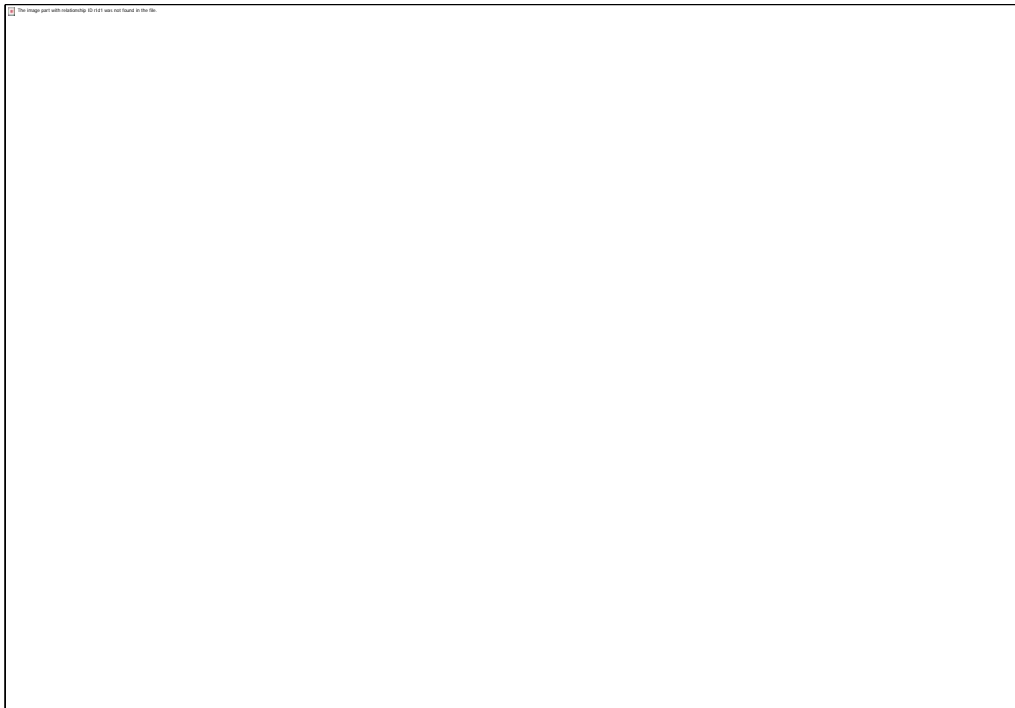


**POLOKWANE  
LOCAL MUNICIPALITY**



**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2016  
AUDITED**











## INDEX

CONTENTS	Page
APPROVAL AND CERTIFICATION	1
GENERAL INFORMATION	2
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF FINANCIAL PERFORMANCE	5
STATEMENT OF CHANGES IN NET ASSETS	6
CASH FLOW STATEMENT	7
STATEMENT OF COMPARISONS OF BUDGET vs ACTUAL AMOUNTS	8
NOTES TO THE ANNUAL FINANCIAL STATEMENTS	9
<b>APPENDICES (UNAUDITED)</b>	
A SCHEDULE OF INTEREST BEARING BORROWINGS	61
B ANALYSIS OF PROPERTY PLANT AND EQUIPMENT	62
C SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT	63
D SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE	64
E(1) ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE)	65
E(2) ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)	66
F DISCLOSURE OF GRANTS AND SUBSIDIES	67
G SCHEDULE OF CONTINGENT LIABILITIES	68
H LIST OF OTHER EXPENDITURE	70



















**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**APPROVAL AND CERTIFICATION**

I am responsible for the preparation of these annual financial statements, which are set out on pages 2 to 62, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 25 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 Cooperative Governance and Traditional Affairs determination in accordance with this Act.

**Maboya TF**

**ACTING MUNICIPAL MANAGER**

**DATE**



**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

**Reporting entity's mandate**

The City of Polokwane is a category B local authority established in terms of section 151 of the Constitution of the Republic of South Africa ( Act 108 of 1996)

The principal activities of the City are to:  
> provide democratic and accountable government to the local communities;  
> ensure sustainable service delivery to communities;  
> promote social and economic development;  
> promote a safe and healthy environment; and  
> encourage the involvement of communities and community organisations in the matters of local government

The City's operations are governed by the Local Government: Municipal Finance Management Act (Act 56 of 2003), the Municipal Systems Act (Act 32 of 2000), the Municipal Structures Act (Act 117 of 1998) and various other acts and regulations.

**General information**

<b>Legal form of the entity</b>	Local Municipality
<b>Jurisdiction</b>	Polokwane Local Municipality demarcated area

**Members of the Council**

TP Nkadimeng	Executive Mayor
MC Mathiba	Speaker
MK Teffo	Chief Whip
LE Hardy	Member of the Mayoral Committee
MJ Kaka	Member of the Mayoral Committee
ME Maleka	Member of the Mayoral Committee
SJ Malope	Member of the Mayoral Committee
SM Mashabela	Member of the Mayoral Committee
RC Molepo	Member of the Mayoral Committee
SE Nkadimeng	Member of the Mayoral Committee
MJ Ralefatane	Member of the Mayoral Committee
MJ Sello	Member of the Mayoral Committee
MS Tjale	Member of the Mayoral Committee
AH Botha	Member of Council
HE Chauke	Member of Council
FA Haas	Member of Council
ME Khalo	Member of Council
MF Kubjane	Member of Council
D Kwenaitse	Member of Council
LM Legodi	Member of Council
MJ Lekota	Member of Council
MM Lemekoana	Member of Council
MW Letsoalo	Member of Council
RF Lourens	Member of Council
M Maake	Member of Council
MG Mabelebele	Member of Council
MM Mabitsela	Member of Council
MT Mabutla	Member of Council
NE Machaba	Member of Council
MD Madikoto	Member of Council
TJ Magoro	Member of Council
RT Makgabo	Member of Council
KP Makgoba	Member of Council
MP Maifala	Member of Council
SM Mahlatji	Member of Council
MM Mailula	Member of Council
MM Maja	Member of Council
CM Mamabolo	Member of Council



**POLOKWANE MUNICIPALITY**  
**ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

ML Mamabolo	Member of Council
SN Mamabolo	Member of Council
MA Manong	Member of Council
HF Marx	Member of Council
MC Mashiane	Member of Council
A Mashie	Member of Council
MR Mashitisho	Member of Council
MA Mathabatha	Member of Council
JM Matlou	Member of Council
MJ Manamela	Member of Council
QN Mehlaphe	Member of Council
ST Mehlaphe	Member of Council
JA Moabelo	Member of Council
MA Moakamedi	Member of Council
PJ Modikoa	Member of Council
TJ Mogale	Member of Council
TSP Mojapelo	Member of Council
NJ Mokgokong	Member of Council
JS Mokonyama	Member of Council
MH Morwana	Member of Council
SM Motseo	Member of Council
M Mothiba	Member of Council
ML Motshekga	Member of Council
MM Peta	Member of Council
MP Phadu	Member of Council
RH Phoshoko	Member of Council
M Pretorius	Member of Council
MJ Raletjena	Member of Council
CS Ramabu	Member of Council
DM Ramakgwakgwa	Member of Council
MJ Sedibane	Member of Council
MR Sekgobela	Member of Council
ND Setjie	Member of Council
TC Shilajoe	Member of Council
MMP Sono	Member of Council
KG Tsheola	Member of Council
MA Thobejane	Member of Council
MJ Willemse	Member of Council

**Members of the Audit and Performance Audit Committee**

S Mofokeng	Chairperson
HG Hlomane	Member
S Kholong	Member
SJ Masite	Member
MFA Moja	Member
MP Mongalo	Member

**Acting Municipal Manager**  
Maboya TF

**Seconded Acting Chief Financial Officer**  
N Essa

**Auditors**  
Auditor General South Africa

**Grading of Local Authority**  
Grade 10

**Bankers**  
Standard Bank

**Business address**  
Civic Centre  
C/O Landdros Mare and Bodenstein Street  
Polokwane  
0699

**Lawyers**  
Pule Incorporated  
Mogaswa Attorneys  
AM Carrims Attorneys  
Maboku Mangena Attorneys  
Kgatla Incorporated  
Matabane Incorporated  
Noko Maimela Incorporated  
Rachoene Attorneys

**Postal address**  
P O Box 111  
Polokwane  
0700

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
ANNUAL FINANCIAL STATEMENTS 30 JUNE 2016**

**POLOKWANE MUNICIPALITY**  
**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 R	2015 R Restated
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	86 225 049	322 864 242
Trade and other receivables from exchange transactions unless specified otherwise	12	331 842 106	357 382 880
Other receivables from non-exchange transactions	13	33 022 716	14 377 071
Inventories	11	62 995 698	36 214 414
Current portion of receivables	10	3 317	5 666 187
VAT receivable	14	0	8 710 246
<b>Total Current Assets</b>		<b>514 088 885</b>	<b>745 215 041</b>
<b>Non-current assets</b>			
Non-current receivables	10	160 512	375 671
Investments	9	59 000 800	59 000 800
Property, plant and equipment	8.1	8 687 435 052	8 727 041 740
Intangible assets	8.2	2 073 968	2 315 361
Investment property	8.3	658 489 237	639 243 192
Heritage assets	8.4	15 609 153	15 609 153
Biological assets	8.5	8 999 025	14 277 750
<b>Total Non-current assets</b>		<b>9 431 767 748</b>	<b>9 457 863 668</b>
<b>Total Assets</b>		<b>9 945 856 633</b>	<b>10 203 078 709</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	6	368 609 418	355 199 907
Consumer deposits	5	68 863 503	67 612 259
Unspent conditional grants and receipts	7	11 827 752	195 134 950
Current portion of borrowings	4	65 065 521	37 263 987
Current portion of finance lease liability	37	39 642 218	38 261 366
VAT payable	14	30 911 357	0
<b>Total Current Liabilities</b>		<b>584 919 768</b>	<b>693 472 469</b>
<b>Non-current liabilities</b>			
Non-current borrowings	4	165 622 038	188 024 387
Non-current finance lease liability	37	30 995 518	56 298 715
Non-current Provisions	35	264 084 655	244 712 945
<b>Total Non-current Liabilities</b>		<b>460 702 211</b>	<b>489 036 047</b>
<b>Total liabilities</b>		<b>1 045 621 979</b>	<b>1 182 508 516</b>
<b>Net assets</b>		<b>8 900 234 654</b>	<b>9 020 570 193</b>
<b>NET ASSETS</b>			
Housing Development Fund	2	0	6 955 962
Revaluation Reserves	3	3 408 519 201	3 433 074 767
Accumulated surplus		5 491 715 453	5 580 539 464
<b>Total net assets</b>		<b>8 900 234 654</b>	<b>9 020 570 193</b>

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**



**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 R	2015 R Restated
<b>REVENUE</b>			
<b>Revenue from Exchange Transactions</b>			
Service charges	17	1 086 880 799	911 678 911
Rental of facilities	18	12 342 192	12 973 612
Investment Revenue – external investments	21	27 592 762	35 720 658
Interest earned – outstanding debtors		54 307 169	45 797 676
Licenses and permits		8 100 962	9 195 509
Income for agency services		15 931 818	15 608 127
Other revenue	22	118 874 976	73 160 300
<b>Total Revenue from exchange transactions</b>		<b>1 324 030 677</b>	<b>1 104 134 793</b>
<b>Revenue from Non Exchange Transactions</b>			
<b>Taxation revenue</b>			
Property rates	16	281 023 721	255 375 942
<b>Transfer revenue</b>			
Government grants recognised - operating	19	616 432 887	547 555 480
Government grants recognised - capital	19	473 584 799	555 234 831
Public contributions, donated and contributed property, plant and equipment	19	3 355 674	2 797 470
Fines		33 049 072	9 846 497
Other revenue	22	1 763 235	5 492 335
<b>Total revenue from non exchange transactions</b>		<b>1 409 209 388</b>	<b>0</b>
<b>Total revenue</b>		<b>2 733 240 065</b>	<b>0</b>
<b>EXPENDITURE</b>			
Employee related costs	23	598 398 759	520 315 822
Remuneration of councillors	24	27 019 623	25 405 636
Bad debts		192 987 885	145 389 711
Depreciation/Amortisation		477 163 890	547 910 665
Repairs and maintenance		198 971 424	163 392 950
Finance cost	25	34 578 938	38 879 905
Bulk purchases	26	748 278 150	674 894 906
Grants and subsidies paid	27	17 180 000	6 740 000
Contracted services	28	68 927 685	70 932 263
General expenses	28	461 846 831	419 692 997
<b>Total Expenditure</b>		<b>2 825 353 185</b>	<b>2 613 554 855</b>
Impairment of assets	8	0	-315 183
Impairment of receivables (PHA Loan)		0	-7 595 282
Loss on disposal/derecognition of assets	8	-49 782 100.69	-25 848 721
Gain (loss) on fair value adjustment	43	36 939 080	22 985 745
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>-104 956 140</b>	<b>-143 890 949</b>

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**



**POLOKWANE MUNICIPALITY  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2016**

POLOKWANE MUNICIPALITY STATEMENT OF CHANGES IN NET ASSETS 30 JUNE 2016

	Notes	Housing Fund	Revaluation Reserve	Total	Accumulated Surplus/ (Deficit)	Total
			R		R	R
<b>Balance at 30 June 2014</b>		<b>10 444 441</b>	<b>3 402 773 733</b>	<b>3 413 218 174</b>	<b>5 590 487 540.55</b>	<b>9 003 705 714</b>
Correction of error			37 972 207	37 972 207	96 388 865.86	134 361 073
Restated 2015 opening		10 444 441	3 440 745 940	3 451 190 381	5 686 876 406.41	9 138 066 787
Debtors discount allowance				0		0
Adjustment debtors prior year amounts received in advance				0		0
Adjustment debtors impairment prior year				0		0
Provision Landfill Site				0		0
Correction of error				0	21 956 154.88	21 956 155
Realisation of Revaluation Reserve - Derecognition		0	-7 671 173	-7 671 173	7 671 172.70	0
Correction to realisation of Revaluation Reserve- Derecognition					7 926 684.29	7 926 684
Net gains and (losses) not recognised in the statement of financial performance (Housing Development Fund)		-3 488 480	0	-3 488 480	0.00	-3 488 480
Transfers to/ from accumulated surplus (provisions)				0		0
Surplus (deficit) for the period		0	0	0	-143 890 948.99	-143 890 949
<b>Balance at 30 June 2015</b>		<b>6 955 961</b>	<b>3 433 074 767</b>	<b>3 440 030 728</b>	<b>5 580 539 468.80</b>	<b>9 020 570 197</b>
Adjustments on amounts receivable					-18 687 655.78	-18 687 656
Adjustments on amounts payable					0.00	0
Trade and other payables					834.26	834
Correction Leased assets- Photocopiers					-50 723.96	-50 724
Correction Leased assets- Cell phones					-4 661 551.82	-4 661 552
Contribution bad debt provision					14 975 655.00	14 975 655
Net gains and (losses) not recognised in the statement of financial performance (Housing Development Fund)		19 675	0	19 675		19 675
Realisation of Revaluation Reserve - Derecognition			-24 555 566	-24 555 566	24 555 566.44	0
Transfers to/ from accumulated surplus (reserves)		-6 975 636		-6 975 636		-6 975 636
Surplus (deficit) for the period		0	0	0	-104 956 139.52	-104 956 140
<b>Balance at 30 June 2016</b>		<b>0</b>	<b>3 408 519 201</b>	<b>3 408 519 201</b>	<b>5 491 715 453.42</b>	<b>8 900 234 655</b>

**POLOKWANE MUNICIPALITY**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 R	2015 R Restated
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from ratepayers, government and others		2 363 076 240	2 346 709 449
Cash paid to suppliers and employees		-2 134 056 834	-1 872 686 491
<b>Cash generated from operations</b>	<b>30</b>	<b>229 019 406</b>	<b>474 022 957</b>
Interest received		27 592 762	35 720 658
Finance cost paid		-34 578 938	-38 371 116
Tax -VAT (receivable) payable		39 621 603	-18 377 908
<b>Net cash from operating activities</b>		<b>261 654 833</b>	<b>452 994 592</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisitions Property Plant & Equipment		-486 150 140	-505 082 520
Acquisitions Intangible assets		-750 000	-927 367
Increase/(decrease) in receivables		5 878 029	9 957 284
<b>Net cash from investment activities</b>		<b>-481 022 110</b>	<b>-496 052 603</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Recieve (repayment) of long term borrowing		5 399 184	-36 905 953
Receive (repayment) of consumer deposits		1 251 244	1 961 986
Receive (repayment) of finance lease liability		-23 922 345	-21 691 797
<b>Net cash from financing activities</b>		<b>-17 271 917</b>	<b>-56 635 764</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>-236 639 194</b>	<b>-99 693 776</b>
Cash and cash equivalents at beginning of the year	<b>15</b>	322 864 242	422 558 018
Cash and cash equivalents at end of the year	<b>15</b>	86 225 049	322 864 242

**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

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**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**



**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

**POLOKWANE MUNICIPALITY  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2016**

POLOKWANE MUNICIPALITY  
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2016

Description	2015/2016							
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of MFMA)	Virement (i.t.o Council approved policy)	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R		
	1	2	3	4	5	7	8	9
<b>Financial Performance</b>								
Property Rates	332 477 244	314 000 000	314 000 000	314 000 000	281 023 721	(32 976 279)	89.50	84.52
Service Charges-electricity revenue	793 523 342	793 523 342	793 523 342	793 523 342	763 318 328	(30 205 014)	96.19	96.19
Service Charges-water revenue	182 516 033	182 516 033	182 516 033	182 516 033	207 759 368	25 243 335	113.83	113.83
Service Charges-sanitation revenue	55 325 708	55 325 708	55 325 708	55 325 708	51 771 304	(3 554 404)	93.58	93.58
Service Charges-refuse revenue	63 982 984	63 982 984	63 982 984	63 982 984	64 031 799	48 815	100.08	100.08
Rental of facilities	21 711 177	19 711 177	19 711 177	19 711 177	12 342 192	(7 368 985)	62.62	56.85
Investment Revenue – external investments	31 000 000	37 000 000	37 000 000	37 000 000	27 592 762	(9 407 238)	74.58	89.01
Interest earned – outstanding debtors	31 800 000	25 800 000	25 800 000	25 800 000	54 307 169	28 507 169	210.49	170.78
Fines	13 725 784	13 725 784	13 725 784	13 725 784	33 049 072	19 323 288	240.78	240.78
Licenses and permits	9 569 079	9 570 079	9 570 079	9 570 079	8 100 962	(1 469 117)	84.65	84.66
Agency services	16 595 572	16 595 572	16 595 572	16 595 572	15 931 818	(663 754)	96.00	96.00
Transfers recognised - operational	678 860 000	678 860 000	678 860 000	678 860 000	616 432 887	(62 427 114)	90.80	90.80
Other revenue	173 376 077	268 005 664	268 005 664	268 005 664	120 638 211	(147 367 453)	45.01	69.58
<b>Total Revenue (Excluding capital transfers and contributions)</b>	<b>2 404 463 000</b>	<b>2 478 616 343</b>	<b>2 478 616 343</b>	<b>2 478 616 343</b>	<b>2 256 299 592</b>	<b>(222 316 751)</b>	<b>91.03</b>	<b>93.84</b>
Employee Costs	571 535 731	574 525 731	581 111 186	581 111 186	598 398 759	17 287 573	102.97	104.70
Remuneration of Councillors	25 779 550	25 779 550	28 348 587	28 348 587	27 019 623	(1 328 964)	95.31	104.81
Debt Impairment	50 000 000	50 000 000	50 000 000	50 000 000	192 987 885	142 987 885	385.98	385.98
Depreciation and asset impairment	205 000 000	205 000 000	205 000 000	491 964 008	477 163 890	(14 800 118)	96.99	232.76
Finance Charges	37 000 000	38 428 000	35 585 363	35 585 363	34 578 938	(1 006 425)	97.17	93.46
Bulk purchases	767 000 000	755 500 000	748 891 192	748 891 192	748 278 150	(613 042)	99.92	97.56
Other materials	177 520 394	200 517 454	203 941 962	203 941 962	198 971 424	(4 970 538)	97.56	112.08
Donations	6 480 000	17 180 000	17 180 000	17 180 000	17 180 000	-	100.00	265.12
Contracted services	77 745 000	71 534 192	71 029 726	71 029 726	68 927 685	(2 102 041)	97.04	88.66
General Expenditure	370 772 925	383 778 673	380 881 984	380 881 984	461 846 831	80 964 847	121.26	124.56
Gain / (loss) on fair value adjustment/disposal/impairment of assets/Investment property			-		12 843 020	12 843 020	0.00	0.00
<b>Total Expenditure</b>	<b>2 288 833 600</b>	<b>2 322 243 600</b>	<b>2 321 970 000</b>	<b>2 608 934 008</b>	<b>2 838 196 205</b>	<b>229 262 197</b>	<b>108.79</b>	<b>124.00</b>
<b>Loss: Impairment of Assets</b>					-			
<b>Surplus/(Deficit)</b>	115 629 400	156 372 743	156 646 343	156 646 343	(581 896 613)	(738 542 956)	-371.47	-503.24
Transfer Recognised - capital	466 288 000	470 853 657	470 853 657	470 853 657	473 584 799	2 731 142	100.58	101.56
Contributions Recognised - capital & contributed assets					3 355 674	3 355 674	100.00	0.00
<b>Surplus/(Deficit) after capital transfer and contributions</b>	581 917 400	627 226 400	627 500 000	627 500 000	(104 956 140)	(732 456 140)	-16.73	-18.04
Share of Surplus/Deficit of associate	-	-	-	-	-	-		
<b>Surplus for the year</b>	<b>581 917 400</b>	<b>627 226 400</b>	<b>627 500 000</b>	<b>627 500 000</b>	<b>(104 956 140)</b>	<b>(732 456 140)</b>	<b>-16.73</b>	<b>-18.04</b>
<b>Capital expenditure and funds resources</b>								
<b>Capital Expenditure</b>								
Transfers recognised - Capital	466 288 000	470 854 000	509 097 000	509 097 000	473 584 799	(35 512 201)	93.02	101.56
Public Contributions and Donations	-	3 355 000	3 355 000	3 355 000	3 355 674	674	100.02	0.00
Internally generated funds	113 833 000	152 076 000	113 833 000	113 833 000	111 527 560	(2 305 440)	97.97	97.97
<b>Total sources of capital</b>	<b>580 121 000</b>	<b>626 285 000</b>	<b>626 285 000</b>	<b>626 285 000</b>	<b>588 468 033</b>	<b>(37 816 967)</b>	<b>93.96</b>	<b>101.44</b>
<b>Cash Flows</b>								
<b>Cash/cash equivalents at the beginning of</b>	236 990 000	322 963 000	322 963 000	322 963 000	322 864 242	(98 758)	99.97	136.24
Net Cash from (Used) operating	692 942 000	477 270 000	477 270 000	477 270 000	261 654 833	(215 615 167)	54.82	37.76
Net Cash from (Used) Investing	(558 581 000)	(601 258 000)	(601 258 000)	(601 258 000)	(481 022 110)	120 235 890	80.00	86.12
Net Cash from (Used) Financing	(56 100 000)	(56 100 000)	(56 100 000)	(56 100 000)	(17 271 917)	38 828 083	30.79	30.79
<b>Cash/cash equivalents at the year end</b>	<b>315 251 000</b>	<b>142 875 000</b>	<b>142 875 000</b>	<b>142 875 000</b>	<b>86 225 049</b>	<b>(56 649 951)</b>	<b>60.35</b>	<b>27.35</b>

For the purpose of calculating unauthorised expenditure on depreciation, the depreciation portion on the revalued component of assets are deducted from the real overspending.

The amount for 2014/15 is R287 269 083 and for 2015/16 R286 964 008. This was done in accordance with MFMA Circular 58

Explanations for material variances of the Municipality's actual financial performance with the budgeted is set out in Appendix E.1

POLOKWANE MUNICIPALITY  
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2016

POLOKWANE MUNICIPALITY  
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2016

## Accounting Policies

### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance in terms of General Notice 991 and 992 of 2005. MFMA Section 122(3) also prescribes GRAP. These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The Municipality is in full compliance with GRAP

A summary of the significant accounting policies, which have been consistently applied, are disclosed below.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgments and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgments include:

##### Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its loans and receivables for impairment at each reporting period. The municipality makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset/liability

The impairment for loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

##### Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value Management have made estimates of the selling price and direct cost to sell on certain inventory items.

The write down is included in the impairment of assets note.

##### Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the municipality is the current bid price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the prime interest rate that is available to the municipality for similar financial instruments.

### **Impairment testing**

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

The municipality has identified all its capital assets, excluding Investment Property, as non-cash generating assets as it's the municipality's view that the primary objective of these assets are to provide a service and not to generate a commercial return.

### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 35 - Provisions.

### **Useful lives of assets**

The municipality's management determines the estimated useful lives and related depreciation charges. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

### **Post-retirement benefits**

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 44.

### **Interest rate**

The municipality used the prime interest rate to discount future cash flows.

### **Allowance for doubtful debts**

An impairment loss is recognised in surplus and deficit when there is objective evidence that is irrecoverable. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the simple interest rate, computed at initial recognition.

### **Residual value**

COMAF18.8

The estimated value of an asset at the end of its useful life, or the value that remains at the end of the analysis period where the asset useful life exceeds the analysis period. The residual value is considered as a benefit (cash inflow) in the final year of the analysis period.

### **Inventories**

Unsold properties are taken at fair value on the date when the intention to dispose land has arisen to inventory from investment property on initial recognition.

### **Renewal- estimation of meter readings**

Where meter readings are not available, the readings are estimated as follows: \_

\* Where readings are not available other than as a result of a meter fault, estimations are done by using the consumption of the readings of the same period the preceeding year, or an average of any consecutive two months.

\* Where Council or the owner are of the opinion that the meter are at fault, such a meter must be replaced and send for testing. The results of the testing of the meters will determine the correction of the account as prescribed in the respective year's Tariff of Charges Policy.

### **1.2 Presentation of Currency**

These annual financial statements are presented in South African Rand which is the functional currency of the municipality and amounts have been rounded to the nearest rand.



### **1.3 Going concern assumption**

In terms of the accounting standard GRAP 1 paragraphs 27 to 30 the annual financial statements are prepared on a going concern basis ie. The assumption that the Municipality will continue to operate as a going concern for at least the next 12 months. Refer to note 46

### **1.4 Comparative figures**

Current year comparatives

Budgeted amounts have been included in the statement of comparison of budget and actual amounts for the current financial year only.

Prior year comparatives

When presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

### **1.5 Offsetting**

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

### **1.6 Housing development fund**

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were terminated on 1 April 1998 and transferred to a Housing Development Fund. Housing selling scheme, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

### **1.7 Revaluation Reserve**

The surplus arising from the revaluation of land and buildings is credited to a revaluation reserve. The revaluation surplus is realised through a transfer from the revaluation reserve to the accumulated surplus/(deficit) on disposal, the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on re-valued amounts, are credited or charged to the Statement of Financial Performance.

## **1.8 Property, plant and equipment**

### **1.8.1 Initial recognition**

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and









**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	2016 R	2015 R Restated
<b>HOUSING DEVELOPMENT FUND</b>	<b>0</b>	<b>6 955 962</b>
Unappropriated Surplus	0	3 975 991
Loans extinguished by Government on 1 April 1998	0	2 979 971
The Housing Fund is represented by the following assets:		
Housing selling scheme loans	0	166 836
Bank and cash	0	9 189 304
	<b>0</b>	<b>6 955 962</b>
Opening Balance	6 955 962	10 444 441.98
Contributions	19 675	-3 488 480
Transfer to revenue	-6 975 637	0
Closing balance	<b>0</b>	<b>6 955 962</b>

Council took a decision to pay (NHFC) Polokwane Housing Agency Loan which was funded through Housing Development Fund  
The balance of the Fund was transferred to revenue during the 2015/16 Adjustment Budget. The funds were then transferred to Polokwane Housing Agency. Refer to note 27

**RESERVES**

<b>Revaluation Reserve</b>	<b>3 408 519 201</b>	<b>3 433 074 767</b>
- Balance Beginning of the Year	3 433 074 767	3 440 548 904
- Derecognition/ impairment	(24 555 567)	(7 474 137)
Revaluation of Land	-	-

**BORROWINGS**

**Non-Current Borrowings**

Local Registered Stock loans	0	136 829
Annuity loans	165 622 038	187 887 558
	<b>165 622 038</b>	<b>188 024 387</b>

**Current Portion of Borrowings**

Local Registered Stock loans	65 065 521	37 263 987
Annuity loans	65 065 521	27 799
	<b>230 687 558</b>	<b>225 288 375</b>

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

The Fair value of all long term loans approximates their book value.

**Long term loan commitments:**

The Municipality had entered into a loan agreement with the Development Bank of Southern Africa in February 2011 to borrow R320 million at a interest rate of 8.875% over 10 years. The last installment is repayable on 30 June 2021.

The Municipality had entered into a loan agreement with the Development Bank of Southern Africa in February 2011 to borrow R50 million at a interest rate of 11.52% over 10 years. The last installment is repayable on 30 June 2020.

The Municipality had entered into a loan agreement with the Development Bank of Southern Africa in February 2016 to borrow R42,8 million at a interest rate of 9.00% over 1.96 years. The last installment is repayable on 30 June 2018. The loan will be funded through Integrated National Electrification Programme Grant.

The Stock loans are from different sporting bodies at an interest rate of 10% repayable over 20 years. The last loans are repayable in 2016.

No loans are secured against any assets of the Municipality

**CONSUMER DEPOSITS**

Water and electricity & other	<b>68 863 503</b>	<b>67 612 259</b>
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Guarantees held in lieu of electricity and water deposits	<b>9 772 800</b>	<b>9 772 800</b>
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**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>R</b>	<b>R</b>
<b>TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS</b>		
Trade Creditors	151 334 192	158 656 587
Amounts received in advance	47 376 484	40 815 700
Deferred income elec pre-paid	4 020 914	4 060 115
Leave bonus (13th cheque)	12 544 832	10 145 041
Staff leave	82 607 480	66 759 454
Retention withheld on projects	49 257 064	48 026 978
Unidentified receipts	21 179 405	25 191 392
Other	289 047	1 544 641
	<b><u>368 609 418</u></b>	<b><u>355 199 907</u></b>

**CURRENT UNSPENT CONDITIONAL GRANTS FROM GOVERNMENT AND PUBLIC DONATIONS**

Public Transport Infrastructure and Systems Grant	0	28 167 868
Municipal Infrastructure Grant	0	133 711 394
Limpopo Provincial Government	2 949 710	2 949 710
Water Services Refurbishment Grant	0	20 840 184
Housing Accreditation Grant	427 591	404 429
Neighbourhood Development Partnership Grant	8 450 451	5 705 692
National Lottery	0	3 355 674
	<b><u>11 827 752</u></b>	<b><u>195 134 950</u></b>

See note 19 and 20 for reconciliation of unspent grants. These amounts are invested until utilised.



POLOKWANE MUNICIPALITY  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2016  
R

2015  
R

**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**ASSETS**

**PROPERTY, PLANT & EQUIPMENT**

	Land R	Community Facilities	Infrastructure R	Other and Movable R	Finance lease R	Total R
<b>Carrying values at 30 June 2014</b>	<b>170 302 341</b>	<b>1 616 048 471</b>	<b>6 749 605 184</b>	<b>65 975 408</b>	<b>108 874 333</b>	<b>8 775 281 238</b>
Cost	236 871 341	3 088 417 756	13 777 307 749	157 110 836	132 629 417	17 392 337 099
Accumulated Impairment	0	-8 402	-19 021	0	0	-27 423
Accumulated depreciation – cost	0	-1 472 360 883	-7 029 777 043	-91 135 428	-23 755 085	-8 617 028 438
Acquisitions	610 000	2 960 191	234 666 768	16 134 079	5 680 051	260 051 089
Capital Work in Progress	0	27 547 384	236 735 254	0	0	264 282 638
Depreciation – based on cost	0	-94 245 363	-399 717 093	-23 674 116	-28 802 345	-546 438 916
Impairment	0	-122 883	0	0	0	-122 883
Loss on disposal of assets	0	0	-17 128 752	-8 676 440	-43 528	-25 848 720
Cost	0	0	-28 092 157	-41 357 868	-95 999	-69 546 025
Accumulated depreciation	0	0	10 963 405	32 681 429	52 471	43 697 305
<b>Carrying values at 30 June 2015</b>	<b>237 481 341</b>	<b>1 552 187 799</b>	<b>6 802 067 863</b>	<b>49 596 227</b>	<b>85 708 511</b>	<b>8 727 041 740</b>
Cost	237 481 341	3 118 925 330	14 220 617 614	131 724 343	138 213 469	17 846 962 097
Accumulated Impairment	0	-131 285	-19 021	0	0	-150 306
Accumulated depreciation – cost	0	-1 566 606 246	-7 418 530 730	-82 128 116	-52 504 958	-9 119 770 051
Acquisitions	0	3 812 586	587 449 788	15 345 641	5 007 280	611 615 296
Transfer	-1 000	0	0	0	0	-1 000
Capital Work in Progress	0	48 348 632	-173 812 788	0	0	-125 464 156
Depreciation – based on cost	0	-91 203 059	-336 693 025	-18 548 847	-29 727 566	-476 172 497
Loss on disposal of assets	0	0	-49 097 151	-289 410	-197 769	-49 584 331
Cost	0	0	-86 944 187	-1 791 273	-2 942 685	-91 678 145
Accumulated depreciation	0	0	37 847 035	1 501 863	2 744 915	42 093 814
<b>Carrying values at 30 June 2016</b>	<b>237 480 341</b>	<b>1 513 145 959</b>	<b>6 829 914 686</b>	<b>46 103 610</b>	<b>60 790 455</b>	<b>8 687 435 052</b>
Cost	237 480 341	3 171 086 549	14 547 310 427	145 278 710	140 278 064	18 241 434 091
Accumulated Impairment	0	-131 285	-19 021	0	0	-150 306
Accumulated depreciation – cost	0	-1 657 809 305	-7 717 376 720	-99 175 100	-79 487 609	-9 553 848 733

Refer to Appendix B for more detail on property, plant & equipment, including the capital under construction.

Infrastructure and Community Assets: Annual review meetings were conducted with all Strategic Business Units during which impairment triggers and asset performance indicators were discussed and none were noted. In addition, physical field assessments were conducted where information pertaining to the condition and performance of these assets were recorded and further analysed.

Capital work in progress: The following table indicates the opening balances and yearly movements:

	Community assets	Infrastructure Assets	Total
<b>Opening Balance at 1 July 2015</b>	<b>24 155 219</b>	<b>281 977 518</b>	<b>306 132 737</b>
Additional cost	30 073 470	466 406 544	496 480 014
Transfers to asset register	(2 526 086)	(233 149 605)	(235 675 691)
<b>Closing balance as at 30 June 2015</b>	<b>51 702 603</b>	<b>515 234 457</b>	<b>566 937 060</b>
Additional cost	48 842 115	411 045 851	459 887 967
Transfers to asset register	(493 483)	(579 967 109)	(580 460 592)
<b>Closing balance as at 30 June 2016</b>	<b>100 051 235</b>	<b>346 313 199</b>	<b>446 364 435</b>

Movable assets: During the asset verification movable assets were identified which were not previously included in the asset register. These assets were fair valued. The fair value of an asset is represented by a depreciated replacement cost, which in turn is a product of the assessed condition of the asset and comparable prices within an active markets of identical/similar assets.

Refer to note 29 for the disclosure of the effect of the prior period adjustment.

During the year Remaining Useful Lives were reviewed on all depreciable assets and adjusted where necessary. Refer to note 45 for the effect of the change in estimate.

Land: Properties to the value of R725 452 000 for which title deeds are registered under the name of the Municipality, have not been included in the Municipality's financial records. These properties are represented by ex R 293 and other land parcels, vacant and improved, over which the municipality does not execute any form of control or have any legal claim to ownership.

As at 30 June 2016 all impaired assets are carried at value in use.

Assets are not pledged as collateral.

**INTANGIBLE ASSETS**

	2 016 R	2 015 R
<b>Carrying Value Opening Balance</b>	<b>2 315 361</b>	<b>3 117 657</b>
Cost	11 574 990	10 647 623
Accumulated amortisation	-9 259 629	-7 529 966
Acquisitions	750 000	927 367
Impairment	0	-192 299
Amortisation and impairment– based on cost	-991 393	-1 537 363
Cost	-1 771 295	0
Accumulated amortisation	1 771 295	0
<b>Carrying Value Closing Balance</b>	<b>2 073 968</b>	<b>2 315 361</b>
Cost	10 553 695	11 574 990
Accumulated amortisation	-8 479 727	-9 259 629

**Reconciliation of Intangible Assets - 2016**

	Carrying value Opening Balance R	Additions R	Capital Work in Progress R	Amortisation/Transf er R	Carrying value Closing Balance R
Computer infrastructure/systems	2 166 626	750 000	0	-842 658	2 073 968
Aerial photographs	148 735	0	0	-148 735	0
	<b>2 315 361</b>	<b>750 000</b>	<b>0</b>	<b>-991 393</b>	<b>2 073 968</b>

**Reconciliation of Intangible Assets - 2015**

	Carrying value Opening Balance R	Additions R	Capital Work in Progress R	Amortisation R	Carrying value Closing Balance R
Computer infrastructure/systems	2 820 592	927 367	0	-1 581 333	2 166 626
Aerial photographs	297 065	0	0	-148 330	148 735
	<b>3 117 657</b>	<b>927 367</b>	<b>0</b>	<b>-1 729 663</b>	<b>2 315 361</b>

No intangible assets were pledged as security.

**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 LUNE 2016**

INVESTMENT PROPERTY	Commercial Property		Total	
	Vacant land	Property		
	2015	R	R	
<b>Carrying Value Opening Balance</b>		<b>619 855 700</b>	<b>25 862 999</b>	<b>645 718 699</b>
Fair Value		619 855 700	25 862 999	645 718 699
Fair value adjustment		21 843 282	2 769 212	24 612 494
Transfer		(31 088 000)	-	(31 088 000.00)
<b>Fair Value</b>		<b>610 610 981</b>	<b>28 632 211</b>	<b>639 243 192</b>
	<b>2016</b>			<b>0</b>
<b>Carrying Value Opening Balance</b>		<b>610 610 981</b>	<b>28 632 211</b>	<b>639 243 192</b>
Fair value adjustment on transfer in PPE		0	17 025 245	17 025 245
Fair value adjustment		24 552 667	639 893	25 192 560
Reclassification		(22 972 760)	-	(22 972 760)
Transfer		1 000	-	1 000.00
<b>Fair Value</b>		<b>612 191 889</b>	<b>46 297 349</b>	<b>658 489 237</b>

Rental income from investment property amounts to R1 732 010 (2015:R2 033 587)

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Per accounting policy note 1.10, the municipality is on the fair value model for investment property.

No Investment Properties were pledged as security.

There are no restrictions on investment properties.

There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The values were determined by an external Professional Valuer registered with the South African Council for the Property Valuers Profession, Registration No. 5000/05

The value of investment property, comprising of land and buildings was determined by using a combination of valuation approaches. Each of these approaches assessed the relevance of each specific property based on their nature, use and comparable market transactions.

The preferred valuation methodology applied to vacant land was that of comparable market related sales, based on use, location and extent. In cases where no reasonable comparable sales available, the discounted cash flow methodology was used based on market related rentals for similar properties.

Investment Properties were fair valued by Zack van der Merve, a registered professional valuer, registration number: (SACPVP) - Valuer: 4973.

HERITAGE ASSETS	Art Works	Heritage Sites	Memorials & Statues	Museums	Total
	R	R	R	R	R
<b>2015</b>					
<b>Carrying Value Opening Balance</b>	<b>11 688 474</b>	<b>144 000</b>	<b>3 421 369</b>	<b>355 311</b>	<b>15 609 153</b>
Cost	11 688 474	144 000	3 421 369	355 311	15 609 153
Changes in fair value adjustments	-	-	-	-	-
<b>Carrying Value Closing Balance</b>	<b>11 688 474</b>	<b>144 000</b>	<b>3 421 369</b>	<b>355 311</b>	<b>15 609 153</b>
<b>2016</b>					
<b>Carrying Value Opening Balance</b>	<b>11 688 474</b>	<b>144 000</b>	<b>3 421 369</b>	<b>355 311</b>	<b>15 609 153</b>
Cost	11 688 474	144 000	3 421 369	355 311	15 609 153
Changes in fair value adjustments	-	-	-	-	-
<b>Carrying Value Closing Balance</b>	<b>11 688 474</b>	<b>144 000</b>	<b>3 421 369</b>	<b>355 311</b>	<b>15 609 153</b>

Where practical, heritage assets were valued on the replacement value method and retrospectively restated on 1 July 2012 in accordance with the transitional provision applicable to GRAP 103. However, due to the nature of certain heritage assets, it is not possible or practical to establish a fair value associated with these assets and have been recognised in accordance with GRAP 103.94.

BIOLOGICAL ASSETS	2016	2015
	R	R
<b>Carrying Value Opening Balance</b>	<b>14 277 750</b>	<b>16 633 000</b>
Fair value	14 277 750	16 633 000
Changes in fair value adjustments	(5 278 725)	-1 626 750
Carrying value of disposals		(728 500)
<b>Carrying Value Closing Balance</b>	<b>8 999 025</b>	<b>14 277 750</b>
<b>Fair value</b>	<b>8 999 025</b>	<b>14 277 750</b>

All biological assets relate to game.

There were 1200 game at year end. (2015: 1,789)







**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

9. INVESTMENTS	2016 R	2015 R Restated
<b>Long Term Investments</b>		
Standard Bank (Credit rating BBB-)	58 999 800	58 999 800
Call Account: 338711465(001)		
Investment in municipal entity (PHA)	1 000	1 000
	<b>59 000 800</b>	<b>59 000 800</b>
<b>Total Investments</b>	<b>59 000 800</b>	<b>59 000 800</b>
Council's valuation of investments	<b>59 000 800</b>	<b>59 000 800</b>

Polokwane Municipality has a 100% controlling interest in PHA. The subsidiary provide social housing to the community.  
Investments are held to maturity.

The Standard Bank long term investment serves as guarantee for Eskom bulk purchases

10. RECEIVABLES		
Housing selling scheme loans	163 829	166 836
Sport loans	0	187 670
Erven loans	5 512 448	5 687 352
Less Provision for bad debts	-5 512 448	0
<b>Total Receivables</b>	<b>163 829</b>	<b>6 041 858</b>

Current Portion Transferred to Current Receivables	3 317	5 666 187
Housing selling scheme loans	3 317	2 241
Sport loans	0	27 799
Erven loans		5 636 147
	<b>3 317</b>	<b>5 666 187</b>

Non-Current Portion of Receivables	160 512	375 671
	<b>160 512</b>	<b>375 671</b>

**Housing selling scheme loans**  
These loans attract interest rates at 9% and were given over a period of 30 years.

**Sport loans**  
These loans were given to sporting bodies at an interest rate of 10% repayable over 20 years. The remaining loans are repayable in 2016.

**Erven loans**  
These loans were granted to the community for the purchase of stands. The loans attract interest rates at 9% over a period of 5 years.

11. INVENTORY		
<b>Opening balance of inventories</b>	36 214 414	40 386 116
Consumables stores - at cost	35 817 952	39 976 306
Other goods held for resale - Land	0	0
Water	396 462	409 810
<b>Additions</b>	233 712 330	192 415 318
Consumables stores	38 615 530	35 252 490
Other goods held for resale- Land	22 972 760	0
Own water	15 138 171	0
Water purchases external	156 985 869	157 162 828
<b>Issued (Expensed)</b>	(206 931 046)	-196 587 020
Consumables stores	(34 988 541)	-39 410 845
Other goods held for resale -Land	0	0
Distribution loss	(35 696 299)	0
Water sales	(136 246 206)	-157 176 175
<b>Closing balances of inventories</b>	62 995 698	36 214 414
Consumable stores - at cost	39 444 941	35 817 951
Other goods held for resale -Land	22 972 760	0
Water - at cost	577 997	396 463

Consumable stores are disclosed at the lower of cost or net realisable value in line with the accounting policy on the weighted average calculation method.  
No inventory is pledged as security

Inventory were corrected and consist of the following:  
Surplus inventory to the value of R1 546  
Shortages to the value of (R51 092)  
Damaged stock written off (R55 743)  
Stolen cables written off (R86 148)  
Transformers transferred to PPE (R3 830 731)  
Fuel shortages and other corrections to the value of (R371 116)

**POLOKWANE MUNICIPALITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	2016 R	2015 R
<b>12. TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS UNLESS SPECIFIED OTHERWISE</b>		
Consumer Debtors	869 170 392	749 917 521
Sale of water and electricity 15 to 30 June	33 520 552	29 314 507
	<b>902 690 944</b>	<b>779 232 028</b>
Less Provision for bad debts	(572 294 805)	(423 510 887)
Plus outstanding RD cheques	1 445 967	1 661 740
	<b>331 842 106</b>	<b>357 382 880</b>
<b>Ageing of consumer debtors</b>		
Current (0-30 days)	151 747 559	120 281 619
31-60 days	56 993 973	42 689 915
61-90 days	35 920 905	32 093 030
91-120 days	29 656 657	31 355 934
120+ days	628 371 850	552 811 529
	<b>902 690 944</b>	<b>779 232 028</b>
<b>Consumer debtors per category</b>		
Government	33 505 771	69 298 510
Business	133 235 558	188 929 212
Individuals	733 899 691	435 502 116
Other	2 049 924	85 502 192
	<b>902 690 944</b>	<b>779 232 030</b>
<b>The analysis and ageing of consumer debtors per service.</b>		
<b>Water</b>		
Current (0-30 days)	39 180 669	26 647 517
31-60 days	20 777 730	15 843 812
61-90 days	14 421 343	10 311 891
91-120 days	12 072 557	11 184 222
120+ days	214 998 049	159 370 194
	<b>301 450 348</b>	<b>223 357 637</b>
<b>Electricity</b>		
Current (0-30 days)	69 064 436	60 968 854
31-60 days	17 025 075	12 710 231
61-90 days	10 206 550	8 552 907
91-120 days	8 356 895	6 764 954
120+ days	77 844 129	63 049 893
	<b>182 497 086</b>	<b>152 046 839</b>
<b>Property Rates - Non Exchange Transactions</b>		
Current (0-30 days)	31 036 597	21 274 353
31-60 days	10 476 074	9 396 886
61-90 days	7 789 461	8 463 106
91-120 days	6 372 213	6 159 934
120+ days	117 169 233	113 962 091
	<b>172 843 577</b>	<b>159 256 370</b>
<b>Sewerage</b>		
Current (0-30 days)	3 683 834	3 467 252
31-60 days	1 768 617	1 549 319
61-90 days	1 145 039	1 168 710
91-120 days	937 271	968 778
120+ days	14 844 975	12 821 937
	<b>22 379 737</b>	<b>19 975 996</b>
<b>Refuse</b>		
Current (0-30 days)	5 049 835	4 942 416
31-60 days	2 310 964	2 121 804
61-90 days	1 572 305	1 546 124
91-120 days	1 299 322	1 323 367
120+ days	25 520 367	20 112 264
	<b>35 752 792</b>	<b>30 045 974</b>
<b>Other Consumer Receivables</b>		
Current (0-30 days)	3 732 188	2 981 228
31-60 days	4 635 512	1 067 863
61-90 days	786 208	2 050 293
91-120 days	618 400	4 954 679
120+ days	177 995 097	183 495 150
	<b>187 767 405</b>	<b>194 549 212</b>
<b>Total outstanding</b>	<b>902 690 944</b>	<b>779 232 028</b>
<b>Reconciliation of bad debt provision</b>		
Balance at beginning of year	408 535 232	376 587 984
Contributions to provision	185 960 979	114 596 050
Bad debts recovered/(written off) against provision	(16 688 959)	(82 648 802)
<b>Balance at year end</b>	<b>577 807 252</b>	<b>408 535 232</b>



POLOKWANE MUNICIPALITY  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2016  
R

2015  
R







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

<b>34.1 Unauthorized expenditure</b>	<b>2016 R</b>	<b>2015 R Restated</b>
Reconciliation of unauthorized expenditure		
Opening balance	602 557 118	370 784 431
Unauthorized expenditure current year	287 154 715	231 772 687
Authorized by Council	(602 557 118)	-
Unauthorized expenditure awaiting authorization	<u>287 154 715</u>	<u>602 557 118</u>

Current year's unauthorised expenditure is attributed to the fact that the actual expenditure exceeded the budget on the following items :

Contribution to leave provision - non cash item	17 287 573
Profit/loss on sale of assets/ fair value adjustments - non cash item	79 516 334
Debt incentive - non cash item	42 401 822
Contribution to Provision for bad debt - non cash item	142 987 885
Contribution to Provision for rehabilitation of landfill site - non cash item	4 961 102

The opening balance on unauthorized has been subjected to MPAC investigation and was authorized by Council. The current year unauthorized expenditure will also be subjected to Council's authorization

**34.2 Fruitless and wasteful expenditure**

Reconciliation of fruitless and wasteful expenditure		
Opening balance -	1 603 457	
Fruitless and wasteful expenditure current year:	-	
Fruitless and Wasteful Expenditure as per submitted AFS	-	44 332
<b>Add:</b> Current year Expenditure	-	1 559 124
Written off by Council	(1 603 457)	
<b>Adjusted Fruitless and Wasteful Expenditure</b>	<u>-</u>	<u>1 603 457</u>

**34.3 Irregular expenditure**

Reconciliation of irregular expenditure		
Opening balance	616 559 974	565 375 342
Irregular expenditure current year	274 331 053	297 567 685
Regularized by Council	(616 559 974)	(246 383 053)
Irregular expenditure awaiting to be regularized	<u>274 331 053</u>	<u>616 559 974</u>

Current year irregular expenditure has been investigated by Municipal Public Account Committee(MPAC) and was regularized by Council.

Current year irregular expenditure consists of the following transactions:  
Irregular expenditure occurred as result of non compliance to supply chain regulation, regulation 22 and 29.

	171 059 810
Irregular expenditure occurred as result of non compliance to Preferential Procurement Policy Framework regulation of 2011 ,PPR 4(4) & PPR 5(2)	78 675 367
Irregular expenditure occurred as result of non compliance to MFMA section 116(3)	47 832 508
<b>TOTAL</b>	<u>-</u> <u>297 567 685</u>

**PROVISIONS**

**35.1 Provision for rehabilitation of landfill sites**

Carrying amount at beginning of year	52 438 945	47 563 669
Increase due to passage of time	2 699 718	4 875 276
Increase due to change in provision	5 374 992	
Carrying amount at end of year	<u>60 513 655</u>	<u>52 438 945</u>

The Weltevreden Landfill Site is a permitted facility in terms of Section 20 of the Environmental Conservation Act (Act 73 of 1989) and is located on portion 4 of the farm Weltevreden 746 LS - District Polokwane. The expected life span of the site is a further 6 years

Assumptions used:  
Discount rate used is CPI +2% (2015: 10.25%)

The movement in the current year was just the unwinding of the interest and nothing changed in the structural nature of the waste site.

The expense relating to the provision is included under note 28: General Expenses.

**35.2 Post-Employment Health Care Benefits**

Fair value of plan assets	-	-
Accrued liability	162 094 000	155 576 000
<b>Unfunded Accrued Liability</b>	<u>162 094 000</u>	<u>155 576 000</u>
Net Liability in Balance Sheet	<u>162 094 000</u>	<u>155 576 000</u>

Reconciling and projecting the unfunded accrued liability

**Unfunded Accrued Liability**

Opening balance	155 576 000	151 027 000
Current-service cost	5 589 000	5 573 000
Interest cost	14 243 000	13 492 000
Actuarial (Gain)/Loss	(7 662 331)	(9 279 759)
Actual employer benefit payments	(5 651 669)	(5 236 241)
<b>Closing Balance</b>	<u>162 094 000</u>	<u>155 576 000</u>

Net liability to reflect in the balance sheet

POLOKWANE MUNICIPALITY  
NOTES TO THE FINANCIAL STATEMENTS ENDED 30 JUNE 2015

Opening balance	155 576 000	151 027 000
Current-service cost	5 589 000	5 573 000
Interest	14 243 000	13 492 000
Actuarial (Gain)/loss recognised	(7 662 331)	(9 279 759)
<b>Net Periodic Cost Recognised in P&amp;L</b>	<b>167 745 669</b>	<b>160 812 241</b>
Actual employer benefits payments	(5 651 669)	(5 236 241)
<b>Closing Balance</b>	<b>162 094 000</b>	<b>155 576 000</b>

**Valuation Method**

The Projected Unit Credit funding method has been used to determine the past-service liabilities at the valuation date and the projected annual expense in the year following the valuation date.

**Post-employment Medical Aid Liabilities**

The expected value of each employee and their spouse's future medical aid subsidies is projected by allowing for future medical inflation. The calculated values are then discounted at the assumed discount interest rate to the present date of valuation (calculation). We also allowed for mortality, retirements and withdrawals from service as set out below. The accrued liability is determined on the basis that each employee's medical aid benefit accrues uniformly over the working life of an employee up until retirement. Further it is assumed that the current policy for awarding medical aid subsidies remains unchanged in the future. We assumed that 100% of all active members on medical aid will remain on medical aid once they retire. We also assumed that all active members will remain on the same medical aid option at retirement. We also assumed that 22.5% of in-service members not currently on a medical aid would join the Key-Health Silver medical aid scheme by retirement. This assumption is consistent with that used in the preceding valuation.

**Valuation of Assets**

As at the valuation date, the medical aid liability of the Municipality was unfunded, i.e. no dedicated assets have been set aside to meet this liability. We therefore did not consider any assets as part of our valuation.

The following assumptions has been used for current and prior year

Discount rate	Yield Curve	Yield Curve
	Difference between	Difference between nominal
	nominal and real yield	and real yield curve
	curve	and real yield curve
CPI (Consumer Price Inflation)	CPI +1%	CPI +1%
Health care cost inflation rate	Yield Curve	Yield Curve
Net effective discount rate	Difference between	Difference between nominal
	nominal and real yield	and real yield curve
	curve	and real yield curve

**35.3 Long Service Awards**

Accrued liability	31 892 000	27 867 000
<b>Unfunded Accrued Liability</b>	<b>31 892 000</b>	<b>27 867 000</b>
Net Liability in Balance Sheet	<b>31 892 000</b>	<b>27 867 000</b>

Reconciling and projecting the unfunded accrued liability

**Unfunded Accrued Liability**

Opening balance	27 867 000	26 932 000
Current-service cost	3 009 000	2 746 000
Interest cost	2 416 000	2 204 000
<b>Actuarial (Gain)/Loss</b>	<b>(114 307)</b>	<b>(2 701 825)</b>
<b>Actual employer benefit payments</b>	<b>(1 285 693)</b>	<b>(1 313 175)</b>







**APPENDIX A**  
**SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2016 (Unaudited)**

External Loans	Loan No.	Redeemable	Balance at 30 June 2015	Received during the period	Redeemed or written off during the period	Balance at June 2016	30
			R	R	R	R	
<b>LONG TERM LOANS</b>							
Stock Loan@10%	518	2015/16	7 799		7 799		0
Stock Loan@10%	520	2015/16	40 000		40 000		0
Stock Loan@10%	522	2015/16	6 829		6 829		0
Stock Loan@10%	524	2015/16	90 000		90 000		0
Stock Loan@10%	527	2015/16	20 000		20 000		0
			<b>164 628</b>	<b>0</b>	<b>164 628</b>		<b>0</b>
<b>ANNUITY LOAN</b>							
ANNUITY LOAN (DBSA) @ 1	61000907	2019/20	31 823 617	0	5 019 500	26 804 117	
ANNUITY LOAN (DBSA) @ 1	61006782	2020/21	193 300 130	0	32 216 688	161 083 441	
ANNUITY LOAN( INEP FROI	61007274	2017/18	0	42 800 000		42 800 000	
			<b>225 123 747</b>	<b>42 800 000</b>	<b>37 236 188</b>	<b>230 687 558</b>	
<b>Total External Loans</b>			<b>225 288 375</b>	<b>42 800 000</b>	<b>37 400 816</b>	<b>230 687 558</b>	

















Opening Balance	Historical Cost							Depreciation				
	Capital under construction	Additions for the year	Transfers	Reclassification	Fair value adjustments	Revaluation	De-recognition	Closing balance	Opening balance	Depreciation for the year	De-recognition	Closing balance
3 118 925 330	48 348 632	3 812 586	-	-	-	-	-	3 171 086 549	(1 566 806 246)	(91 203 059)	-	(1 657 809 305)
682 798 083	-	3 359 603	-	-	-	-	-	686 157 686	(350 840 719)	(22 743 660)	-	(373 584 379)
2 384 424 645	-	452 983	-	-	-	-	-	2 384 877 628	(1 215 765 527)	(68 459 399)	-	(1 284 224 926)
51 702 603	48 348 632	-	-	-	-	-	-	100 051 235	-	-	-	-
<b>14 220 617 614</b>	<b>(173 812 788)</b>	<b>587 449 788</b>	-	-	-	-	<b>(86 944 187)</b>	<b>14 547 310 428</b>	<b>(7 418 530 731)</b>	<b>(336 693 025)</b>	<b>37 847 035</b>	<b>(7 717 376 720)</b>
<b>13 671 240 767</b>	<b>(188 974 281)</b>	<b>585 378 043</b>	-	-	-	-	<b>(86 572 404)</b>	<b>13 981 072 125</b>	<b>(7 090 231 932)</b>	<b>(316 730 426)</b>	<b>37 586 239</b>	<b>(7 369 376 119)</b>
2 830 930 432	-	8 340 258	-	-	-	-	(330 178)	2 838 940 512	(1 766 056 925)	(62 127 088)	286 174	(1 827 897 840)
22 867 892	-	-	-	-	-	-	-	22 867 892	(8 688 271)	(1 814 326)	-	(10 502 597)
6 243 458 269	-	428 368 959	-	-	-	-	(81 791 173)	6 590 036 054	(3 043 917 343)	(170 229 972)	34 804 969	(3 179 342 346)
1 063 970 320	-	2 200 277	-	-	-	-	-	1 066 170 597	(608 407 652)	(19 209 855)	-	(627 617 507)
2 999 802 076	-	146 468 550	-	-	-	-	(4 451 053)	3 141 819 572	(1 663 161 740)	(63 349 185)	2 495 096	(1 724 015 829)
510 211 778	(188 974 281)	-	-	-	-	-	-	321 237 496	-	-	-	-
<b>548 072 079</b>	<b>15 161 493</b>	<b>2 071 746</b>	-	-	-	-	<b>(371 783)</b>	<b>564 933 535</b>	<b>(328 298 799)</b>	<b>(19 962 599)</b>	<b>260 796</b>	<b>(348 000 602)</b>
26 263 205	-	-	-	-	-	-	-	26 263 205	(16 902 713)	(578 297)	-	(17 481 010)
511 214 381	-	2 071 746	-	-	-	-	(371 783)	512 914 344	(311 396 086)	(19 384 301)	260 796	(330 519 591)
10 594 494	15 161 493	-	-	-	-	-	-	25 755 987	-	-	-	-
<b>1 304 768</b>	-	-	-	-	-	-	-	<b>1 304 768</b>	-	-	-	-
777 325	-	-	-	-	-	-	-	777 325	-	-	-	-
215 879	-	-	-	-	-	-	-	215 879	-	-	-	-
311 563	-	-	-	-	-	-	-	311 563	-	-	-	-
<b>237 481 341</b>	-	-	(1 000)	-	-	-	-	<b>237 480 341</b>	-	-	-	-
237 481 341	-	-	(1 000)	-	-	-	-	237 480 341	-	-	-	-
<b>131 724 342</b>	-	<b>15 345 641</b>	-	-	-	-	<b>(1 791 273)</b>	<b>145 278 709</b>	<b>(82 128 116)</b>	<b>(18 548 847)</b>	<b>1 501 863</b>	<b>(99 175 099)</b>
7 661 577	-	764 886	-	-	-	-	-	8 426 463	(4 455 893)	(1 137 752)	-	(5 593 645)
26 817 601	-	4 622 665	-	-	-	-	-	31 440 266	(17 424 060)	(3 438 494)	-	(20 862 554)
5 848 370	-	3 812 498	-	-	-	-	-	9 660 868	(2 598 008)	(1 277 854)	-	(3 875 862)
-	-	4 794 610	-	-	-	-	-	4 794 610	-	(453 072)	-	(453 072)
70 541 576	-	906 157	-	-	-	-	(1 791 273)	69 656 459	(37 528 130)	(11 877 556)	1 501 863	(47 903 823)
20 855 217	-	444 825	-	-	-	-	-	21 300 043	(20 122 025)	(364 118)	-	(20 486 143)
<b>14 277 750</b>	-	-	-	-	(5 278 725)	-	-	<b>8 999 025</b>	-	-	-	-
14 277 750	-	-	-	-	(5 278 725)	-	-	8 999 025	-	-	-	-
<b>11 574 990</b>	-	<b>750 000</b>	-	-	-	-	<b>(1 771 295)</b>	<b>10 553 695</b>	<b>(9 259 628)</b>	<b>(991 393)</b>	<b>1 771 295</b>	<b>(8 479 726)</b>
11 574 990	-	750 000	-	-	-	-	(1 771 295)	10 553 695	(9 259 628)	(991 393)	1 771 295	(8 479 726)
<b>639 243 192</b>	-	<b>17 025 245</b>	<b>1 000</b>	<b>(22 972 760)</b>	<b>25 192 560</b>	-	-	<b>658 489 238</b>	-	-	-	-
639 243 192	-	17 025 245	1 000	(22 972 760)	25 192 560	-	-	658 489 238	-	-	-	-
<b>15 609 153</b>	-	-	-	-	-	-	-	<b>15 609 153</b>	-	-	-	-
15 609 153	-	-	-	-	-	-	-	15 609 153	-	-	-	-
<b>138 213 469</b>	-	<b>5 007 280</b>	-	-	-	-	<b>(2 942 685)</b>	<b>140 278 064</b>	<b>(52 504 959)</b>	<b>(29 727 566)</b>	<b>2 744 915</b>	<b>(79 487 609)</b>
130 430 667	-	-	-	-	-	-	-	130 430 667	(49 706 897)	(26 157 602)	-	(75 864 500)
2 942 685	-	5 007 280	-	-	-	-	(2 942 685)	5 007 280	(1 519 469)	(1 952 171)	2 744 915	(726 724)
4 840 117	-	-	-	-	-	-	-	4 840 117	(1 278 593)	(1 617 793)	-	(2 896 385)
<b>18 527 667 182</b>	<b>(125 464 156)</b>	<b>629 390 541</b>	-	<b>(22 972 760)</b>	<b>19 913 835</b>	-	<b>(93 449 440)</b>	<b>18 935 085 202</b>	<b>(9 129 029 679)</b>	<b>(477 163 890)</b>	<b>43 865 109</b>	<b>(9 562 328 460)</b>



Historical cost							Depreciation					
Opening Cost / Revaluation	Capital under construction	Additions for the year	Donations received	Fair value adjustments	Reclassification	Derecognition/Disposals for the year	Closing Cost /Revaluation	Opening balance	Depreciation for the year	Acc Depreciation on Derecognition/Disposal	Closing balance	Opening balance
883 533 886	-	29 021 349	-	25 192 560	(22 972 760)	-	914 775 035	(4 095 644)	(2 186 262)	-	(6 281 906)	-
883 533 886	-	29 021 349	-	25 192 560	(22 972 760)	-	914 775 035	(4 095 644)	(2 186 262)	-	(6 281 906)	-
19 075 990	-	-	-	-	-	-	19 075 990	(11 216 406)	(680 586)	-	(11 896 993)	-
2 589 602 646	-	2 558 538	-	-	-	-	2 592 161 185	(1 342 725 171)	(76 749 222)	-	(1 419 474 394)	-
161 043 087	-	483 350	-	-	-	-	161 526 437	(95 626 482)	(5 637 301)	-	(101 263 783)	-
68 427 300	-	1 458 697	-	-	-	-	69 885 997	(41 918 404)	(2 775 027)	-	(44 693 430)	-
2 360 132 260	-	616 491	-	-	-	-	2 360 748 751	(1 205 180 286)	(68 336 895)	-	(1 273 517 181)	-
525 113 860	-	4 083 633	-	-	-	(1 011 773)	528 185 720	(265 615 885)	(22 246 066)	883 128	(286 978 822)	(8 402)
5 933 867	-	1 067	-	-	-	-	5 934 934	(3 172 973)	(181 424)	-	(3 354 397)	-
1 763	-	349 004	-	-	-	-	350 766	(1 656)	(4 376)	-	(6 032)	-
104 522 821	-	65 109	-	-	-	(1 011 773)	103 576 157	(61 248 763)	(5 992 346)	883 128	(66 357 981)	-
249 550 136	-	150 816	-	-	-	-	249 700 952	(115 044 778)	(8 011 872)	-	(123 056 651)	(8 402)
305 789	-	8 000	-	-	-	-	313 789	(223 877)	(32 578)	-	(256 455)	-
21 553 514	-	809 919	-	-	-	-	22 363 433	(14 387 507)	(1 473 552)	-	(15 861 060)	-
143 245 991	-	2 699 718	-	-	-	-	145 945 709	(71 536 331)	(6 549 918)	-	(78 086 248)	-
176 392 154	-	6 564 794	-	-	-	(4 713 980)	178 242 968	(71 998 232)	(33 144 400)	4 516 210	(100 626 422)	-
2 628 628	-	638 771	-	-	-	-	3 267 399	(939 433)	(478 120)	-	(1 417 552)	-
42 701 854	-	5 757 280	-	-	-	(4 713 980)	43 745 154	(20 883 599)	(6 430 037)	4 516 210	(22 797 425)	-
378 344	-	163 622	-	-	-	-	541 965	(261 481)	(59 681)	-	(321 162)	-
130 683 329	-	5 121	-	-	-	-	130 688 450	(49 913 719)	(26 176 563)	-	(76 090 282)	-
13 203 900 300	-	586 357 962	-	-	-	(87 351 904)	13 702 906 358	(7 120 639 736)	(321 971 022)	38 204 974	(7 404 405 785)	(19 021)
196 249	-	-	-	-	-	-	196 249	(160 201)	(15 797)	-	(175 997)	-
2 870 021 351	-	9 169 934	-	-	-	(483 686)	2 878 707 599	(1 788 638 150)	(65 602 099)	403 139	(1 853 837 109)	-
6 258 814 120	-	428 368 959	-	-	-	(82 417 165)	6 604 765 914	(3 054 565 270)	(172 340 243)	35 306 738	(3 191 598 774)	-
1 068 877 035	-	2 215 836	-	-	-	-	1 071 092 871	(609 142 818)	(19 591 290)	-	(628 734 107)	-
3 005 991 545	-	146 603 234	-	-	-	(4 451 053)	3 148 143 725	(1 668 133 299)	(64 421 594)	2 495 096	(1 730 059 797)	(19 021)
417 127 685	-	518 915	-	(5 278 725)	-	-	412 367 875	(230 636 507)	(16 483 444)	-	(247 119 950)	-
2 834 542	-	449 136	-	-	-	-	3 283 678	(1 611 477)	(478 308)	-	(2 089 786)	-
352 381 129	-	-	-	-	-	-	352 381 129	(208 898 556)	(14 593 529)	-	(223 492 085)	-
35 456 034	-	19 601	-	(5 278 725)	-	-	30 196 910	(3 081 700)	(809 259)	-	(3 890 959)	-
26 455 980	-	50 178	-	-	-	-	26 506 159	(17 044 774)	(602 347)	-	(17 647 120)	-
31 273 932	-	279 889	-	-	-	(371 783)	31 182 039	(22 163 010)	(990 021)	260 796	(22 892 235)	-
379 850	-	-	-	-	-	-	379 850	(284 890)	(36 106)	-	(320 996)	-
30 894 083	-	279 889	-	-	-	(371 783)	30 802 189	(21 878 120)	(953 916)	260 796	(22 571 240)	-
108 654 115	-	-	-	-	-	-	108 654 115	(59 634 615)	(2 657 979)	-	(62 292 593)	(122 883)
108 654 115	-	-	-	-	-	-	108 654 115	(59 634 615)	(2 657 979)	-	(62 292 593)	(122 883)
483 740	-	5 459	-	-	-	-	489 199	(304 472)	(54 888)	-	(359 360)	-
483 740	-	5 459	-	-	-	-	489 199	(304 472)	(54 888)	-	(359 360)	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
572 508 875	(125 464 156)	-	-	-	-	-	447 044 719	-	-	-	-	-
572 508 875	(125 464 156)	-	-	-	-	-	447 044 719	-	-	-	-	-
18 527 667 182	(125 464 156)	629 390 541	-	19 913 835	(22 972 760)	(93 449 440)	18 935 085 202	(9 129 029 679)	(477 163 890)	43 865 109	(9 562 328 460)	(150 306)
18 527 667 182	(125 464 156)	629 390 541	-	19 913 835	(22 972 760)	(93 449 440)	18 935 085 202	(9 129 029 679)	(477 163 890)	43 865 109	(9 562 328 460)	(150 306)
-	-	-	-	-	-	-	(0.00)	0.00	0.00	-	0.00	-



**Appendix D Segmental Statement of Financial Performance 30 June 2016 (Unaudited)**

2014/2015 Audited Outcome	2015/16		
	Original Budget	Adjusted Budget	YearTD actual
1 439 031 024	1 587 118 093	1 667 836 093	1 551 717 459
0	0	0	0
325 868 706	397 887 495	379 410 251	380 531 228
1 113 162 318	1 189 230 598	1 288 425 842	1 171 186 231
<b>16 614 707</b>	<b>37 581 913</b>	<b>35 581 913</b>	<b>25 786 889</b>
2 041 158	2 551 606	2 551 606	2 263 683
4 294 518	15 691 800	13 691 800	6 106 511
10 267 649	17 174 650	17 174 650	17 405 371
11 382	43 857	43 857	11 325
0	2 120 000	2 120 000	0
<b>41 545 928</b>	<b>72 905 912</b>	<b>72 906 912</b>	<b>41 161 220</b>
30 794 202	61 145 101	61 146 101	30 012 133
8 841 333	9 505 757	9 505 757	7 942 860
1 910 394	2 255 054	2 255 054	3 206 227
<b>989 286 833</b>	<b>1 173 145 082</b>	<b>1 173 145 082</b>	<b>1 170 660 769</b>
658 285 402	793 681 150	793 681 150	764 717 790
223 249 429	259 055 145	259 055 145	288 462 912
49 064 812	55 325 708	55 325 708	52 800 385
58 687 189	65 083 079	65 083 079	64 679 682
<b>2 486 478 493</b>	<b>2 870 751 000</b>	<b>2 949 470 000</b>	<b>2 789 326 337</b>
709 484 713	508 590 471	526 684 087	711 430 918
193 506 479	107 554 537	117 638 537	200 021 673
124 232 210	135 458 441	136 686 441	125 554 744
391 746 024	265 577 493	272 359 109	385 854 502
<b>348 972 819</b>	<b>349 755 798</b>	<b>353 912 753</b>	<b>371 936 810</b>
79 755 158	80 961 202	81 128 218	83 198 574
123 353 282	101 122 748	105 278 628	120 445 228
134 147 277	154 094 474	154 182 093	155 011 026
7 580 711	9 260 737	9 031 677	9 068 528
4 136 391	4 316 637	4 292 137	4 213 454
<b>359 898 734</b>	<b>191 358 094</b>	<b>206 300 066</b>	<b>391 087 897</b>
60 198 435	90 994 157	91 409 657	64 210 782
291 523 694	90 273 597	105 361 401	318 612 078
8 176 605	10 090 340	9 529 008	8 265 036
<b>1 198 276 740</b>	<b>1 238 855 637</b>	<b>1 235 073 094</b>	<b>1 321 666 606</b>
682 887 491	792 179 569	789 386 888	820 140 266
315 982 856	295 408 724	291 823 701	318 482 385
133 399 050	86 367 546	88 690 107	112 295 797
66 007 342	64 899 798	65 172 398	70 748 158
<b>2 616 633 005</b>	<b>2 288 560 000</b>	<b>2 321 970 000</b>	<b>2 796 122 231</b>
<b>-128 915 294</b>	<b>582 191 000</b>	<b>627 500 000</b>	<b>-104 956 140</b>

**Appendix D Segmental Statement of Financial Performance 30 June 2016 (Unaudited)**

2014/2015	2015/16		
Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
1 439 031 024	1 587 118 093	1 667 836 093	1 551 717 459
0	0	0	0
325 868 706	397 887 495	379 410 251	380 531 228

**APPENDIX E (1)**  
**ACTUAL OPERATING VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

2016	Actual	2016	2016	2016	Explanations of significant variances greater than 10% versus budget
	R	Budget	Variance	Variance	
		R	R	%	
	281 023 721	314 000 000	(32 976 279)	(10.50)	This came as a result of the implementation of the new valuation which undervalued some properties as compared to the previous valuation roll.
	1 086 880 799	1 095 348 067	(8 467 268)	(0.77)	
	12 342 192	19 711 177	(7 368 985)	(37.38)	Rental of the Peter Mokaba Stadium to the amount of R9 million did not materialize
	27 592 762	37 000 000	(9 407 238)	(25.42)	Over budgeted due to underspending of grant expenditure
	54 307 169	25 800 000	28 507 169	110.49	Under budgeted due to non payment of consumer debtors
	33 049 072	13 725 784	19 323 288	140.78	Over budgeted due to new implementation of doubt full fines provision.
	8 100 962	9 570 079	(1 469 117)	(15.35)	Over budgeted of revenue
	15 931 818	16 595 572	( 663 754)	(4.00)	
	616 432 887	678 860 000	(62 427 114)	(9.20)	
	473 584 799	470 853 657	2 731 142	0.58	
	3 355 674	0	3 355 674	-	
	120 638 211	268 005 664	(147 367 453)	(54.99)	Contribution from accumulated surplus during the adjustment budget (R125 million) was not necessary.
	<b>2 733 240 065</b>	<b>2 949 470 000</b>	<b>(216 229 935)</b>	<b>(7.33)</b>	
	598 398 759	581 111 186	17 287 573	2.97	
	27 019 623	28 348 587	(1 328 964)	(4.69)	
	192 987 885	50 000 000	142 987 885	285.98	Provision for bad debt insufficient due to new impairment policy.
	0	0	0	-	
	477 163 890	491 964 008	(14 800 118)	(3.01)	Under budgeted. New service provider applied revaluation model
	198 971 424	203 941 962	(4 970 538)	(2.44)	
	34 578 938	35 585 363	(1 006 425)	(2.83)	Over budgeted for finance leas cost
	748 278 150	748 891 192	( 613 042)	(0.08)	
	17 180 000	17 180 000	0	-	
	530 774 515	451 911 710	78 862 805	17.45	Gain / (loss) on fair value/ disposal/impairment of assets to the amount of R81.1 million and R42.4 million for debt incentive which was not budgeted for. Actuarial valuations on leave reserva and rehabilitation of landfill sites were overspent by R30.2 million
	<b>2 825 353 185</b>	<b>2 608 934 008</b>	<b>216 419 177</b>		
	(49 782 101)	0	(49 782 101)	-	- Not budget for
	36 939 080		36 939 080	-	- Not budget for
	<b>5 637 863 349</b>	<b>5 217 868 016</b>	<b>419 995 333</b>	<b>8.05</b>	

(104 956 140)	340 535 992	(445 492 132)	(130.82)















APPENDIX E (2)  
 ACTUAL CAPITAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)  
 FOR THE YEAR ENDED 30 JUNE 2016 (Unaudited)

2016 Budget R	2016 Actual R	2016 Variance R	2016 Variance %	Explanations of significant variances greater than 10% versus budget
906 157	906 157	0	0.00	
906 157	906 157	0	0.00	On target-Under 10%- No explanation required
5 000 000	4 999 464	536	0.01	
5 000 000	4 999 464	536	0.01	On target-Under 10%- No explanation required
4 272 251	4 248 241	475 690	11.14	
3 800 000	4 375 890	475 690	12.20	Over spent Assets funded from FMG Grant
372 351	372 351	(0)	(0.00)	
3 466 901	3 393 558	(73 343)	(2.12)	
3 466 901	3 393 558	(73 343)	(2.12)	On target-Under 10%- No explanation required
317 057 070	282 664 514	(34 392 556)	(10.85)	
120 700 195	101 517 026	(19 183 169)	(15.89)	Under spending/ contract less than budget amount
196 356 875	181 147 488	(15 209 387)	(7.75)	On target-Under 10%- No explanation required
22 868 840	19 283 170	(3 785 670)	(16.12)	
1 800 000	1 659 499	(140 501)	(7.81)	On target-Under 10%- No explanation required
583 000	299 000	(284 000)	(48.71)	
20 605 840	17 324 671	(3 281 169)	(15.92)	
3 800 000	3 555 823	(244 177)	(6.43)	
3 800 000	3 555 823	(244 177)	(6.43)	On target-Under 10%- No explanation required
6 224 160	3 275 871	(2 948 289)	(47.37)	
1 976 832	1 181 281	(795 551)	(40.24)	Under spending/ contract less than budget amount
3 227 722	2 094 590	(1 133 132)	(35.11)	Under spending/ contract less than budget amount
1 019 606	-	(1 019 606)	(100.00)	Did not implement projects
56 486 350	47 343 876	(9 142 474)	(16.19)	
56 486 350	47 343 876	(9 142 474)	(16.19)	Under spending/ contract less than budget amount
600 000	571 341	(28 659)	(4.78)	
600 000	571 341	(28 659)	(4.78)	
3 144 793	3 843 175	698 382	22.21	
3 144 793	3 843 175	698 382	22.21	Under spending/ contract less than budget amount
196 055 615	166 720 160	(29 335 455)	(14.96)	
196 055 615	166 720 160	(29 335 455)	(14.96)	Under spending/ contract less than budget amount
6 283 099	5 163 091	(1 120 008)	(17.83)	
6 283 099	5 163 091	(1 120 008)	(17.83)	Under spending/ contract less than budget amount
626 285 336	546 468 441	(79 816 895)	(12.74)	

APPENDIX F  
DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)

DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants	Quarterly receipts					R	Quarterly Expenditure for the Year					R	Deductions withheld	Cashile amount Municipal year
	Sept	Dec	March	June	Total		Sept	Dec	March	June	Total			
Equitable share	217 748 000	18 264 000	286 583 000		522 595 000	130 648 750	106 363 250	155 934 250	130 648 750	522 595 000	No	522 595 000		
Finance Management Grant	1 875 000	0	0	0	1 875 000	489 445	349 301	292 788	322 211	1 875 000	No	1 875 000		
Mun Systems Improvement Grant	930 000	0	0	0	930 000	232 500	232 500	232 500	232 500	930 000	No	930 000		
Mun Infrastructure Grant	88 890 000	88 890 000	98 020 000		275 800 000	23 668 385	25 393 624	216 110 141	121 463 350	386 435 495	No	386 435 495		
Water Services Operating Subsidy Grant(s&u/vw)	0	0	0	0	0	4 856 516	4 724 352	9 229 258		20 860 184	No	20 860 184		
Public Transport Infrastructure Grant	46 047 000	46 047 000	92 095 000		184 189 000	13 288 037	36 522 216	65 902 785	79 125 435	194 078 473	No	194 078 473		
Extended public works programme	1 806 000	1 350 000	1 350 000		4 506 000	762 487	1 381 418	1 102 897	1 249 204	4 536 000	No	4 536 000		
Integrated National Electrification Programme	30 000 000	10 000 000	0		40 000 000	30 000 000	10 000 000			40 000 000	No	40 000 000		
Neighbourhood Dev Partnership Grant	14 824 000	0	16 248 000		31 072 000	3 537 937	9 718 541	9 312 919	5 757 843	28 327 240	No	28 327 240		
Infrastructure Skills Development	2 252 000	0	2 701 000		5 000 000	2 701 000	2 252 000	2 701 000	2 701 000	5 000 000	No	5 000 000		
	483 332 000	164 556 000	472 691 000		1 060 579 000	207 265 304	196 076 201	492 548 244	311 978 953	1 206 997 901		1 206 997 901		



**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

**Contingent liabilities 30 June 2016**

Type of case	Summary of case	Name of parties	Authority that dealt with the case e.g. High Court	Amount involved	Outcome	Costs to the Municipality	Law firm used	Date finalized
Civil	Damages suffered as a result of exposure to inhalation of gases, chemicals and dust	Mmanyaka Patrick Machaba/ Polokwane Municipality	North Gauteng High Court	4 000 000	Matter still pending in court	R76 237.80	Mohale Incorporated	In progress
Civil	Termination of agreement	Phuthinare Traders cc/ Polokwane Municipality	North Gauteng High Court	1 399 003	Matter still pending, no further step taken after filing of plea	R133 042.58	N Mohale Incorporated	In progress
Civil	Personal damages as a result of accident	Godknows Tshuma/ Polokwane municipality	North Gauteng High Court	35 939	Awaiting trial date	R47 532.30	A. M. Carrim Attorneys	In progress
Civil	Damage as a result of storm water	J.H.S Bester & another/ Polokwane Municipality	Plk Mag Court	61 599	Matter still pending in court, expert witnesses to hold pre trial conference	No invoice submitted	N Mohale Incorporated	In progress
Civil	Damages as a result of motor collision	Mogoma Samuel Seabi/ Plk Municipality	Plk Mag Court	275 000	Claimant rejected offer from the Insurance and issued summons	None- Internal	Matter handled internally	In progress
Civil	Damages	Dr. O.R Tshikosi v Polokwane & Others	Plk Mag Court	300 000	Matter still pending	R 5 399.00	De Bruin Oberholzer Att	In progress
Civil	Non-payment for services rendered	E.C Deacon t/a P&L Services v Polokwane	Plk Mag Court	41 317	Judgment for rescission of judgment reserved	No invoice submitted	Mogaswa Attorneys	In progress
Civil	Non-payment for services rendered	E.C Deacon t/a K T Services	Plk Mag Court	82 527	Judgment for rescission of judgment reserved	No invoice submitted	Mohale Inc. Att.	In progress
Civil	Motor vehicle collision	E Phooko v Polokwane	Plk Mag court	45 360	Matter still pending in court	R15 760.00	Jeff Mathabatha Attorneys.	In progress
Civil	Damages (pain & suffering)	A D Friedendal v Polokwane	Plk Mag Court	113 289	Matter still pending in court	No invoice submitted	Jeff Mathabatha Attorneys.	In progress
Civil	Pothole collision	Ramadimetja Melda Chabangu/ Polokwane Municipality	Internal intervention	1 938	Awaiting Departmental report from Roads & Storm Water	None- Internal	Referral to the Insurance.	In progress
Civil	Storm water damage	Tess Jerkins. Polokwane Municipality	Internal intervention	62 646	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Open hole injury	Soufo Mampshe Jacob/ Polokwane Municipality	Internal intervention	10 000	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	No names mentioned in the claim	Internal intervention	67 580	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	Joel Makgata/ Polokwane Municipality	Polokwane Magistrate Court	53 799	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Pothole collision	Charles Errol Hlupekha/ Polokwane Municipality	Magistrate Court Mankweng	19 495	Matter still pending in court	No invoice submitted	Maboku Mangena Attorneys	In progress
Civil	Defamation of character	Mers Lerake Motshekga/ Polokwane Municipality	Polokwane Regional Court	300 000	matter postponed <i>sine die</i>	No invoice submitted	Pule Incorporated	In progress
Civil	Damages for falling into a ditch	J.P Neethling/ Polokwane Municipality	High Court	2 000 000	Awaiting report from the Insurance	None- Internal	Internal intervention	In progress
Civil	Rental agreement	Pietersburg Police Social Club/ Polokwane Municipality	Polokwane Magistrate Court	57 000	Matter still pending in court	Invoice to be submitted	Carrim Attorneys	In progress

**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil	Motor collision	W. De Jongh/Polokwane Municipality	Polokwane Magistrate Court	13 152	Awaiting trial date	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Pothole collision	DP Service centre/ Polokwane Municipality	Polokwane Magistrate Court	96 164	Awaiting report from Roads and Storm Water	None- Internal	Referral to the Insurance.	In progress
Civil	Pothole collision	Kgadimotso Chemical Suppliers/ Polokwane Municipality	Polokwane Magistrate Court	74 109	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	Mathabathe Magdalene Mokoale/ Polokwane Municipality	Polokwane Magistrate Court	24 257	Awaiting report from the Insurance	None- Internal	Referral to the Insurance	In progress
Civil	Motor collision	Jeff Mathabatha/ Polokwane Municipality	Polokwane Magistrate Court	100 000	Matter still pending in court	None- Internal	Handled internally	In progress
Civil	Pothole collision	Makonde Bethuel Phaswane/ Polokwane Municipality	Polokwane Magistrate Court	20 033	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Damages suffered for death as a result of electrocution	Johannes Skele Mogashoa/ Polokwane Municipality	Polokwane Regional Court	400 000	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	James Mohale Maake/ Polokwane Municipality	Polokwane Regional Court	173 166	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Damages suffered	Andries Tefu/ Polokwane Municipality	Seshego Magistrate Court	315 000	Matter still pending in court	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Service rendered	Segabeng Trading Enterprise/ Polokwane Municipality	Polokwane Magistrate Court	94 000	Matter still pending in court	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Motor collision	Ezekiel Lediga/ Polokwane Municipality	Polokwane Magistrate Court	11 907	Awaiting trial date	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Motor vehicle collision	BB Hatlief/ Thabo Witness Mojela & Polokwane Municipality	Letter of demand	18 582	Matter referred to the Insurance	None- Internal	Handled internally	In progress
Civil	Damages as a result of storm water	Bamby Francinah Manamela/ Polokwane Municipality	Letter of demand	128 568	Matter referred to the Insurance	None- Internal	Handled internally	In progress
Civil	Services rendered	Phenyo In Media Consultancy/ Polokwane Municipality	Letter of demand	5 668 001	Meeting to be handled between all stake holders	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Services rendered	Business Connexion (Pty)Ltd / Polokwane municipality	Polokwane High Court	2 758 084	Matter still pending in court	R79 528.60	Carrim Attorneys	In progress
Civil	Vehicle damage waste from truck falling onto the car	Hendrick Van Zyl / Polokwane Municipality	Internal intervention	51 327	Awaiting report from the insurance	None-internal	Referral to the insurance	In progress
Civil	Motor collision	Khutso Jappie Sibanda / Polokwane Municipality	Polokwane Magistrate Court	70 000	Awaiting report from the insurance	None-internal	Referral to the insurance	In progress
Civil	Service rendered	Tshepega Engineering (Pty) Ltd / Polokwane Municipality	Polokwane High Court	907 100	Matter still pending in court	Invoice to be submitted	Mabuku Mangena Attorneys	In progress
Civil	Damage due to municipal pipes	William Mashilo Sebetoa / Polokwane Municipality	Internal intervention	25 100	Awaiting report from the insurance	None-internal	Referral to the insurance	In progress
Civil	Damage for falling into an open hole	Ramashitja Gladys / Polokwane Municipality	Internal intervention	2 200 000	Awaiting report from the insurance	None-internal	Referral to the insurance	In progress
Civil	Collision with a pothole	Moshe Johannes Ramothwala / Polokwane Municipality	Internal intervention	20 846	Awaiting report from the insurance	None-internal	Referral to the insurance	In progress

**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil	Damaged suffered for registration of property	Mashoto Matthews Rangoanasha / Polokwane Municipality	Polokwane Magistrate Court	45 000	Matters still pending in court	Invoice to be submitted	Noko Maimela	In progress
Civil	Service rendered	TM Consulting Civil Engineers/ Polokwane Municipality	Polokwane High Court	944 691	Matter still pending in court	Invoice to be submitted	Noko Maimela	In progress
Civil	Service rendered	African blue Eagles Development Engineers/ Polokwane Municipality	Polokwane High Court	1 118 024	Matter still pending in court	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Illegal land use matter- Court application X5	Not mentioned	kindly provide the details of the parties so that accurate information is provided	700 000	Ongoing matter, set for court hearing on 12 September 2016	Invoice to be submitted	Kgatla incorporated	In progress
Civil	Not mentioned	Maremane V Lamola V/ Polokwane municipality	LABOUR RELATIONS TO PROVIDE INFORMATION	2 000 000	Matter pending	Invoice to be submitted	Maboku Mangena Attorneys	In progress
Civil	Not mentioned	Chitate V/Polokwane municipality	Polokwane Magistrate Court	45 000	Matter pending	Invoice to be submitted	Maboku Mangena Attorneys	In progress
Civil	Not mentioned	Molatelo Raoetsoa/ Polokwane Municipality	LABOUR RELATION TO PROVIDE INFORMATION	27 900	Not mentioned	Invoice to be submitted	M L Mashego attorneys	In progress
Civil	Labour issue	IMATU OBO MR L J Mannau/ Polokwane municipality	LABOUR RELATION TO PROVIDE INFORMATION	0	Matter pending	Invoice to be submitted	Popela Maake attorneys	In progress
Civil	Labour issue	IMATU OBO Cleaners / Polokwane municipality	LABOUR RELATION TO PROVIDE INFORMATION	0	Matter pending	Invoice to be submitted	Popela Maake attorneys	In progress
Civil	Labour issue	Polokwane municipality	LABOUR	0	Matter pending	Invoice to be submitted	Popela Maake attorneys	In progress
Civil	Labour issue	Public protector /Polokwane municipality	LABOUR RELATION TO PROVIDE INFORMATION	0	Matter pending	Invoice to be submitted	Popela Maake attorneys	In progress
Civil	Labour issue	Polokwane municipality / LG Maramane	LABOUR RELATION TO PROVIDE INFORMATION	750 000	Matter pending	Invoice to be submitted	Lebea and associates	In progress
Civil	Claim against municipality	Polokwane municipality/ Tshireletso corporate safety ware cc	High Court	173 937	Court granted plaintiff leave to amend its particulars of claim	Invoice to be submitted	Mohale Inc	In progress
Civil	Injuries sustained	Polokwane municipality/ JH Snelling	Polokwane High Court	350 000	Matter pending	Invoice to be submitted	Mohale Inc	In progress
Civil	Notice to appeal	Polokwane municipality/ The Hansen trust	High Court	260 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Relocation/resettlement	Polokwane municipality/ Moyo Amoselang	Polokwane High Court	150 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Relocation/resettlement	Polokwane municipality/ Moria Thobejana	High Court	150 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Illegal land use	Polokwane municipality/ African spirit trading		70 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Illegal land use	Polokwane municipality/ Tommie smith trust	High Court	30 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Illegal land use	Polokwane municipality/ Dada world of hardware	High Court	30 000	Matter pending	Invoice to be submitted	Noko Maimela	In progress
Civil	Application for eviction	Polokwane municipality/ Application for eviction erf 9311 Polokwane ext. 44	did not serve before court	0	Matter in abeyance	Invoice to be submitted	AM Carrim	In progress

**ANNEXURE G  
POLOKWANE MUNICIPALITY  
CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil	Application for eviction	Polokwane municipality/ Application for eviction erf 13086 Polokwane ext. 71	did not serve before court	0	Matter in abeyance	Invoice to be submitted	AM Carrim	In progress
Civil	Application for eviction	Polokwane municipality/ Application for eviction erf 9321 Polokwane ext. 44	did not serve before court	0	Matter in abeyance	Invoice to be submitted	AM Carrim	In progress
Civil	Application for eviction	Polokwane municipality/Application for eviction erf 10304 Polokwane ext. 44	did not serve before court	0	Matter in abeyance	Invoice to be submitted	AM Carrim	In progress
Civil	Application for eviction	Polokwane municipality Application for eviction erf 337 Polokwane ext. G	Seshego aagistrate court	0	Matter in abeyance	Invoice to be submitted	AM Carrim	In progress
Civil	Unpaid for services rendered	Polokwane municipality/ PIMC development communication	did not serve before court	0	Waiting for the instruction from the municipality	Invoice to be submitted	AM Carrim	In progress
Civil	Unpaid for services rendered	Polokwane municipality/ Focus 4	did not serve before court	0	Waiting for the instruction from the municipality	Invoice to be submitted	AM Carrim	In progress
Civil	Illegal land use	Polokwane municipality/illegal land use erf 70 seshego 9A NF & Matlamela	Seshego Mag cort	0	Application for contempt of court order set down for hearing	Invoice to be submitted	AM Carrim	In progress
Civil	Payment of tax bills	Polokwane municipality/ Polokwane chisanyama business enterprise	Plk Mag Court	0	Matter pending	Invoice to be submitted	AM Carrim	In progress
Civil	Application to oppose municipality to disconnect electricity	Polokwane municipality/ Pietersburg club 2000	plk high	0	Matter pending	Invoice to be submitted	AM Carrim	In progress
Civil	Contravention of national building regulation act	Polokwane municipality/Contravention of national building regulation act erf 3&4 Paledi mall	did not serve before court	0	Matter kept in abeyance	Invoice to be submitted	AM Carrim	In progress
Civil	Appeal application against unfair labour practice	Polokwane municipality/ HJ Retief	LABOUR RELATIONS TO PROVIDE INFORMATION	322 063	Matter pending	Invoice to be submitted	Mogaswa attorneys	In progress
Civil	Rescision of judgement	Polokwane municipality/ Fast tools	Polokwane Magistrate Court	400 000	Matter pending	Invoice to be submitted	Mogaswa attorneys	In progress
Civil	Eviction of born to protect	Polokwane municipality/ Born to protect	High Court	1 300 000	Matter pending	Invoice to be submitted	Mogaswa attorneys	In progress
Civil	Not mentioned	Polokwane municipality/Lebaka constructions	High Court	19 000 000	Application opposed and ruling by the arbitrator	Invoice to be submitted	Pule Inc	In progress
				49 962 501				

**Contingent liabilities 30 June 2015**

Type of case	Summary of case	Name of parties	Authority that dealt with the case e.g. High Court	Amount involved	Outcome	Costs to the Municipality	Law firm used	Date finalized
Civil	Damages suffered as a result of exposure to inhalation of gases, chemicals and dust	Mmanyaka Patrick Machaba/ Polokwane Municipality	North Gauteng High Court	4 000 000	Matter still pending in court	R76 237.80	Mohale Incorporated	In progress
Civil	Termination of agreement	Phuthinare Traders cc/ Polokwane Municipality	North Gauteng High Court	1 399 003	Matter still pending, no further step taken after filing of plea	R133 042.58	N Mohale Incorporated	In progress
Civil	Personal damages as a result of accident	Godknows Tshuma/ Polokwane municipality	North Gauteng High Court	35 939	Awaiting trial date	R47 532.30	A. M. Carrim Attorneys	In progress

**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil	Damage as a result of storm water	J.H.S Bester & another/ Polokwane Municipality	Plk Mag Court	61 599	Matter still pending in court, expert witnesses to hold pre trial conference	No invoice submitted	N Mohale Incorporated	In progress
Civil	Damages as a result of motor collision	Mogoma Samuel Seabi/ Plk Municipality	Plk Mag Court	75 000	Claimant rejected offer from the Insurance and issued summons	None- Internal	Matter handled internally	In progress
Civil	Damages	Dr. O.R Tshikosi v Polokwane & Others	Plk Mag Court	300 000	Matter still pending	R 5 399.00	De Bruin Oberholzer Att	In progress
Civil	Damages (Pothole)	K.J Ngoasheng v Polokwane	Plk Mag Court	8 982	Matter still pending	R14 990.80	Matter handled internally	In progress
Civil	Non-payment for services rendered	E.C Deacon t/a P&L Services v Polokwane	Plk Mag Court	41 317	Judgment for rescission of judgment reserved	No invoice submitted	Mohale Inc. Att.	In progress
Civil	Non-payment for services rendered	E.C Deacon t/a K T Services	Plk Mag Court	82 527	Judgment for rescission of judgment reserved	No invoice submitted	Mohale Inc. Att.	In progress
Civil	Motor vehicle collision	E Phooko v Polokwane	Plk Mag court	45 360	Matter still pending in court	R15 760.00	Jeff Mathabatha Attorneys.	In progress
Civil	Damages (pain & suffering)	A D Friedendal v Polokwane	Plk Mag Court	113 289	Matter still pending in court	Matter referred to the Insurance.	Referral to the Insurance.	In progress
Civil	Pothole collision	Ramadimetja Melda Chabangu/ Polokwane Municipality	Internal intervention	1 938	Awaiting Departmental report from Roads & Storm Water	None- Internal	Referral to the Insurance.	In progress
Civil	Storm water damage	Tess Jerkins. Polokwane Municipality	Internal intervention	62 646	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Open hole injury	Soufo Mampshe Jacob/ Polokwane Municipality	Internal intervention	10 000	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	No names mentioned in the claim	Internal intervention	67 580	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	Joel Makgata/ Polokwane Municipality	Polokwane Magistrate Court	53 799	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Pothole collision	Charles Errol Hlupekha/ Polokwane Municipality	Magistrate Court Mankweng	19 495	Matter still pending in court	No invoice submitted	Maboku Mangena Attorneys	In progress
Civil	Defamation of character	Mers Lerake Motshekga/ Polokwane Municipality	Polokwane Regional Court	300 000	matter postponed <i>sine die</i>	No invoice submitted	Pule Incorporated	In progress
Civil	Damages for falling into a ditch	J.P Neethling/ Polokwane Municipality	High Court	2 000 000	Awaiting report from the Insurance	None- Internal	Internal intervention	In progress
Civil	Rental agreement	Pietersburg Police Social Club/ Polokwane Municipality	Polokwane Magistrate Court	57 000	Matter still pending in court	None- Internal	Internal intervention	In progress
Civil	Motor collision	W. De Jongh/Polokwane Municipality	Polokwane Magistrate Court	13 152	Awaiting trial date	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Pothole collision	DP Service centre/ Polokwane Municipality	Polokwane Magistrate Court	96 164	Awaiting report from Roads and Storm Water	None- Internal	Referral to the Insurance.	In progress
Civil	Pothole collision	Kgadimotso Chemical Suppliers/ Polokwane Municipality	Polokwane Magistrate Court	74 109	Awaiting report from the Insurance	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	Mathabathe Magdalene Mokoale/ Polokwane Municipality	Polokwane Magistrate Court	24 257	Awaiting report from the Insurance	None- Internal	Referral to the Insurance	In progress
Civil	Motor collision	Jeff Mathabatha/ Polokwane Municipality	Polokwane Magistrate Court	100 000	Matter still pending in court	None- Internal	Handled internally	In progress



**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil	Pothole collision	Makonde Bethuel Phaswane/ Polokwane Municipality	Polokwane Magistrate Court	20 033	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Damages suffered for death as a result of electrocution	Johannes Skele Mogashoa/ Polokwane Municipality	Polokwane Regional Court	400 000	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Motor collision	James Mohale Maake/ Polokwane Municipality	Polokwane Regional Court	173 166	Matter still pending in court	None- Internal	Referral to the Insurance.	In progress
Civil	Damages suffered	Andries Tefu/ Polokwane Municipality	Seshego Magistrate Court	315 000	Matter still pending in court	None- Internal	Matter handled internally	In progress
Civil	Service rendered	Segabeng Trading Enterprise/ Polokwane Municipality	Polokwane Magistrate Court	94 000	Matter still pending in court	None- Internal	Matter handled internally	In progress
Civil	Motor collision	Ezekiel Lediga/ Polokwane Municipality	Polokwane Magistrate Court	11 907	Awaiting trial date	Invoice to be submitted	Carrim Attorneys	In progress
Civil	Motor vehicle collision	Bb Hatlief/ Thabo Witness Mojela & Polokwane Municipality	Letter of demand	18 582	Matter referred to the Insurance	None- Internal	Handled internally	In progress
Civil	Damages as a result of storm water	Bamby Francinah Manamela/ Polokwane Municipality	Letter of demand	128 568	Matter referred to the Insurance	None- Internal	Handled internally	In progress
Civil	Illegal landuse matters	Court applications X 6/Polokwane Municipality	kindly provide the details of the parties so that accurate information is provided	300 000	Matter still pending in court	No invoice submitted	Kgatla Incorporated	In progress
Civil	payment for services rendered	Born to Protect Security/Polokwane Municipality	North Gauteng High Court	450 000	Matter still pending in court	No invoice submitted	Mogaswa Attorneys	In progress
Civil		Julia Nare/Polokwane Municipality	LABOUR RELATIONS TO PROVIDE DETAILS	250 000	Matter still pending in court	No invoice submitted	Mogaswa Attorneys	In progress
Civil		HJ Retief/Polokwane Municipality	LABOUR RELATIONS TO PROVIDE INFORMATION	120 000	Matter still pending in court	No invoice submitted	Mogaswa Attorneys	In progress
Civil		R Malema (Arbitration)/Polokwane Municipality	LABOUR RELATIONS TO PROVIDE DETAILS	250 000	Matter still pending in court	No invoice submitted	Mogaswa Attorneys	In progress
Civil		R Malema (Arbitration)/Polokwane Municipality	LABOUR RELATIONS TO PROVIDE DETAIL	150 000	Matter still pending in court	No invoice submitted	Mogaswa Attorneys	In progress
Civil	Contractual dispute	Tshireletso Corporate Safety Ware CC	High Court	173 937	Matter still pending in court	No invoice submitted	Mohale Incorporated	In progress
Civil		SALGA and others /Polokwane Municipality	LABOUR RELATIONS TO PROVIDE DETAIL	400 000	Matter still pending in court	No invoice submitted	Popela Maake Attorneys	In progress
Civil		SALBG and Jacques Verhoef and others/Polokwane Municipality	LABOUR RELATIONS TO PROVIDE DETAIL	400 000	Matter still pending in court	No invoice submitted	Popela Maake Attorneys	In progress
Civil	Contractual dispute	Blue Sands Trading/Polokwane Municipality	High Court	2 000 000	Matter still pending in court	No invoice submitted	Coetzer & Partners	In progress

**ANNEXURE G  
POLOKWANE MUNICIPALITY  
CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

Civil		Polokwane Municipality	KINLY PROVIDE FULL PARTICULARS TO ENABLE US TO RESPOND ACCORDINGLY	500 000	Matter still pending in court	No invoice submitted	Makwela & Mabotja	In progress
Civil	Interest and penalties on SDL	SARS	Statement of account	75 806	Dispute lodged by the municipality	None- Internal	Handled internally	In progress
				15 274 154				

**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**



**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

**ANNEXURE G**  
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**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

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**ANNEXURE G**  
**POLOKWANE MUNICIPALITY**  
**CONTINGENT LIABILITIES FOR THE YEAR ENDED 30 JUNE 2016(Unaudited)**

**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

<b>SUMMARY OF CONTRACTED SERVICES AND GENERAL EXPENDITURE</b>		
Description	2016	2015
<b>CONTRACTED SERVICES</b>		
ASSET VERIFICATION	3 042 452	9 396 565
AUDIT FEES - OUTSOURCED	4 290 860	2 650 532
COMMISSION FEES	9 645 097	8 075 951
FEES - EASY PAY SYSTEM	1 581 270	1 243 975
GUARD SERVICES : RENTAL	31 507 902	30 819 907
METER READING SERVICES	3 916 637	2 672 849
RESEARCH AND DEVELOPMENT	2 666 156	1 461 163
SWIMMING SUPERVISION	556 621	523 345
TERMINATION OF SERVICES	4 499 163	755 377
VALUATION ROLL	706 987	1 049 308
VALUATIONS - INTERIM	503 629	113 057
CONSULTATION FEES	6 010 910	12 170 234
<b>TOTAL CONTRACTED SERVICES</b>	<b>68 927 685</b>	<b>70 932 263</b>
<b>GENERAL EXPENSES</b>		
FREE BASIC SERVICES	12 513 817	7 639 400
ELECTRICITY DISTRIBUTION - FREE BASIC	9 821 238	8 334 847
FREE BASIC SERVICES WATER	5 150 322	3 584 876
ALLOWANCE: DATA CARDS	135 600	
DEBT INCENTIVE	42 401 822	0
ADVERTISEMENTS	2 732 400	1 851 207
ANIMALS	0	36 385
AUDIT COMMITTEE FEES	698 777	863 881
AUDIT FEES	5 498 603	4 773 533
AWARENESS CAMPAIGNS	149 840	184 783
BANK CHARGES	2 495 443	3 379 828
BOOKS & PERIODICALS	53 475	78 689
BURSARY : STAFF	252 033	221 783
BURSARY : STUDENT	117 728	206 160
CASH HANDLING	635 736	758 375
CATERING	177 183	24 523
CELL PHONES	5 368 043	3 254 627
CHAN GAMES	0	352 000
CHARGES - ELECTRICITY	1 717 150	2 292 187
CHARGES : WATER	26 646	30 273
CHEMICALS	964 149	775 244
COMMUNITY PROGRAMS	1 804 047	1 474 097
CONFERENCES/CONGRESS	358 867	119 494
CONTRIBUTION: MEDICAL AID - CONTINUED	12 169 669	9 785 241
CORPORATE PUBLICITY	284 023	323 242
CYLINDERS FIRE FIGHTING	39 282	5 900
DATA - COMMUNICATION	3 458 206	2 515 237
DEMOLITION OF STRUCTURES	0	500
DEPARTMENTAL CHARGES : ELECTRICITY	827 658	1 222 840
DEPARTMENTAL CHARGES : SEWER & SANITAT	-191 056	131 810
DEPARTMENTAL CHARGES : WATER	-43 369	2 761 204
DISCIPLINARY COMMITTEE	3 508 107	1 718 640
DRIVING/DIVING PERMITS	12 565	13 095
EAP PROGRAMME	83 286	59 587
EMERGENCY DISASTER RELIEF	495 684	514 929
ENERGY FORUM	12 516	318 152
ENTERTAINMENT EXPENSES	24 805	13 933
ENTRANCE CONTROL (ACCESS CONTROL)	84 454	69 167
EXHIBITIONS	25 583	34 254
FEEDING OF ANIMALS	12 854	27 078
FESTIVALS	1 087 501	1 097 153
FLEET MANAGEMENT	12 062 460	15 534 192
FUEL AND OIL	22 073 446	23 099 766
GRAVE DIGGING	73 805	511 200
HIV/AIDS PREVENTION	26 050	13 183
HOLIDAY PROGRAMS	7 920	5 040
IDP AND HEARINGS	1 825 496	1 535 965
INSURANCE - OTHER	7 169 420	5 342 438
INSURANCE - UIF	1 661 918	1 566 896

**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

LEGAL EXPENSES	20 268 243	12 150 960
LEVY - SETA TRAINING	4 823 942	4 201 690
LIBRARY PROGRAMS	198 786	167 737
LICENCES - RADIO	65 918	10 380
LICENCES - SAMRO	445	2 295
LICENCES - VEHICLES	488 322	553 821
LOST BOOKS	0	17 498
MARKETING	2 048 616	1 612 013
MARKETING & COMMUNICATIONS	235 855	
MAYORS BOSBERAAD	265 686	312 891
MEDICAL EXAMINATIONS OHS	21 930	1 544
OFF LOAD OF DRYINGBEDS	0	1 320
POINT DUTY	4 076 021	2 461 134
POSTAGE AND TELEGRAMS	4 489 859	5 751 399
PRINTING & STATIONERY	4 430 592	5 359 669
PROGRAMMING	1 603 521	1 794 710
PROMOTIONS	4 314 711	4 238 943
PROTECTIVE CLOTHING	4 249 403	4 405 359
PUBLICITY	7 018	39 335
PUBLIC PARTICIPATION	0	4 809
RATIONS	6 174	6 824
RECRUITING EXPENSES	12 932	547 945
REFRESHMENTS	336 075	115 755
REFRESHMENTS - MEETINGS	311 253	290 020
REFUSE BINS	260 321	30 184
REFUSE REMOVAL SERVICES	2 232 051	1 673 735
RENTAL - ALARMS	192 380	174 686
RENTAL - EQUIPMENT	4 388 030	3 637 635
RENTAL - OFFICES/BUILDINGS (EXTERNAL)	529 730	975 732
RETEST DRIVERS LICENCE	1 490	2 850
RISK MANAGEMENT	12 991	45 150
RISK MANAGEMENT COMMITTEE	43 218	45 892
ROAD SHOWS : MAYOR	299 611	427 820
RURAL HOUSEHOLD SANITATION	27 162 854	40 589 826
RURAL HOUSEHOLD ELECTRIFICATION	40 000 000	31 000 000
SECURITY SERVICES	166 133	73 833
SEEDS.PLANTS.SHRUBS	0	1 741
SMME MANAGEMENT	163 010	214 641
SPECIAL EVENTS	18 006 153	15 775 694
SPECIAL INVESTIGATIONS	690 859	72 894
SPONSORSHIP SPORTING NODES	547 066	728 056
SPORT & RECREATION PROGRAMMES	2 253 844	2 741 357
STOCK LOSSES/DONATION OF ASSETS	66 213 670	70 572 657
PROFIT/LOSS ON TRANSFER OF INVESTMENT PROPE	0	31 088 001
STORES AND MATERIAL	5 348 368	4 720 942
SUBSCRIPTION FEES	5 801 374	5 160 130
SUBSISTANCE AND TRAVELLING	5 632 837	5 419 541
SUBSISTANCE AND TRAVELLING (ABROAD)	43 556	0
TELEPHONE	5 178 097	5 744 736
ADMINISTRATION COSTS	0	27 125 488
TRAINING LGSETA	1 444 613	3 187 346
TITLE DEEDS CENTRAL	6 460	11 411
TOURISM DEVELOPMENT	73 295	34 019
TOWN PLANNING	1 333 878	1 078 684
TRAINING DWA	89 003	
TRAINING	966 714	22 448
TRAINING FMG	454 267	1 448 514
TRAINING INFRASTRUCTURE SKILLS DEVELOPM	5 000 000	3 000 000
VETERINARY SERVICES	15 352	6 215
WARD COMMITTEE MEETINGS	8 732 388	6 267 436
WATER RESEARCH LEVY	1 364 352	1 507 206
WEED CONTROL	84 377	84 398
WORKSHOPS	77 343	42 972
RURAL HOUSEHOLD ELECTRIFICATION DBSA	39 541 651.49	
REHABILITATION OF LANDFILL SITES	5 374 992	4 875 276
<b>TOTAL GENERAL EXPENSES</b>	<b>461 846 831</b>	<b>422 114 031</b>
<b>TOTAL CONTRACTED AND GENERAL EXPENSES</b>	<b>530 774 515</b>	<b>493 046 294</b>

Refer to note 28



**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

**Annexure H**  
**Polokwane Municipality**  
**Summary of other expenditure 30 June 2016**

ANNEXURE I  
REMUNERATION OF COUNCILLORS 30 JUNE 2016

Position	Name	Basic Salary	Travel Allowance	Pension Contribution	Medical Aid Contribution	Cellphone Allowance	TOTAL
Mayor	TP Nkadimeng	571 837	230 478	85 776	33 821	32 118	954 030
Speaker	MC Mathiba	455 530	184 382	68 329	29 288	41 820	779 349
Chief Whip	MK Teffo	432 315	172 858	64 847	21 412	20 868	712 301
Mayoral Committee	MJ Ralefatane	249 190	95 523	37 378		20 868	402 959
Mayoral Committee	L Hardy	185 607	95 523	27 841	73 120	20 868	402 959
Mayoral Committee	MJ Kaka	236 380	95 523	35 457	14 732	20 868	402 959
Mayoral Committee	RC Molepo	450 935	172 858	67 640		20 868	712 301
Mayoral Committee	ME Maleka	450 935	172 858	67 640		20 868	712 301
Mayoral Committee	MS Tjale	601 246	0	90 187		20 868	712 301
Mayoral Committee	SM Mashabela	332 253	0	49 838		20 868	402 959
Mayoral Committee	MJ Sello	588 436	0	88 265	14 732	20 868	712 301
Mayoral Committee	SJ Malope	249 190	95 523	37 378		20 868	402 959
Mayoral Committee	MA Moakamedi	310 103	0	46 515		20 868	377 486
Mayoral Committee	SE Nkadimeng	249 190	95 523	37 378		20 868	402 959
Mayoral Committee	TJ Mogale	420 873	161 335	63 131		20 868	666 207
		<b>4 324 336</b>	<b>984 665</b>	<b>648 650</b>	<b>102 584</b>	<b>250 416</b>	<b>6 310 651</b>
Ordinary Councillors	FA Haas	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MH Morwana	241 637	0	36 246		20 868	298 751
Ordinary Councillors	TC Shilajoe	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MC Mashiane	168 418	69 471	25 263	14 732	20 868	298 751
Ordinary Councillors	MM Mailula	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	SN Mamabolo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	QN Mehlape	228 650	0	34 297	14 936	20 868	298 751
Ordinary Councillors	MM Peta	168 418	69 471	25 263	14 732	20 868	298 751
Ordinary Councillors	ND Setjie	157 047	69 471	23 557	27 808	20 868	298 751
Ordinary Councillors	MJ Sedibane	241 637	0	36 246		20 868	298 751
Ordinary Councillors	K Tsheola	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	KP Makgoba	165 924	69 471	24 889	17 600	20 868	298 751
Ordinary Councillors	M Maake	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MM Sono	217 759	0	32 664	27 460	20 868	298 751
Ordinary Councillors	MM Lemekoana	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MR Sekgobela	241 637	0	36 246		20 868	298 751
Ordinary Councillors	MR Mashitsho	167 576	69 471	25 136	15 700	20 868	298 751
Ordinary Councillors	TSP Mojabelo	165 924	69 471	24 889	17 600	20 868	298 751
Ordinary Councillors	RH Phoshoko	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	ME Khalo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	NJ Mokgokong	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MA Mathabatha	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	JM Matlou	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MP Maifala	148 630	69 471	22 294	37 488	20 868	298 751
Ordinary Councillors	AH Botha	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MP Phadu	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	NE Machaba	153 829	69 471	61 433		20 868	305 601
Ordinary Councillors	MJ Manamela	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MJ Willemse	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	CM Mamabolo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MF Kubjane	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	JM Lekota	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	LM Legodi	150 640	69 471	22 596	35 176	20 868	298 751
Ordinary Councillors	MD Madikoto	165 924	69 471	24 889	17 600	20 868	298 751
Ordinary Councillors	PJ Modikwa	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	LM Motshekga	241 637	0	36 246		20 868	298 751
Ordinary Councillors	RK Makgabo	241 637	0	36 246		20 868	298 751
Ordinary Councillors	MJ Raletjema	165 924	69 471	24 889	17 600	20 868	298 751

ANNEXURE I  
REMUNERATION OF COUNCILLORS 30 JUNE 2016

Ordinary Councillors	ST Mehlaphe	241 637	0	36 246		20 868	298 751
Ordinary Councillors	MA Thobejane	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	HE Chauke	163 527	69 471	24 529	20 356	20 868	298 751
Ordinary Councillors	CS Ramabu	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	VA Mashie	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MW Letsoalo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	JA Moabelo	241 637	0	36 246		20 868	298 751
Ordinary Councillors	JS Mokonyama	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	TJ Magoro	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	ML Mamabolo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MA Manong	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MJ Maja	153 183	69 471	22 977	32 252	20 868	298 751
Ordinary Councillors	MG Mabelebele	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	LM Mothiba	241 637	0	36 246		20 868	298 751
Ordinary Councillors	MM Mabitsela	241 637	0	36 246		20 868	298 751
Ordinary Councillors	TM Mabutla	224 608	0	33 691	19 584	20 868	298 751
Ordinary Councillors	SM Motseo	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	MS Mahlatji	230 267	0	34 540	13 076	20 868	298 751
Ordinary Councillors	RF Lourens	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	HF Marx	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	M Pretorius	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	LD Kwenaite	181 228	69 471	27 184		20 868	298 751
Ordinary Councillors	DM Sebati	141 720	54 326	20 388		16 319	232 753
Ordinary Councillors	MR Mamabolo	9 416				8 988	18 404
Ordinary Councillors	DC Maja	9 416				8 988	18 404
Ordinary Councillors	MG Makgoba	9 416				8 988	18 404
Ordinary Councillors	VM Mamabolo	9 416				8 988	18 404
Ordinary Councillors	Ramakgwagwa (Terminated)	15 348	5 789	2 137		1 739	25 013
		<b>11 527 468</b>	<b>3 325 241</b>	<b>1 760 794</b>	<b>343 699</b>	<b>1 306 090</b>	<b>18 263 293</b>
	<b>TOTAL</b>	<b>17 311 486</b>	<b>4 897 624</b>	<b>2 628 397</b>	<b>530 804</b>	<b>1 651 312</b>	<b>27 019 623</b>

Remuneration of Councillors

ANNEXURE I  
REMUNERATION OF COUNCILLORS 30 JUNE 2016