-		
GAME	101 800	-	-		
	6 352 160	14 573 194	-		

EXTERNAL LOANS, INVESTMENTS & CASH

External loans outstanding on 30 June 2008 amounted to R6 056 005 (R 1 730 025 in 2007) as set out in Appendix B. During the year a loan of R 4 936 134 was raised, loan repayments and transferred to Ukhahlamba District Municipality (water) amounted to R 1 618 826 in 2007.

Investments amounted to R 2 534 092 on 30 June 2008.

More information regarding loans & investments are disclosed in notes 3 & 6 as well as Appendix B to the financial statements.

FUNDS & RESERVES

More information regarding funds & reserves are disclosed in notes 1, & 2 as well as Appendix A to the financial statements.

POST BALANCE SHEET EVENTS

None

I herewith wish to express my and my department's sincere gratitude, for all the support, guidance and help received during this financial year to:

The Mayor and Councillors
The Chairperson and Members of the Financial Standing Committee
The Municipal Manager
All Managers and Acting Managers of the relevant departments
All personnel in the Finance Department

B J Rautenbach
MANAGER: FINANCIAL SERVICES DEPARTMENT

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
BALANCE SHEET AS AT 30 JUNE 2008**

	NOTES	2008	2007
CAPITAL EMPLOYED			
FUNDS AND RESERVES		292 384	11 222 284
Accumulated funds	1	292 384	11 222 284
Accumulated Surplus		19 209 558	7 265 158
Trust funds	2	10 532 678	10 646 823
Long-term liabilities	3	5 782 471	1 374 945
Consumers deposits	4	3 292 449	2 306 681
		39 109 540	32 815 891
EMPLOYMENT OF CAPITAL			
Fixed assets	5	9 513 504	6 150 189
Investments	6	2 534 092	3 142 895
Longterm Debtors	7	19 758	
		12 067 353	9 293 084
NET CURRENT ASSETS\LIABILITIES		27 042 186	23 522 806
CURRENT ASSETS		39 308 924	36 274 154
Inventory	8	744 067	14 417
Debtors	9	23 414 704	31 670 242
Short-term portion of Long-term Debtors	7	7 252	
Bank and cash	19	15 142 902	4 589 496
CURRENT LIABILITIES		12 266 738	12 751 348
Creditors	11	10 053 321	10 517 036
Provision	10	1 939 882	1 879 232
Short-term portion of Long-term liabilities	3	273 534	355 080
		39 109 540	32 815 890

**MALETSWAI MUNICIPALITY
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FOR THE YEAR ENDED 30 JUNE 2008**

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30/06/2008

ACTUAL REVENUE 2007	ACTUAL EXPENDITURE 2007	SURPLUS/ DEFICIT		ACTUAL REVENUE 2008	ACTUAL EXPENDITURE 2008	SURPLUS/ DEFICIT	2008 BUDGET surplus(deficit)
20 609 895	-31 152 727	-10 542 833	COMMUNITY SERVICES	26 148 165	-34 597 570	-8 449 404	-4 346 239
1 287 138	-2 261 982	-974 843	SUBSIDISED SERVICES	1 478 520	-1 866 710	-388 190	-139 580
3 114 729	-4 381 446	-1 266 717	ECONOMIC SERVICES	2 663 681	-4 741 122	-2 077 441	-1 109 710
25 011 762	-37 796 155	-12 784 393	RATE & GEN. SERVICE	30 290 367	-41 205 402	-10 915 035	-5 595 529
	-474 495	-474 495	HOUSING SERVICE		-594 370	-594 370	-564 450
20 541 072	-18 408 373	2 132 699	TRADING SERVICES	28 680 830	-23 196 547	5 484 283	6 159 980
45 552 834	-56 679 023	-11 126 189	TOTAL	58 971 196	-64 996 318	-6 025 122	1
	2 410 028		Appropriations for the year (refer note 15)		17 969 522		
	-11 126 189		Net surplus /deficit for the year		-6 025 122		
	15 981 319		Accumulated surplus/(deficit) Beginning of the year		7 265 158		
	7 265 158		Accumulated Surplus - End of the year		19 209 558		

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
CASH FLOW STATEMENT FOR THE YEAR
ENDED 30 JUNE 2008**

	NOTE	2008	2007
		R	R
CASH RETAINED FROM OPERATING ACTIVITIES		-83 516	11 551 680
Cash generated by operations	16	-8 452 821	11 505 889
Increase/(Decrease) in Working Capital	17	8 020 933	-588 459
Capital Charges	14	-244 697	634 250
Investment Income		593 069	
Cash available from operations			
Cash contributions from the public and the State	App "A"	20 275 334	-
Net proceeds on disposal of fixed assets		-	-
CASH UTILIZED IN INVESTING ACTIVITIES			
Investment in fixed assets	5	-14 573 194	120 386
NET CASH FLOW		5 618 623	11 672 066
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase in long-term loans	3	4 325 980	1 540 750
(Increase)/Decrease in cash investments	18	608 803	878 814
(Increase)/Decrease in cash	19	-10 553 406	-14 091 629
NET CASH GENERATED		-5 618 623	-11 672 066

(The Cashflow statement for the prior year was not restated due to MFMA restrictions)

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

		2008	2007
		R	R
1	ACCUMULATED FUNDS - (Refer ANNEXURE A)		
	Revolving Fund Aliwal North		-9 466 337
	Redemption Fund		-326 379
	Revolving Fund Jamestown	-27 011	-765 009
	Housing Development Fund	-265 373	-252 737
	Revolving Fund (Dukathole)		-411 822
		-292 384	-11 222 284
2	TRUST FUNDS (Refer ANNEXURE A)		
	LEDF Projects (Garden)		-40 816
	MSP Organogram & PMS	-91 350	-87 000
	Traffic Testing Station		-13 965
	Transitional Grant		-35 307
	Framework Plan		-74 016
	Municipal Systems Improvement Fund		-17 934
	ABC Retention Camp		-17 760
	IDP Fund		34 707
	Concentration Camp		-11 423
	System Improvement Fund		-102 103
	Management Support Programme	-946 051	-901 001
	Free Basic Services		-284 998
	Finance Management Act	-922 724	-535 269
	IOT. Jamestown	-30 650	-30 650
	Survey Squatters		-29 240
	Town Register Fund Jamestown		-7 077
	IDT. Jamestown		-13 880
	Survey Trust Fund Jamestown		-16 976
	LEDF Projects	-116 259	-127 951
	Jamestown CMIP Water		-200 603
	Community Hall		0
	Arial Survey Fund	-1 505	-30 096
	MSP IT Fund	-197 940	-192 154
	MSP Financial Statement Fund	-157 500	-150 000
	Ukhahlamba District Municipality Tourism Sector Plan		-17 611
	Ukhahlamba District Municipality Tourism Organ Fund		-18 400
	Ukhahlamba IDP Fund	-50 000	
	DPLG - MSIG Funds	-150 000	
	MIG Funds	-561 301	-173 754
	Valuations Fund	-800 000	
	Dukathole Storm water master plan		-15 334
	Jamestown Solid waste disposal site		-17 716
	Sewer Purification Works		611 294
	Sewerage Trust Fund		-1 664
	Area 5 Bulk Sewer		205 818
	Masikhane Sanitation Fund		69 932
	Public Toilet Fund		-1 449
	Sewerage Pump Station		-135 265
	Sewer Reticulation Erven Dukathole		-33 065
	Solid Waste Disposal		85 472
	Memorial Wall		-300
	Van Coller Grave	-8 443	-8 041
	Ukhahlamba District Municipality Library Fund	-372 539	-39 144
	1218 Project Link Houses	-490 835	-774 319
	Hilton 78 Sites Services	18 306	18 306
	Survey 78 Sites	2 750	2 750
	Dukathole Town Registers		-33 987
	Dukathole Number of Squatters		-12 376
	Planning		21 709

**MALETSWAI MUNICIPALITY
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NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

Planning Block H		-193 882
Zoning Map		-14 976
Houses 330	-228 898	251 863
Area 5 Services	-63 514	-60 490
Hilton 89 Houses	-64 887	-114 630
Aliwal North 100 Houses Fund	481 565	
Jamestown 318 Houses	-372 467	-178 088
LEDF Funds		290 950
Jamestown 858 Houses Planning	-6 090	-5 800
Jamestown 858 Houses	-15 111	-14 392
Jamestown 858 Houses	-661 348	-600 284
Pump station etc		48 667
Water Rehabilitation Fund		-570 497
Services Area 5		-1 707 971
Water Works Rehabilitation Fund		-125 989
Water Treatment Works		-219 342
Ground Water Fund		-31 846
LED Funds		-5 138
Jamestown Bulk Water Supply		-390 007
Dukathole Water Meters		-59 507
838 Wonings Fonds	-690 403	-657 527
Jamestown 858 Houses		20 082
Area 13 Fund	-254 064	-1 070 331
Area 5 Electricity 1218 Sites		-1 256 626
Dukathole National Electricity Regulator		48 492
National Electricity Regulator Phase 1		-71 162
National Electricity Regulator Phase 2		-255 798
High mast lighting		-612 026
DME Electricity Reticulation Fund	-3 781 419	
Free Basic Electricity		62 082
	-10 532 678	-10 646 824
3 LONG TERM LIABILITIES - ANNEXURE B		
Annuity Loans	6 056 005	1 730 025
Local Registered Stock	-	0
	6 056 005	1 730 025
Less: Loans to be transferred	-	0
	6 056 005	1 730 025
Less: Current portion transferred to current Liabilities	-273 534	-355 080
	5 782 471	1 374 945
4 CONSUMER DEPOSITS		
Water and Electricity	2 322 416	2 179 371
Hall	22 045	
Pre-paid Vending	10 000	
Island Spa Conference Centre	0	17 195
Sauer Park Sport Stadium	0	8 079
Dukathole Electricity	32 914	32 914
Housing	905 075	69 122
	3 292 449	2 306 681
5 FIXED ASSETS - ANNEXURE E		
Fixed Assets at the beginning of the year	84 786 647	78 434 487
Capital Expenditure during the year	14 573 194	6 352 160
TOTAL FIXED ASSETS	99 359 842	84 786 647
Less: Transferred to Inventory - Biological Assets	-721 500	
Less Amounts W/O and Adjustments	-638 406	
	97 999 936	84 786 647
Less Loans redeemed and other capital receipts	-88 486 432	-78 636 458
NET FIXED ASSETS	9 513 504	6 150 189

**MALETSWAI MUNICIPALITY
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FOR THE YEAR ENDED 30 JUNE 2008**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

6	INVESTMENTS [See disclosure 2(b)]	2 534 092	3 142 895
7	LONG TERM DEBTORS		
	Ukhahlamba District Municipality	-	-
	Balance 1 July 2007 - Not previously reported		
	Raised for the year - Transfer from Internal Loans	27 011	
		27 011	
	Less: Short-term portion transferred to Current Assets		
	Balance 30 June	27 011	
	The loan was previously reported as an internal loan for water provision. The repayments became the responsibility of the Ukhahlamba District Municipality in terms of the transfer of the water and sanitation functions to the District Municipality.		
8	INVENTORY		
	Diesel stored in bulk at Jamestown Depot	14 127	14 417
	Game	729 940	
		744 067	14 417
	Game was previously reported under Fixed Assets		
9	DEBTORS		
	Trade	23 414 704	29 503 789
	Capital Advance not transferred	0	1 942 602
	Funds Debtors	0	189 588
	Internal Loans Transferred	0	34 263
	Loans not Transferred	-	0
		23 414 704	31 670 243
10	PROVISIONS		
	Leave (See Accounting Policy Item 14)	1 939 882	1 879 231
		1 939 882	1 879 231
	Provision for the leave days to the credit of employees are calculated at 30 June of each financial year at their remuneration at that date.		
11	CREDITORS		
	Trade Creditors	7 789 567	5 482 361
	Payments received in Advance	1 072 988	
	Unidentified Deposits	1 190 766	4 923 480
	Loans to be transferred	-	111 194
		10 053 321	10 517 036
12	ASSESSMENT RATES		
	Valuation	352 551 150	352 551 150
	Actual Income	5 809 779	4 721 328
13	COUNCILLORS' REMUNERATION		
	See Appendix "G"		

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

14	FINANCE TRANSACTIONS		
	Total external interest earned and paid		
	- Interest earned	593 066	1 564 389
	- Interest paid	244 697	129 829
	Capital charges debited to operating account:		
	Interest :		
	- External	244 697	80 905
	- Internal	338	661
	Redemption :		
	- External	241 925	546 240
	- Internal	14 020	6 444
		500 980	634 250
15	APPROPRIATIONS		
	Appropriation account		
	Accumulated surplus at the beginning of the year	7 265 158	15 981 319
	Operating deficit for the year	-6 025 122	-11 126 189
	Appropriations for the year :	17 969 522	2 410 028
	Accumulated surplus at the end of the year	19 209 558	7 265 158
16	CASH GENERATED BY OPERATIONS		
	Operating deficit for the year	-6 025 122	11 126 189
	Prior year adjustments	17 969 522	-2 410 028
	Non-Operating Income	-30 781 946	-8 176 624
	Statutory Funds	12 637	-565 095
	Statutory Funds - Written off	-10 942 875	
	Provisions	537 774	810 915
	Internal interest to trust funds	286 270	
	Trust Funds	-20 675 752	-8 422 445
	Capital Charges:	869 209	-634 250
	Interest internal:	338	-661
	Interest external	244 697	-80 905
	Redemption :		
	Internal	14 020	-6 444
	External loans written off	368 228	
	External	241 925	-546 240
	Expenditure on fixed assets from operating account	10 585 705	
	Investment Income	-593 066	
	Non-operating expenditure:		
	Expenditure charged against Provisions	-477 123	
	Expenditure charged against Trust Funds		11 600 602
		-8 452 821	11 505 888
17	INCREASE /(DECREASE) IN WORKING CAPITAL		
	Decrease in Inventory	-729 650	3 903
	(Decrease)/Increase in Debtors	8 255 539	-1 825 178
	(Decrease)/Increase in Long-term Debtors	-27 010	
	Increase in Consumer Deposits	985 768	
	Decrease in Creditors	-463 715	1 232 816
		8 020 933	-588 459

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008

18 INCREASE IN EXTERNAL CASH INVESTMENTS			
Balance beginning of year	3 142 895		2 264 081
Balance end of year	2 534 092		3 142 895
	608 803		-878 814
19 DECREASE IN CASH ON HAND			
Cash Balance at the Beginning of the Year	4 589 496		18 681 125
Less: Cash Balance at the End of the Year	15 142 902		4 589 496
	10 553 406		-14 091 629
20 CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS			
Claims by AVBOB			250 445
Claims by Dukathole Bricks			78 650
Claim by Me.K Jelinek			55 000
			384 095
None	-		-
21 CAPITAL COMMITMENTS			
None	-		3 522 123
22 CONSOLIDATED LOANS FUND			
External Loans	6 056 005		1 730 025
Invested	-		-
23 REVOLVING FUND			
Advance to operating account	0		8 724 394
Loan to operating account			68 118
Sundry debtors	27 011		189 588
	27 011		8 982 100
24 SUBSEQUENT EVENTS			
Fires at the Aliwal Spa			1 972 330

25 OTHER DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT

See Appendix "G"

**APPENDIX A
ACCUMULATED AND VARIOUS FUNDS**

	BALANCE 1 July 2007	CONTRI- BUTION	INTEREST	OTHER INCOME	EXPENDITURE	TRANSFERS W/O	BALANCE 31 July 2007
STATUTORY FUNDS							
Revolving Fund (Aliwal)	-9 466 337					9 466 337	0
Redemption Fund	-326 379					326 379	0
Revolving Fund (Jamestown)	-765 009		-338			738 337	-27 011
Housing Development	-252 737		-12 637				-265 373
Revolving Fund (Dukathole)	-411 822					411 822	0
	-11 222 284	0	-12 975	0	0	10 942 875	-292 384
TRUST FUNDS							
LEDF Garden project	-40 816					40 816	0
MSP Organogram & PMS	-87 000		-4 350				-91 350
Traffic Testing Station	-13 965					13 965	0
Transitional Grant	-35 307					35 307	0
Municipal systems improvement	-17 934					17 934	0
Dukathole Frame work	-74 016					74 016	0
ABC Retention Fund	-17 760					17 760	0
IDP Jamestown	34 707					-34 707	0
Concentration Camp	-11 423					11 423	0
System Improvement Fund	-102 103					102 103	0
Management Support Fund	-901 001		-45 050				-946 051
Free Basic Services	-284 998					284 998	0
Spatial Development Plan	-30 650						-30 650
Finance Management Act.	-535 269		-26 763	-1 500 000	1 139 308		-922 724
Survey Squatters Jamestown	-29 240					29 240	0
Town Register Fund	-7 077					7 077	0
IDP Jamestown	-13 880					13 880	0
Survey Trust fund Jamestown	-16 976					16 976	0
LED Garden Project Jamestown	-127 951		-6 398		23 485	-5 395	-116 259
CMIP Water Fund Jamestown	-200 603					200 603	0
Arial Survey Fund	-30 096		-1 505			30 096	-1 505
MSP IT Funds	-192 154		-9 608		3 822		-197 940
MSP Financial Statement Fund	-150 000		-7 500				-157 500
Ukhahlamba Tourism Sector Plan	-17 611					17 611	0
Ukhahlamba Tourism Organ Fund	-18 400					18 400	0
Ukhahlamba IDP Fund				-50 000			-50 000
DPLG - MSIG Funds	0			-150 000			-150 000
Valuations Fund				-800 000			-800 000
MIG Funds	-173 754		-8 688	-4 997 469	4 618 610		-561 301
Dukathole Storm water master plan	-15 334					15 334	0
Sewer Purification works	611 294					-611 294	0
Sewerage Trust Fund	-1 664					1 664	0
Area 5 Bulk Sewer	205 818					-205 818	0
Masikhane Sanitation fund	69 932					-69 932	0
Public Toilets Fund	-1 449					1 449	0
Sewerage pump Station	-135 265					135 265	0
Sewer Reticulation Erven Dukathole	-33 065					33 065	0
Jamestown Solid waste site	-17 716					17 716	0
Solid Waste Disposal	85 472					-85 472	0
Memorial Wall	-300					300	0
Van Coller Grave	-8 041		-402				-8 443
Ukhahlamba Library Equipment Fund	-39 144		-1 957	-380 050	48 613		-372 539
1218 Link Houses	-774 319		-38 716	-3 956 480	4 278 680		-490 835
78 Sites Services	18 306						18 306
78 Sites Survey	2 750						2 750
Dukathole Town Registers	-33 987					33 987	0
Number of Squatters	-12 376					12 376	0
Dukathole Funds Planning	21 709					-21 709	0
Planning Block H	-193 882					193 882	0
Zoning Map	-14 976					14 976	0
330 Houses	251 863			-862 704	381 943		-228 898
Area 5 Services	-60 490		-3 025				-63 514
Hilton 89 Houses	-114 630		-5 731		55 474		-64 887
Area 13 - Fund	-1 070 331		-53 517		869 784		-254 064
Aliwal Noord 100 Houses Fund				-520 816	1 002 381		481 565
318 Houses Jamestown	-178 088		-8 904	-226 765	41 291		-372 467

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

**APPENDIX A
ACCUMULATED AND VARIOUS FUNDS**

	OPENING BALANCE	CONTRI- BUTION	INTEREST	OTHER INCOME	EXPENDITURE	TRANSFERS W/O	CLOSING BALANCE
LEDF Funds	290 950					-290 950	0
Jamestown 858 Houses Planning	-5 800		-290				-6 090
Jamestown 858 Houses	-600 284		-30 014	-31 050			-661 348
Jamestown Transfers 858 houses	-14 392		-720				-15 111
Pump station	48 665					-48 665	0
Water Rehabilitation Fund	-570 497					570 497	0
Services Area 5	-1 707 971					1 707 971	0
Water works rehabilitation Fund	-125 989					125 989	0
Water Treatment Works	-219 342					219 342	0
Ground Water Fund	-31 846					31 846	0
LEDF Funds	-5 138		-257			5 395	0
Jamestown Bulk water supply	-390 007					390 007	0
Dukathole Water Meters	-59 507					59 507	0
838 Wonings Fonds	-657 527		-32 876				-690 403
Area 5 1218 Sites	-1 256 626					1 256 626	0
Dukathole National Electricity Regulator	48 492					-48 492	0
National Electricity Regulator Phase 1	-71 162					71 162	0
National Electricity Regulator Phase 2	-255 798					255 798	0
Dukathole High mast Lighting	-612 026					612 026	0
Free basic electricity fund	62 082					-62 082	0
DME Electricity Reticulation Fund				-6 800 000	3 018 581		-3 781 419
Jamestown 858 Houses	20 082					-20 082	0
	-10 646 826	0	-286 270	-20 275 334	15 481 971	5 193 781	-10 532 678
PROVISIONS							
Leave Endowment	-1 879 231	-443 812	-93 962		477 123		-1 939 882
	-23 748 341	-443 812	-393 207	-20 275 334	15 959 093	16 136 656	-12 764 945

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
APPENDIX B**

EXTERNAL LOANS AND INTERNAL ADVANCES

LOAN	DATE RED	CERT NO	INTEREST RATE	TOTAL LOAN	BALANCE 01/07/2007	LOANS RAISED	LOANS REPAID	LOAN ADJUSTMENTS	BALANCE 30/06/2008
ANNUITY LOANS									
Development Bank				4 936 134		4 936 134			4 936 134
CPA					87 461			-87 461	0
				4 936 134	87 461	4 936 134	0	-87 461	4 936 134
ABSA ***	2011		Prime linked	209 389	224 804		-37 504	-51 735	135 565
ABSA***	2011		Prime linked	1 266 614	1 417 760		-204 422	-229 032	984 306
SUB TOTAL				6 412 137	1 730 025	4 936 134	-241 925	-368 228	6 056 005

*** Loans adjusted - previously reported inclusive of financing charges

INTERNAL ADVANCES

Revolving Fund					34 263		-7 253		27 010
Other Funds					6 767		-6 767		0
SUB TOTAL					41 030		-14 020		27 010

	1 771 055	4 936 134	-255 945	-368 228	6 083 016
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**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
APPENDIX C
ANALYSIS OF FIXED ASSETS**

EXP. 2 007	RATES & GENERAL SERVICES	BALANCE 39 264	EXPEN- DITURE	TRANSFER/ W/O	BALANCE 39 629
	Community Services				
	Land	10 184 087	0		10 184 087
1 209 423	Buildings	6 124 615	1 816 189		7 940 803
	Proclaimed Roads	1 377 192	0		1 377 192
1 436 551	Streets & Storm water	9 266 058	7 927 666		17 193 724
2 730 040	Vehicles & Implements	5 784 727	118 421	-454 953	5 448 195
162 283	Tools & Equipment	614 898	51 622	-1 707	664 813
516 240	Office Furniture	1 870 633	1 290 821		3 161 454
	Planning	1 415 396	0		1 415 396
6 054 537		36 637 605	11 204 719	-456 660	47 385 665
	Housing				
	Whites	162 111			162 111
	Coloureds	8 235 670			8 235 670
	Black	1 500 368			1 500 368
	Housing Jamestown	2 448 459			2 448 459
0		12 346 608	0	0	12 346 608
	Trading				
	Abattoir	181 745		-181 745	0
101 602	Electricity	13 308 611	3 298 967		16 607 577
	Water Supply		0		0
94 221	Spa	21 590 577	69 508		21 660 086
101 800	Game	721 500		-721 500 (T)	0
297 623		35 802 433	3 368 475	-903 245	38 267 663
6 352 160	TOTAL FIXED ASSETS	84 786 646	14 573 194	-1 359 905	97 999 936
	Less: Loans Redeemed and other Capital Receipts	78 636 458	11 927 727	-2 077 753	88 486 432
	Loans Redeemed	933 796	624 173	-1 201 838	356 131
	Contributions from Income Provisions, Reserves and other Receipts	37 014 777	2 741 166	-875 915	38 880 028
		40 687 886	8 562 388		0
		6 150 188	2 645 467	717 848	9 513 504

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

APPENDIX D

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

ACTUAL 2 007		ACTUAL 2 008	BUDGET 2 008
REVENUE			
11 768 545	Grants and subsidies	17 291 555	25 888 170
10 025 230	Central Government	17 291 555	25 888 170
1 743 315	Provincial Government		
33 784 289	Operating revenue:	41 679 641	53 866 721
4 721 328	Assessment rates	5 809 779	5 835 000
18 665 136	Sale of electricity	24 423 969	29 104 490
	Sale of water		
10 397 826	Other service charges	11 445 893	18 927 231
45 552 834	TOTAL REVENUE	58 971 196	79 754 891
EXPENDITURE			
20 976 446	Salaries and allowances	23 260 609	24 525 920
29 788 091	General expenses:	30 023 989	30 960 600
10 519 045	Purchase of electricity	11 875 091	11 000 000
19 269 047	Other general expenses	18 148 898	19 960 600
2 517 684	Repairs and maintenance	2 131 161	2 798 910
634 250	Capital charges	493 728	843 000
4 108 222	Contributions to fixed assets	9 912 791	22 289 100
777 560	Contributions	836 681	
58 802 253	GROSS EXPENDITURE	66 658 958	81 417 530
-2 123 230	Less: Amounts charged out	-1 662 640	-1 662 640
56 679 023	NET EXPENDITURE	64 996 318	79 754 890

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
APPENDIX E**

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

2007 Actual Revenue	2007 Actual Expenditure	2007 Surplus/ (Deficit)		2008 Actual Revenue	2008 Actual Expenditure	2008 Surplus/ (Deficit)	2008 Budget Surplus/Deficit
RATES AND GENERAL							
4 721 327.97		4 721 328	ASSESSMENT RATES	5 809 779		5 809 779	5 835 000
50 000.00	-7 126 400	-7 076 400	COUNCIL'S GENERAL EXPENSES	50 500	-6 784 467	-6 733 967	-6 541 560
191 764.06	-1 138 810	-947 046	MANAGER	178 180	-1 302 692	-1 124 512	-1 253 320
652 749.23	-3 109 659	-2 456 909	CORPORATE SERVICES	471 356	-3 311 589	-2 840 232	-2 544 140
0.00	-377	-377	INTEGRATED DEVELOPMENT PLANNING	-	-44 318	-44 318	-27 430
			SPECIAL PROGRAMS UNIT		-252 825	-252 825	-215 530
89 460	-23 828	65 632	CEMETERY	121 065	-18 654	102 410	52 900
610 262	-1 157 520	-547 258	LIBRARIES	1 300 942	-1 840 257	-539 315	-548 320
295 293	-21 155	274 138	COMMONAGE	188 020	-13 023	174 997	283 400
1 400 267	-3 943 620	-2 543 353	PUBLIC WORKS	3 352 907	-5 697 871	-2 344 964	-2 954 910
770 052	-1 445 334	-675 283	ADMINISTRATION & LAND AFFAIRS	627 462	-1 148 799	-521 337	-1 362 800
2 216	-1 818 163	-1 815 947	PARKS & PUBLIC PLACES	162	-1 810 569	-1 810 407	-1 888 230
6 592	-18 822	-12 230	SPORT GROUNDS	6 445	-105 725	-99 281	-66 640
411 256	-851 419	-440 163	TECHNICAL SERVICES ADMINISTRATION	370 400	-1 156 636	-786 236	-772 620
10 499 318	-8 963 701	1 535 617	FINANCE DEPARTMENT	12 446 499	-9 115 575	3 330 924	8 790 271
-	-12 978	-12 978	MECHANICAL WORKSHOP	-	-6 329	-6 329	-9 820
-	-2 632	-2 632	MUSEUM	-	-2 350	-2 350	-19 900
909 337	-844 476	64 861	TRAFFIC	1 224 449	-1 079 027	145 421	-118 220
-	-420 895	-420 895	COMMUNITY SERVICES	-	-879 852	-879 852	-851 150
-	-252 938	-252 938	LOCAL ECONOMIC DEVELOPMENT	-	-27 011	-27 011	-133 220
20 609 894.83	-31 152 727	-10 542 833		26 148 165	-34 597 570	-8 449 404	-4 346 239
SUBSIDISED SERVICES							
-	-24 920	-24 920	FIRE BRIGADE SERVICES	934	-12 318	-11 384	-37 100
257 702	-472 503	-214 800	HEALTH SERVICES	1 474 854	-1 784 670	-309 817	-4 500
1 025 061	-1 706 704	-681 644	CLINICS	-	-	-	0
4 375	-57 855	-53 480	AERODROME	2 733	-69 722	-66 989	-97 980
1 287 138.04	-2 261 982	-974 843		1 478 520	-1 866 710	-388 190	-139 580
ECONOMIC SERVICES							
123 590	-2 343	121 247	NATURE RESERVE	78 816	-8 959	69 857	61 010
2 989 110	-3 032 329	-43 219	REFUSE REMOVAL	2 546 097	-3 454 447	-908 350	187 000
2 030	-1 341 275	-1 339 245	CLEANSING	38 768	-1 277 717	-1 238 949	-1 357 720
-	-5 500	-5 500	DISASTER MANAGEMENT	-	-	0	0
3 114 729.28	-4 381 446	-1 266 717		2 663 681	-4 741 122	-2 077 441	-1 109 710
RATES & GENERAL SERVICES							
25 011 762.15	-37 796 155	-12 784 393		30 290 367	-41 205 402	-10 915 035	-5 595 529
HOUSING ADMINISTRATION							
-	-474 495	-474 495		-	-594 370	-594 370	-564 450
TRADING SERVICES							
18 924 475	-15 040 475	3 884 000	ELECTRICITY SERVICES	27 774 416	-19 094 327	8 680 089	6 718 590
900 857	-2 544 823	-1 643 966	ALIWA SPA	838 431	-3 992 941	-3 154 510	-639 250
715 740	-823 076	-107 335	CONFERENCE CENTRE	67 983	-109 279	-41 296	80 640
20 541 072.16	-18 408 373	2 132 699		28 680 830	-23 196 547	5 484 283	6 159 980
45 552 834.31	-56 679 023	-11 126 189	TOTAL	58 971 196	-64 996 318	-6 025 122	1
	2 410 028		Appropriations for this year (refer note 18)		17 969 522		
	-11 126 189		Net deficit for the year		-6 025 122		
	15 981 319		Accumulated Surplus Beginning of year		7 265 158		
	7 265 158		Accumulated Surplus end of year		19 209 558		

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

**APPENDIX F
STATISTICAL INFORMATION 2008**

	2006	2007	2008
Population	40 037	40 037	40 037
Registered voters	18 486	18 486	18 486
Total valuation	499 604 485	499 604 485	499 604 485
Taxable	352 551 150	352 551 150	352 551 150
Non-taxable	119 134 630	147 053 335	119 134 630
Residential			
Commercial			
Valuation date	2004	2004	2004
No of Properties			
Residential			
Commercial			
Assessment rates:			
Buildings - Aliwal North	0.0142	0.0150	0.0160
Jamestown	0.0142	0.0150	0.0160
Ground - Aliwal North	0.0142	0.0150	0.0160
Jamestown	0.0142	0.0150	0.0160
Rebate	20.00%	20.00%	20.00%
No of Employees	285	285	403
ELECTRIC STATISTICS			
Units purchased (000)	47 633 768	57 225 648	60 597 144
Units sold	41 701 105	46 812 073	50 644 412
Units lost in distribution	5 932 663	10 413 574	9 952 732
% lost in distribution	12.50%	18.19%	16.42%
Cost per units sold	0.2250	0.1838	0.1960
Income per units sold	0.3997	0.4535	0.4822

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

APPENDIX "G"

DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.

Sect 123 Disclosure on intergovernmental and other allocations

1(a)(i) Allocations received from an organ of state in the National or Provincial sphere of government

R 20 275 334

1(a)(ii) Allocations received from a municipal entity or another municipality

None

1(b)(i) Allocations made to Mthombo Sediba Development Agency

R 236 543

1(b)(ii) Allocations made to any organ of state

None

1(d)(i) Has the municipality complied with the conditions in terms of allocations received in terms of section 214(1)C of the Constitution

Yes

1(d)(ii) Has municipality complied with conditions of allocations made other than by national organ of state

Yes

1(e) The reasons for any non-compliance of conditions referred to in paragraph (d)

None

1(f) Were funds destined for the municipality in terms of the annual Division of Revenue Act delayed or withheld

No

Sect 124 Disclosures concerning Councillors, Directors and Officials

1 Salaries, Allowances and Benefits Councillors, Directors and Officials

1(a) Salaries, Allowances and Benefits of Political Office Bearers and Councillors

Designation	Salaries	Allowances	Benefits
Mayor	R 262 531.00	R 101 910.00	R 0
Councillors	R 98 449.00	R 41 804.00	R 0

per councillor

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

1(b) Arrears owed by individual Councillors at 30 June 2008

Name	Amount	Services	Rates
M A Gaba	R 1 220.43	R 1 220.43	R 0.00
Z A Betana	R 613.97	R 613.97	R 0.00

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.**

1c Salaries, Allowances and Benefits of Managers

Designation	Salaries	Allowances	Benefits	Bonus
Municipal Manager	R 735 760	R 18 000	-	-
Chief Financial Officer	R 584 280	R 10 800	-	-
Manager Corporate Services	R 584 280	R 10 800	-	-
Manager Technical Services	R 584 280	R 10 800	-	-
Manager Community Services	R 584 280	R 10 800	-	-

2 Salaries, Allowances and Benefits of Municipal Entities

2(a) Salaries, Allowances and Benefits of Board of Directors

None

2(b) Salaries, Allowances and Benefits of Executive Officer and Managers

Designation	Salaries	Allowances	Benefits
Operations Manager	R 158 997.00	R 0	R 0

Sect 125 Other Compulsory Disclosures

1(a) List of Municipal Entities

Mthombo Sediba Development Agency

1(b) The total amount of contributions paid to organised local government

Contributions Paid	R 0
Contributions Outstanding	R 0

1(c) The total amount paid in respect of

Audit Fees	R 585 790
Taxes	R 0
Levies	R 72 042
Duties	R 0
Pension Contributions	R 2 318 786
Medical Aid Contributions	R 1 061 089
Amounts Outstanding	R 0

2(a) Bank Account Information

Bank	Account Number	Account Type	Opening Balance	Closing Balance
ABSA	17-5014-6194	Current	R -440 064.39	R 8 730 021
ABSA	40-5445-2522	Current	R 342 075.12	R 364 836
ABSA	40-5912-9037	Current	R 5 741.91	R 5 439
ABSA	40-5340-8352	Current	R 610 160.65	R 8 318
ABSA	17-5014-1125	Current	R 9 952.67	R 37 129
ABSA	17-5014-8952	Current	R 2 060 111.66	R 1 357 179
ABSA	90-7864-6459	Savings	R 2 373.82	R 2 329
Standard Bank	82752656	Current	R 45 735.41	R 9 648
Standard Bank	82764557	Current	R 0	R 0

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008
DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.**

2(b) Summary of Investments

Bank	Account Number	Type	Amount
ABSA	20-6066-9804	Fixed Term	R 0
ABSA	90-8533-5255	32 Days Notice	R 166 013
ABSA	90-8533-5938	32 Days Notice	R 76 149
ABSA	90-8533-5687	32 Days Notice	R 580 874
ABSA	90-8533-5467	32 Days Notice	R 28 738
ABSA	90-8533-6942	32 Days Notice	R 3 540
ABSA	90-8533-6714	32 Days Notice	R 8 980
ABSA	90-8533-6489	32 Days Notice	R 9 612
ABSA	90-8533-6162	32 Days Notice	R 31 496
ABSA	20-4852-8953	Fixed Term	R 3 339
ABSA	20-4792-0520	Fixed Term	R 57 698
ABSA	20-4791-9652	Fixed Term	R 142 797
ABSA	20-4792-6746	Fixed Term	R 38 162
ABSA	20-4913-5147	Fixed Term	R 51 524
ABSA	20-3086-5084	Fixed Term	R 4 003
ABSA	20-4779-4026	Fixed Term	R 14 000
ABSA	20-4791-9733	Fixed Term	R 19 778
ABSA	20-6626-7402	Fixed Term	R 447 146
ABSA	20-6626-7428	Fixed Term	R 776 060
Standard Bank	088753581-003	32 Days Notice	R 535 197
Standard Bank	88760758	32 Days Notice	R 1 838
New Republican Bank		Fixed Term	R 51 142

2(c) Contingent Liabilities

None

2(d)(i) Material Losses, Irregular, Fruitless and Wasteful Expenditure

E de Goede Still being investigated Amount still unknown

2(d)(ii) Criminal or Disciplinary Steps Taken

E de Goede Services terminated

2(d)(iii) Material Losses recovered or written off

None

2(e) Particulars of non compliance of the MFMA

None

2(f) Other matters prescribed

None