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CHAPTER 1

Introduction and Overview

Mayor's Foreword



It was the famous Chinese philosopher, Lao Tzu, who is credited with this most extraordinary statement, "A journey of a thousand miles begins with a single step". Today as Aganang Municipality, we look back with pride and confidence on the indelible footprints we have made. We exactly know and have experienced that the journey of thousand miles indeed begins with a single step. We come very far and we have gone very far.

The 2007/2008 Annual report will account to the adopted budget of R52, 5 Million in the previous financial year. As we were tabling the budget on the 31st May 2007, I indicated that this budget will go a

long way in enabling the Municipality to continue firing on all cylinders in ensuring that the people of Aganang Municipality enjoy the fruits of democracy through basic service delivery for all. Our Annual report will account on provision of Water, Electricity, Roads, Education, Local Economic Development, HIV/AIDS and many more services we have been providing for our communities.

It gives me a great pleasure to invite you to read through this report and understand how far we have gone in our pursuit to implementing of our Integrated Development Plan (IDP). As the Municipality we have succeeded in ensuring that development is not reduced to a philosophical concept, but we have made it a reality for our people. The involvement and participation of the local communities through our Ward Councilors, Ward Committee and Traditional Leaders is an encouraging development and a momentum that we are to sustain.

Let me also take this opportunity to thank the entire community of Aganang Municipality for participating in our programmes, sector departments for their involvement in the development of our people's lives, sister municipalities for the ideas we have shared in the past year and mostly the staff and entire council of Aganang Municipality for committing yourselves to serve the people of Aganang. Let us all embrace the current wave of transformation with an open mind and courage, "Mmogo re tla kgona".

Overview of the Municipality

The 2001 Census and Community Survey 2007 made it easier for the Municipality to make a comparison of demographic progress made from the 1996 Census. All planning and related activities done within the municipality are therefore in line with the aforesaid statistics.

This analysis also focuses on the impact of the projects implemented during 07/08 financial year.

The current reality reflects the status quo in terms of the state of development of Aganang Municipal area of jurisdiction. It assists in the Integrated Development Planning process and serves as a reminder of the current level of services and service gaps. The status quo provides comprehensive aspects of all the issues, and strategic thinking by participants in the IDP Review Forum.

Locality of Aganang Municipality

Aganang Local Municipality (LIM 352) is located on the North-Western side of Polokwane Municipal Boundary. It is one of the five Local Municipalities that forms the Capricorn District Municipality. Aganang Municipality covers an area of 1, 852.22km² with approximately 106 villages. The Municipality has four Traditional Authorities namely Moletsi, Maraba, Mashashane and Matlala. The Municipality is divided into 18 Wards. It is a Grade 2 Municipality

Demographic Profile

Population per Local Municipality in Capricorn District
Source: Statistics South Africa, Community Survey 2007

Municipality	Population	No. of Households	Average Household Size
Aganang	145 454	33 826	6.39
Blouberg	194 119	35 598	5.72
Lepelle- Nkumpi	241 414	58 483	6.35
Molemole	100 408	27 296	5.52
Polokwane	561 772	130 361	6.67
Total	1 243167	285 565	6.1

Of the five Local Municipalities that form Capricorn District, Aganang is the fourth mostly populated. It contributes about 12.7% of the District's total population. According to Community Survey 2007 our population has gone down to 145 454 from 147 682 whereas the household has gone up to 33 826 from 32 185.

Overview

Aganang Local Municipality comprises out of population 145 454 with 33 226 households. The municipality is 100% rural characterised by inadequate economic activities and joblessness.

Executive Summary



Aganang Local Municipality has since it was established in 2000 strived with little resources and the interventions from other institutions to better the living conditions of our communities. The year 2007/2008 forms part of the indelible years in the history of the institution and is also remarkable for improvements in service delivery.

Institutionally, the municipality has achieved the review of the integrated development plan that was aligned with the budget and the service delivery budget implementation plan for the financial year 2007/2008. The plans were all submitted to Council and they were adopted. The challenge that is still to be overcome is coming up with credible IDP document. Further review of policies for administrative purposes was robustly undertaken to ensure the smooth running of the institution and compliance to legislations.

The Municipality also engaged in the review of the organizational structure in order to deliver on the set priorities as identified by the IDP document. The organizational structure was reviewed and currently all major positions in terms of the Section 57 positions have been adequately filled. The major challenge experienced in the implementation of the organizational structure is attraction of people with disabilities. Further there was a review of the delegation of powers to create a good climate of responsibility and interface between the political arm of the municipality and administration. Delegations were reviewed and adopted by Council.

The review of the performance management policy was done to ensure compliance to legislations and further to ensure proper reward to super performance. All managers and senior officials signed performance agreements. The challenge experienced was with conducting quarterly performance reviews. With the assistance of the department of local government and housing Limpopo we are confident that come 2008/2009 this challenge will be overcome.

Financially the municipality ensured the spending of the allocated budget. Although the municipality is faced with a mammoth task of unwinding the shackles of poverty and under development without any dependable revenue base, the equitable shares received from the National Treasury were well spend. What remained a critical challenge was the audit opinion received from the auditor general. The municipality was awarded a disclaimer opinion for the period 2007/2008. This situation is not our benchmark and we are hoping to achieve a good opinion in the next round of audits.

Further, preparations for implementation of the property rates act was robustly undertaken with numerous community consultations and participation to ensure a smooth process. Meetings were also held with the Traditional Leadership in the municipality to ensure their understanding of the process and the act and further to influence their communities to buy into the process. To date valuation rolls have been developed but implementation has been delayed due to some gaps identified.

Economically the municipality has moved some strides and developed a number of strategic documents that are aimed at tapping on the potential economic potential of the municipality. A tourism strategy was developed which identified a number of key places in the municipality viable for boosting the local economic activity from the tourism perspective. Further the review of the Local Economic Development Strategy and the Spatial Development Framework was done to ensure alignment with both the PGDS and the NSDP. Potential PCP and the LSP are identified and the municipality is poised to ensure provisioning of necessary infrastructure to stimulate growth and development.

This report therefore will table in detail how the municipality moved in the financial year 2007/2008 in achieving the goals we have set for ourselves. "Mmogo re tla Kgona"

CHAPTER 2

Services Delivery Performance Highlights

Electricity

Provision of electricity remained one of the critical service delivery area in the Municipality as we are poised to meet the 2014 millennium goals. The Municipality moved some strides and more than 90 villages in our municipality are to date electrified. Making electricity available to all households it has a major impact on the everyday lives of our people. It also has a major impact on combating crime.

Achievements

R9.6 million was spent to electrify our Villages. Through the undivided support from Eskom and Capricorn District Municipality. Progress is as tabulated hereunder.

Village name	Budget	Funded	Status	Contractor
Rapitsi	R2.8 million	Eskom	Completed	Bright sight electrical
Mohlajeng	R1.8 million	Aganang	Completed	Morobe Business Enterprise
Dibeng	R2.3 million	Capricorn	Completed (awaiting Eskom to energize)	Mukou Electrical
Phetole	R2.7 million	Capricorn	Completed (awaiting Eskom to energize)	Mohale Electrical
Burgwal	R2.6 million	Capricorn	Completed (awaiting Eskom to energize)	Kae-Kae Electricals

Free Basic Electricity – 1982 beneficiaries registered households. It was planned to distribute 23784 tokens however 15336 were collected. There is a balance of 8448 tokens

Backlog

Item	Total Villages	Electrified Villages	Electrified in 2007/08	Total electrified	Outstanding Villages
1	106 villages	90 villages	2 villages	92 villages	15 villages

Buildings

It is also the main function of this department to provide our communities with proper shelter through the provision of descent houses, crèches and offices.

Achievements

Housing – through the Department of Local Government & Housing, RDP house were build around Aganang Municipal area and the villages are as follows;

Village	Allocated Units	Completed units	Amount Spent	Contractor
Sechaba	44	22	R857, 648	Nwana – Nong Developers
Kgoroshi	5	0	R0.00	Nwana – Nong Developers
Kgabopark	10	0	R0.00	Nwana – Nong Developers
Rampuru	28	0	R0.00	Nwana – Nong Developers
Cloe	21	0	R0.00	Nwana – Nong Developers
Kordon	8	0	R0.00	Nwana – Nong Developers
Ramalapa	3	0	R0.00	Nwana – Nong Developers
Vlakfontein	5	0	R0.00	Nwana – Nong Developers
Total	124	22	R857, 648	

Crèches

For the financial year 07/08, the municipality constructed two creches at Setumong and Kanana respectively to the value of R803,121. The names of the creches are Realogile and MP Moloto. See table below.

Project Name	Project Budget	Actual Expenditure	Contractor's Name	Status
MP Moloto Pre – school	R400, 000	R402, 202	Star – Miris Costructions	Complete
Realogile Pre – school	R400, 000	R400, 919	Asina Construction	Complete

Construction of taxi ranks was done through CDM and R800, 000 was spent for the upgrading of Tibane taxi ranks. Current status.

Backlog

Description	No. of crèches to be built	No. of crèches built to date	Crèches built in 2007/08 FY	Outstanding crèches
Crèches	58 crèches	6 crèches	2 crèches	50 crèches

Roads

Proper infrastructure for roads, storm water management systems, etc. not only increases ease of movement for day-to-day living, but is of vital importance to economic activity and growth within the Municipality

Achievements

Three road projects were implemented in the 2007/08 FY and the project are as follows

Project Name	Project Budget	Actual Expenditure	Contractor's Name	Status
Koporus to Matlala road upgrading from gravel to tar (4.06 km)	R6, 829, 114	R6, 779, 245	KPMM Roads and Earthwork (Pty) Ltd	
Mabitsela to Masehlong road re – gravelling (7.5 km)	R6, 000, 000	R5, 742, 000	Robert Negovha Construction	
Ceres to Kanana road upgrading from gravel to tar (25km)	R65, 829, 114	R57, 779, 245	KPMM Roads and Earthwork (Pty) Ltd	
Kordon to Chloe (900m)	R1, 708, 000	R496, 000 R583, 000 R629, 000	Balatedi Construction Lesego & Tsietsi Construction Boka construction	

Water & Sanitation

Having access to clean water and proper sanitation is essential and also have a huge impact in the hygiene of our communities

Achievements

A budget of R17.5m was set aside to provide 6128 households with portable water at RDP standard. See table below.

AGANANG MUNICIPALITY CLUSTER PROJECTS 2007/2008

FINANCIAL YEAR REPORT

Project Name	Project Description	Project Budget	Expenditure to date	Contractor's Name	Consultant's Name	Project Status
Ga-Phago RWS (Mabiloane village)	Erection of 100kl steel tanks. Construction of 1000m long pumping main and 1908m long extension of internal reticulation. Repainting and resealing of the existing 200kl concrete storage reservoir.	R2,000,000-00	R1,968,212-66	Mmakoto Business Enterprise	Madisha and Associates cc	100% completed and it has been commissioned
Houtrivier Dam RWS (Ga-Sechaba village)	Construction of 7,139m internal reticulation and 40 communal standpipes.	R2,000,000-00	R1,982,828-30	Kwena Magase Business Enterprise	Madisha and Associates cc	100% completed and it has been commissioned
Marowe RWS (Kolopo village)	Supply and installation of electricity to the existing borehole. Complete equipping of existing borehole with electric pumping element. Resealing and repainting (Refurbishment) of the existing 200kl storage concrete reservoir.	R1,000,000-00	R 797,158-77	Mabel Services & Sweet Dreams JV	Madisha and Associates cc	90%,awaiting Eskom to Energize borehole
Pinkie-Sebotse RWS (Rosenkrantz village)	Complete sitting, drilling and equipping of an alternative borehole. Construction of pumping main. Erection of 50kl steel tanks and construction of 4547m long of internal reticulation. Installation of 22 new communal standpipes.	R3,000,000-00	R2,707,268-65	Moshu Civils	Madisha and Associates cc	90%,awaiting Eskom to Energize borehole
Tibane RWS (Mamehlabe village)	Supply electric motto to the existing borehole and equip. Complete fabrication, supply and installation of a new 100kl storage tank. Repainting and sealing of the existing 200kl concrete reservoir.	R1,800,000-00	R 710,884-37	Segabokeng Building Construction	Madisha and Associates cc	60%,awaiting Abeco Tanks to be delivered on site.

SANITATION PROJECTS

Project Name	Project Description	Project Budget	Expenditure to date	Contractor's Name	Consultant's Name	Project Status
Phetole	Construction of 206 toilets	R 7,800,408	R 5,764,444,29	Local Labourers	Intouch Community Development and Project Managers cc	206 toilets completed
Ga-Kgoroshi	Construction of 84 toilets			Local Labourers	Intouch Community Development and Project Managers cc	84 toilets completed
Mamehlabe	Construction of 154 toilets			Local Labourers	Intouch Community Development and Project Managers cc	154 toilets completed
Uitkyk 1,2 & 3	Construction of 283 toilets			Local Labourers	Intouch Community Development and Project Managers cc	233 toilets completed
Ga-Phago	Construction of 200 toilets			Local Labourers	Intouch Community Development and Project Managers cc	200 toilets completed
Ga-Mabitsela	Construction of 200 toilets			Local Labourers	Intouch Community Development and Project Managers cc	200 toilets completed
Ga-Mabiloane	Construction of 108 toilets			Local Labourers	Intouch Community Development and Project Managers cc	108 toilets completed
Goedgevonden	Construction of 138 toilets			Local Labourers	Intouch Community Development and Project Managers cc	138 toilets completed
Dibeng	Construction of 154 toilets			Local Labourers	Intouch Community Development and Project Managers cc	154 toilets completed
Ga-Magongoa	Construction of 154 toilets			Local Labourers	Intouch Community Development and Project Managers cc	154 toilets completed
Segoahleng	Construction of 154 toilets			Local Labourers	Intouch Community Development and Project Managers cc	154 toilets completed
Matlapa	Construction of 220 toilets			Local Labourers	Intouch Community Development and Project Managers cc	220 toilets completed
Mandela Park	Construction of 154 toilets			Local Labourers	Intouch Community Development and Project Managers cc	136 toilets completed
Burgwal	Construction of 25 toilets			Local Labourers	Intouch Community Development and Project Managers cc	25 toilets completed
Ramoshoane	Construction of 75 toilets			Local Labourers	Intouch Community Development and Project Managers cc	75 toilets completed
Kgabo Park	Construction of 233 toilets			Local Labourers	Intouch Community Development and Project Managers cc	232 toilets completed
						Total 2460=99.9%

Backlog - Sanitation

Number of Households	No. of Households serviced	No. of Households not Serviced
	Sanitation	Sanitation
33,826	5,382	28,444

Backlogs For Water Projects

VILLAGES NAME	LEVEL OF SERVICES			
	RDP	YARD CONNECTIONS		
1. Booslagte	yes			
2. Prospect	yes			
3. Tibane	yes			
4. Mamehlabe		no		
5. Moetagare		no		
6. Mabopane	yes			
7. Goedgevonden	yes			
8. Hwibi		no		
9. Vlakfontein		no		
10. Ga-Seema		no		
11. Juno	yes			
12. Schoongezicht		no		
13. Uitkyk 1,2, 3		no		
14. Burgwal		no		
15. Mankodi		no		
16. Mantlhodi		no		
17. Masehlong		no		
18. Kanana		no		
19. Mohlajeng		no		
20. Terrebrugge		no		
21. Rosenkrantz		no		
22. Pinkie-Sebotse	yes			
23. Leokaneng	yes			
24. Mabitsela	yes			
25. Fairlie	yes			
26. Ceres		no		
27. Rampuru			yes	
28. Chloe A and B		no		
29. Kgabo Park		no		
30. Ramoshoana	yes			
31. Rammobola		no		
32. Rapitsi	yes			
33. Knobel			yes	
34. Helena		no		
35. Selepe		no		
36. Maupye		no		
37. Setumong		no		
38. Boratapelo		no		
39. Dibeng		no		
40. Ramakara		no		
41. Madietane		no		
42. Manamela		no		

VILLAGES NAME	LEVEL OF SERVICES			
	RDP		YARD CONNECTIONS	
43. Mpone -Ntlolane		no		
44. Phetole	yes			
45. Phoffu		no		
46. Ramalapa		no		
47. Semaneng			yes	
48. Kordon	yes			
49. Maineleng		no		
50. Selolo		no		
51. Mahwai	yes			
52. Kgomoschool		no		
53. Utjane			yes	
54. Diana			yes	
55. Madiba			yes	
56. Mars		no		
57. Mashashane Moshate		no		
58. Matlapa		no		
59. Glenroy		no		
60. Jupiter	yes			
61. Manyapye	yes			
62. Mohlonong		no		
63. Monotwane		no		
64. Mapateng		no		
65. Naledi		no		
66. Mandela		no		
67. Boetse		no		
68. Kgasha		no		
69. Maune		no		
70. Sebora		no		
71. Bellingsgate		no		
72. Segwahleng		no		
73. Sepanapudi		no		
74. Venus			yes	
75. Kgoroshi		no		
76. Setshaba		no		
77. Waschbank			yes	
78. Magongoa		no		
79. Christinah	yes			
80. Lepotlako		no		
81. Kalkspruit		no		
82. Marowe	yes			
83. Modderput		no		
84. Phaudi	yes			
85. Maribana		no		
86. Kolopo		no		
87. Sekuruwe	yes			
88. Ga-Phago	yes			
89. Fairlourie		no		
90. Ga-Piet		no		
91. Rankhuwe		no		
92. Makgodu		no		

VILLAGES NAME	LEVEL OF SERVICES			
	RDP	YARD CONNECTIONS		
93. Mashamaite	no			
94. Mabiloane	no			
95. Monywaneng	no			
96. Lonsdale			yes	
97. Rammetlwane	no			

Sanitation

2460 toilets were built across the municipality by In touch community developers and Projects Managers the contractors were Local labourers. The total budget was R 7 800 408.00 and the total spent was R5 764 444.29. The breakdown in terms of villages is as follows:

Project Name	Project Description	Project Status
Phetole	Construction of 206 toilets	206 toilets completed
Ga-Kgoroshi	Construction of 84 toilets	84 toilets completed
Mamehlabe	Construction of 154 toilets	154 toilets completed
Uitkyk 1,2 & 3	Construction of 283 toilets	233 toilets completed
Ga-Phago	Construction of 200 toilets	200 toilets completed
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Ga-Magongoa	Construction of 154 toilets	154 toilets completed
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Matlapa	Construction of 220 toilets	220 toilets completed
Mandela Park	Construction of 154 toilets	136 toilets completed
Burgwal	Construction of 25 toilets	25 toilets completed

Project Name	Project Description	Project Status
Ramoshoane	Construction of 75 toilets	75 toilets completed
Kgabo Park	Construction of 233 toilets	232 toilets completed
		Total 2460=99.9%

Backlog Sanitation

Number of Households	No. of Households serviced	No. of Households not Serviced
	Sanitation	Sanitation
33,826	5,382	28,444

Local Economic Development

In view of the Limpopo Growth and Development Strategy (LPGDS), the spirit of the Capricorn and Aganang LED strategies and the job creation targets, the following interventions were recommended as the economic development focus in Aganang for at least the next coming three years:

1. Promotion of cultural tourism and family recreation with specific emphasis on business planning for the Mogoshi Tourism and Heritage Centre.
2. Growth point (nodal) development within the context of sustainable communities, with particular emphasis on residential and commercial development
3. Increase applications to the Municipal Infrastructure Grant and to the Expanded Public Works Programme so as to create the infrastructure that is essential for sustainable economic growth and development
4. Assess the extent to which Aganang can benefit from the platinum, with particular emphasis on the analyses that have already been done for Matlala Platinum
5. Promotion of the informal (second) economy throughout Aganang Municipality and its integration into the first economy as far as is practically possible and feasible.
6. The establishment of Marula cooperative in line with the Strategy for the Department of Economic Development, Environment and Tourism (LEDET) to develop the industry.

Tourism

Tourism and Heritage

The Tourism Development Strategy that was compiled for the Aganang (ALM) by STRISA identified one major tourism development opportunity that would anchor the tourism development process. This "icon" project would act as the magnet to stimulate new flows of visitors into and within the Aganang tourism destination thereby allowing new tourism hubs and corridors to be developed. The Mogoshi mountains covers a total area of 3 300 ha that is richly endowed with natural resources, interesting geological formations, flora and small fauna. There are 23 identified peaks in 6 distinct groupings of hills. It provides a suitable platform for the development of a successful cultural tourism product. The Tourism Development Strategy resulted with the development of agri-tourism business plans for the purpose of sourcing funds. Interestingly these areas of tourist potential are located nearby growth points as identified by the SDF.

Despite the lack of 'traditional' craft making raw materials, there are pockets of enterprise where very unusual and attractive craft items are being made. The flowerpots made from paper and pulp from old egg boxes, and decorated with varnished seeds, are most unusual and are in striking contrast to ordinary clay pots. These could improve tourism attraction within the municipality.

Botanical Garden

A botanical garden is an institution that grows and displays plants for the purpose of research, conservation, education and recreation to encourage people to understand, love and appreciate nature. The process of setting of a botanical garden needs a great understanding of the use of indigenous plants. Several engagement have already been made with the South African Biodiversity Institute (SANBI) whereby the latter will assist in the development and capacity building towards the establishment of this type of heritage site next to Mogoshi Mountains.

The botanical garden in Aganang will provide educational and recreational services and proposed facilities in the garden include:

- Library services
- Information centre
- Public recreation
- Herbarium
- Plant research
- Small nursery with plants for sale to public

The botanical garden will be developed in conjunction with the proposed Mogoshi Resort. The garden will serve as an additional tourist attraction while preserving the indigenous flora and providing a learning environment to its visitors. The two developments will benefit from each other as they will both be a new economic driver for the area. Feasibility study and business plans for both projects have been developed.

The economic development infrastructure, specifically roads corridors, linking Aganang to Polokwane; Aganang to Blouberg and Mogalakwena to Aganang will create economic spin-offs for the municipal economy in the long term.

MIG and EPWP Initiatives

The MIG and EPWP initiatives add value to local job creation and thereby contributing to economic growth in the municipality. The following are jobs created during 2007/2008

EMPLOYMENT OPPORTUNITIES CREATED IN 2007-2008						
PROJECT	MALE		DISABLED	FEMALE		TOTAL
	YOUTH	ADULT		YOUTH	ADULT	
Electricity	15	27	0	0	13	55
Roads	13	15	0	8	16	52
Water	29	30	0	43	29	131
Sanitation	40	50	0	20	30	172
Tibane Taxi Rank	2	5	0	2	2	11
Total	99	127	0	73	90	389

In addition, MIG & EPWP creates an environment whereby various sectors of the economy are able to interact with each other through the links from one area to the other. Projects assisted through the LED fund are also participating in the economic sector through EPWP Programme and to date the following projects benefited as follows:

Project Name	Training Provider	Courses	No. of Trainees
Ramoshoana Poultry Co-operative	Stance Hr. Services	Marketing Management	14
		Business Management, basic	06
Letlhabile Community Project	Elshaddai Consultant	Marketing Management	09
		Financial Management	09
Dikgophaneng Paper Recycling Co-operative	Jerily Business Enterprise	Marketing Management	08
		Financial Management	08
Leokaneng Poultry Co-operative	Kwevhos Business Enterprise	Financial Management	16
		Marketing Management	16

Mining

There are farms in Aganang Municipality for which the Department of Minerals and Energy (DME) has applications for rights of exploration for platinum namely, Giliad, Swerwerskraal, Gibeon, Elberfield, Chlun and Ham. The rights to prospect have been given to Anglo Platinum and they have requested baseline information regarding the affected areas. In the normal course of events, successful initial exploration progresses to advanced exploration and then to a pre-feasibility study. If the pre-feasibility study is successful, it moves to a full feasibility study, then to board approval, then to detailed mine planning and then to mine development. This process normally takes at least eight years.

Agriculture

Aganang Municipality is predominantly rural and the available land is used mainly for subsistence farming. Cattle, goats and sheep are by far the largest type of livestock that is held, although poultry is kept in significant numbers. Most livestock is sold informally for local consumption. Little use is made of the commercial marketing channels available nearby. The potential exists for commercialization of crop farming (maize, sorghum, vegetables etc), livestock farming and introduction of agro processing initiatives. This will assist local economic development.

The following projects benefited from the 2007/8 LED GRANT.

Name of project	Activity	Quantity and Description	Cost	EMPLOYMENT STATISTICS				
				Total	F	M	Y	D
Mahumo-a-Juno	- Installation of Pivot	01	R 12000.00	10	6	4	5	0
	- Pivot irrigation System	01	R123000.00					

Name of project	Activity	Quantity and Description	Cost	EMPLOYMENT STATISTICS				
				Total	F	M	Y	D
Ramoshoane Agricultural Co-Op	- Poultry house - Infrastructure - Stock	- (1x) laying house - Cages of 1000 capacity - 150* bags of feeds - 1000* Layers	R 71 637.00 R 26 250.00 R 40 948.80 R 31 065.00	14	7	7	0	2
Matlou Matlala Co-op	- Bore-hole drilling with equipments - 5000 litre water tank - cages and laying hens	- (1x) Borehole Drilling - 150* bags of feeds - 1000* Layers - Cages of 1000 capacity	R 28 552.50 R 47 196.00 R 30 039 R 43 538.04	16	13	3	0	2
Leokaneng Agric. Co-op	Infrastructure and stock	- 01* lay house - 150* bags of feeds - 1000* Layers - Cages of 1000 capacity	R 94 912.58 R 28 552.50 R 47 196.00 R 31 065.00	14	14	0	0	0
Lehlabile brick making	Stone Crusher Additional Equipment	- 01 - 01	R115000.00 R 88797.00	9	8	1	0	0
TOTAL			R859 749.42	63	48	15	5	4

DBSA DISASTER FUNDS

Kordon Poultry	Infrastructure and Broiler	- 02*Broiler house and 1000* Broiler	R294 906.75	12	10	2	0	0
Seopa Poultry		- 01 Broiler house and 1000* Broiler	R18 000.00	12	7	5	0	1
Maboya Vegetable Garden	Garden implements and Chemicals		R12 998. 05	1	0	1	0	0
TOTAL			R 325 904.00					

SMME Development

The resuscitation of formal local businesses in partnership with Aganang Business Chamber (Moshatlara) seems to be a very good initiative in terms of bulk buying and the establishment of wholesale warehouse.

Informal Economy

Informal economy participants in Aganang Municipality are concentrated and operate mostly in taxi ranks, Knobel Hospital, clinics (Matlala & Mashashane), and at schools. Informal economy activities are not being regulated by the municipality. Informal traders in Aganang Municipality are not affiliated to any hawkers association. However, effort is being made to assist traders to organize themselves with the objective of establishing a formal structure that will facilitate communication with the municipality. The database and the elected representatives of the traders will assist in terms of planning and support interventions that are required to promote the informal economy of Aganang Municipality. Currently, there is an initiative to construct the market stalls at W F Knobel hospital. The Municipality is in a process of formalizing this sector through Aganang business chamber that will form hawkers association for the purpose of bulk buying.

LAND USE MANAGEMENT

The table below illustrates the number of applications for site demarcations.

Type of business	Received Applications	Processed Applications	Approved Applications	Outstanding Applications
Business Site	31	31	23	8
Residential Site	20	13	7	6
Church Site	23	20	11	9
Social Sites	8	7	3	4
Change of Ownership	14	1	-	1
Totals	96	72	44	28

NB: There are strategies put in place to roll out an outreach programme to Magoshi around the municipality to incorporate them fully in this task.

Nodal Development

The existing spatial pattern of Aganang Municipal Area is dispersed, consisting of 106 settlements without a distinct hierarchical or functional order.

This dispersed spatial pattern is costly to maintain as the majority of the villages are far apart and too small to attain the economic threshold required to provide social facilities and service infrastructure on a cost effective basis. It is most unlikely that adequate funding will become available in the short to medium term to upgrade all these villages to provide an acceptable level of social and physical infrastructure to the inhabitants. The problem is further exacerbated by the fact that there is a very weak hierarchy or functional order in which priority areas are identified for further development. The result of this situation is:

- Very limited or no economic base at all;
- Low levels of social infrastructure (i.e. schools, health facilities, etc.), the reason being that the majority of settlements are too small to provide with high-level social infrastructure;

The existing situation confirms the importance of an intervention approach to promote a more optimal spatial development pattern (settlement pattern) for the Aganang municipal area, which could provide a sound basis for future spatial and economic development.

Development of Mashashane Nodal Point

A layout plan for Mashashane Nodal Point has been developed and submitted to surveyor general. It has been confirmed that the layout is to be submitted to the Chief Surveyor at Department of Local Government and Housing by the Consultant for approval. After approval by the department, it will be resubmitted to the Surveyor General for a final stage (General Plan). The new development requires infrastructure (water, electricity and sanitation) provision and the municipality is currently not in a position to capacitate any new developments but plans to avail necessary bulk supply are advancing.

Township Establishment

Township in Aganang is not a dream anymore, but a reality. A research has been conducted to actualize intensive infrastructure planning for a new township within Aganang Municipality. The findings were that there is need for the municipality to develop a comprehensive infrastructure plan for the entire township which should also be clearly designed on the layout plan. Different mechanisms are being employed by the Municipality to mobilize funding and partnerships from different financial institutions and investors for the actual implementation of the township. Intensive discussions are continuing between the Municipality and the affected Tribal Authority to address the issue of land availability. The Department of Land Affairs and Local Government & Housing are also playing a critical role in terms of advising throughout the process.

Development Of Government Precinct

Harnes Lerm and Associates has been appointed by the municipality to develop a layout plan for the government precinct within Aganang Township. Reason for the layout plan is to consolidate all the activities that are going to be put on the site through a unified and holistically project. Lebone Engineering has been appointed to by the Department of Roads and Transport to undertake electrification for the Traffic station site. The Site Development Plan and Building Plan of the site have already been designed and approved. Lebone Engineering visited the site with a Town Planner and Poles that would connect electricity to the development have been identified. What is remaining is the alignment of the electrification to the designed Site Development Plan and the Building Plan.

Environmental Management

As part of Environmental management, the municipality has a responsibility to inspect borrow pits used during construction work within the municipality. The following inspections were made during the year under review.

Sand mining and borrow pits

I.D	Names of projects	Names of borrow pit	Status and Activity	Location	Safety measures in place
01	Upgrading of road D3377 from gravel to tar(Ga-Matlala)	Burrow pit 1A and 1B	Rehabilitated	Vlakfonteing and Setumong	Rehabilitated
02	The up grading (Gravel to tar) of D3398/D3332 from Ceres to Knobel Hospital to Rapitsi, in Limpopo Province.	Burrow pit 1A, 1B, 2A, 2B, 3A, 3B	1Aand 1B not in use and in the process of rehabilitaation , the remaining once are in use for grave material	1A Ceres, 1B Rapitsi	Fenced and safety warning signs in place.
03	Upgrading of D3371 road from Sebora to Mohlonong (gravel to tar) from Matlaleng to Mohlonong	1A	In use for gravel material	Mohlonong	Fenced and safety warning signs in place.
04	Upgrading of road D3398 (gravel to tar) from Ga-Ngwetlana to Ga-Sechaba	1A and 1B	1A (Not in use, in process od rehabilitation) 1B (In use for gravel material)	1A(Ga-Sechaba) and 1B (Rampitjiesfont ein Agricultural Cooperative Project)	1A in process of rehabilitation and 1B (Fenced)

Alien plants

A study affecting various areas within the Municipality has been conducted in order to investigate the presence of alien plants and the possible extent of damage they are causing. Two types of alien plants have been detected to grow in large number within the municipality namely *Oponia Ambricata* and *Corifolia Lofolaena*.

Oponia ambricata

Oponia Ambricata is infesting the area of Lonsdale, Mankodi and Cooperspark. Due to climatic conditions the plants might extend to other areas quickly. The presence of wind and rain water could disperse the seeds to other areas.

Infestation of Oponia Ambrica at Lonsdale Sectional view of Opotia Ambricata

Impact of Oponia Ambrica on livestock

Corifolia Lofolaena

Corifolia Lofolaena has been found around Mashashane area (from Kalkspruit to Ga- Mashashane, between Monotwane andDiana). The plant is extending to other villages such as Jupiter, Venus and others. The growing of this alien plant result from the area that was cultivated before and is no longer cultivated. The plant will extend to other affected areas caused by rain water and Winds.

CHAPTER 3

Human Resource Management and other Organisational Management

Aganang municipality has managed to maintain its Human Resource Unit which has supported core departments in implementing IDP objectives. The unit among other areas of support has played a role in administering recruitment and placement of Personnel. Further the unit has coordinated labour relations issues and as well as training and development.

Training and Development

The Municipality managed to reactivate Skills Development Levy Number with SARS which enabled the municipality to comply with Skills Development Levies Act. This will enable the municipality to participate and also claim funds from LGSETA. Workplace skills Plan (WSP) and Annual Training Report (ATR) were submitted on time to LGSETA. WSP was recognized.

Below table shows trainings under gone by both staff and clrs.

No.	Training Programme	Beneficiaries	Number	Gender	
				Female	Male
1.	Geographic Information System (GIS)	Snr Land Use Officer	1	1	
2.	Project Management	Snr Procurement Officer, Snr Technician: Water and Sanitation, Snr Accountant Expenditure, ISD Officer x2.	5	3	2
3.	Integrated Development Plan	Snr IDP Officer	1		1
4.	Report Writing	ISD Officer, Snr Labour Relations Officer, Committee Clerk x2 , Secretary: CS.	6	4	2
5.	Computer Literacy	EXCO Members, Chief Whip, Speaker & ISD Officer	10	3	7
6.	Advanced Driving	Messenger Driver, Driver:Mayor, Collecting Clerks X2	4		4
7.	Web Development	Media Liaison Officer	1		1

Unbudgeted trainings

No.	Training Programme	Beneficiaries	Number	Gender	
				Female	Male
1.	Inter-Governmental Relations	Personal Assistant: Municipal Manager	1		1
2.	eNaTIS	Clerk: Finance Income & Clerk Finance Expenditure	2	2	

Funded trainings

No.	Training Programme	Beneficiaries	Funded by:	Number	Gender	
					Female	Male
1.	Main Collective Agreement on Services Conditions	Personnel Officer & Labour Relations Officer	SALGA	2	1	1
2.	Business Communication	Secretaries: CS, Secretary Mayor, Secretary Finance, Committee Clerks x 2	Capricorn District Municipality(CDM)			
3.	Diversity Management	Secretaries: CS, Secretary Mayor, Secretary Finance, Committee Clerks x 2, Labour Relations Officer, Registry Officer	CDM	7	5	2
4.	Accounting	Clerk: Finance Income, Clerk Stores, Portfolio Chairperson: Finance.	DLG&H	3	2	1
5.	Assessor & Moderators Course	Snr IDP Officer, Training Office, Deputy Manager CS	LG SETA	3	2	1
6.	Leadership and Management	Manager: EDP	CDM	1	1	
7.	Contract Management	Snr Technician W&S & Registry Officer	National Treasury	2	1	1
8.	IDP Learnership Programme	Snr IDP Officer	Development Bank of South Africa	1		1

Staff Provisioning

The Municipality has experienced another challenge of turnover of 13 employees out of 66 employees: The 13 employees include: Senior legal Officer, EDP Manager, Technical Services Manager, Media Liaison Officer, Training Officer, Personnel Officer, Payroll Officer, Junior Technician, Committee Clerk, Senior land Use officer, Environmental Planner, Finance Clerk: Income, Finance Clerk: Expenditure.

Staff Compliment

- Permanent Staff - 53
- Section 57 - 5
- Interns - 2
- Learners - 18
- Councilors - 36

Municipal Employment Equity Plan

The Employment Equity Plan which was developed for a period of five set up the following % as equity targets to ensure representation of employees from designated groups:

100% Black people in management level from 2005 to 2010

50% women in management level from 2005 to 2010

10% of people with disabilities

Achievements for financial year 2007/8

The municipality achieved 100% in appointing black people in management positions. Challenge was found in the appointment of persons with disabilities as Municipality could not attract appointment of people with the disabilities in the previous financial year. 48% of the 100% comprises women in the management echelon.

For aforementioned reason the Municipality reviewed its target of 10% for the appointment of persons with the disabilities for the period of five years thereby agreeing on 2% for the appointment of persons with the disabilities for the remaining years.

Employment Equity status quo:

Occupational Category	Total Male Employees	Total Female Employees	Total PWD	Total number
1. Municipal Manager and other Managers	2	3	0	5
2. Deputy Managers	2	1	0	3
3. Senior Officers	9	3	0	12
4. Officers	11	7	0	18
5. Secretaries and Clerks	4	12	0	16
6. Operators and Drivers and Handy man	3	0	0	3
7. General Assistance	3	5	0	8
8. Intern	1	1		2
TOTAL	36	31	0	66

Submission of EEP

The Municipal Employment Equity report was successfully submitted to the Department of Labour on the 30 September 2008.

Staff turn over 2007/08

NB: The Municipality has experienced another challenge of turnover of 13 employees out of 66 employees: The 13 employees include: Chief Financial Officer, Snr Admin Officer, Snr HR Officer, IT Officer, Media Liaison Officer, Training Officer, Personnel Officer, Payroll Officer, Junior Technician, EDP Manager, Manager Technical Services, Committee Clerk.

Salary Disclosure: Councilors

	Mayor	Speaker	Exco	Whip	Part-time	Totals
Salary	275,892	234,615	121,046	219,993	88,148	939,694
Cellphone allowance	13,736	13,736	8,572	13,736	8,572	58,352
Car allowance	104,300	83,440	43,023	78,225	31,289	340,278
Pension	38,489	32,650	16,835	30,610	12,244	130,829
Medical Aid	19,535	-	-	-	-	19,535
Total	451,952	364,441	189,477	342,564	140,253	1,488,687

Salary Disclosure: Managers

	Municipal Manager	CFO	CS Manager	TS Manager	EDP Manager
Salary	456,190	273,448	213,697	332,578	213,697
Housing allowance	-	90,000	-	-	-
Industrial levy	38.40	38.40	38.40	38.40	38.40
UIF	1,497	1,497	1,497	1,497	1,497
Medical Aid	9,943	10,858	12,046	-	12,046
Car allowance	144,000	84,000	200,847	96,000	200,847
Pension Fund	68,429	60,159	44,876	49,887	44,876
13th Cheque	-	-	-	-	-
Totals	680,000	520,000	473,000	480,000	473,000

Personnel Expenditure Trends

Personnel Expenditure trends for the past 3 years compared to budget.

YEAR	EXPENDITURE	BUDGET
2005/06	9,257 149.00	12 ,001 637.00
2006/07	17, 124 263.00	20 ,539 253.00
2007/08	17,651 600.00	18 ,579 266.00

Pension and Medical Aid Fund

Employee & Employer contribution to pension fund per annum

MEPF	902,745.00
MCPF	528,563.00
MGF	406,598.00
LGPF	797,670.00

Governance and Institutional Development

Council Committees: The following council committees were coordinated.

Portfolio Committees

- 11 Corporate Services Portfolio meetings where held
- 12 Economic, Development and Planning Portfolio
- 11 Technical Services Portfolio
- 10 Community Services Portfolio
- 12 Finance Portfolio
- 12 Special Focus Portfolio

Three council meetings where held and 2 special meeting were held.

Other committees

- Oversight committee
- Sector Forum Meeting

Public Participation and Communications

Community consultations are key to the development of the municipal plans. Four Integrated Development Planning meetings where held in a form of Imbizos to facilitate inputs into the IDP.18 General meeting where held to inform communities about the progress made with regard to service delivery.

Bursaries report for financial year 2007/08

From 2006/2007 Financial year we had three students on the Mayoral Bursary with a budget of R100 000 (One Hundred Thousand Rand), i.e.

- Desmond Mokobodi (Regional and Town Planning, Univ. of Venda)
- Sekai Reuben Ngobeni (B.Com Accounting, Univ. of Pretoria)
- Buthane Chuene Margaret (Civil Engineering, Vaal Univ. of Technology)

For 2007/2008 Financial year the Municipality budgeted R 300 000, to continue pay for the above three students and take another applicants on the Mayoral Bursary Fund, and for the 2007/2008 the following intakes were made;

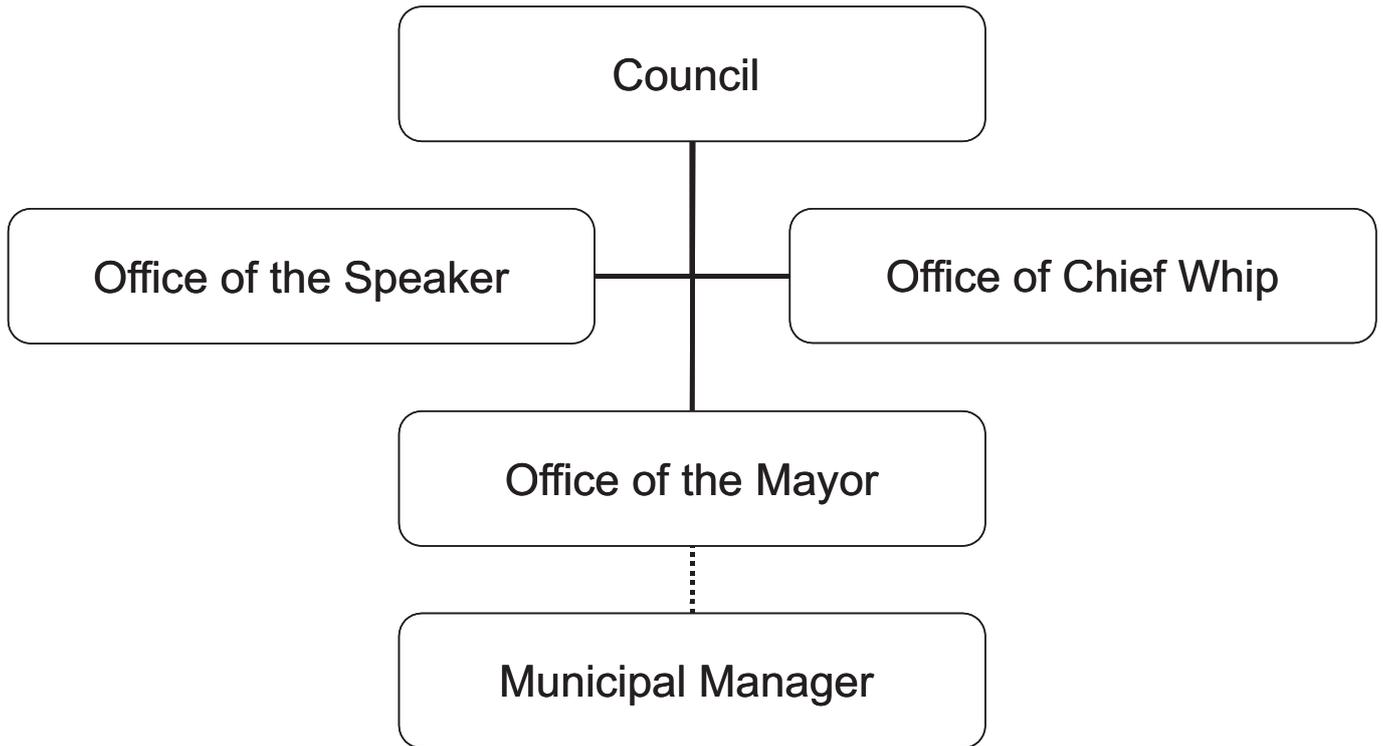
Continuation of the above three students which were granted Bursary in 2006/2007 amounted to R 135 300.00 and the remaining for the new intake of 2007/2008 was R 164 699.00 and the following allocation was made;

- Selepe Phenyso Sedley (Regional and Town Planning, Univ. of Venda)
- Sema Mampahila Gladness (B.Com Acc, Vaal Univ. of Technology)
- Molepo Moloko Jacob (National Diploma in Policing, Tshwane Univ. of Technology)
- Mabitsela Lesiba Tebogo (Chemical Engineering, Univ. of Johannesburg)

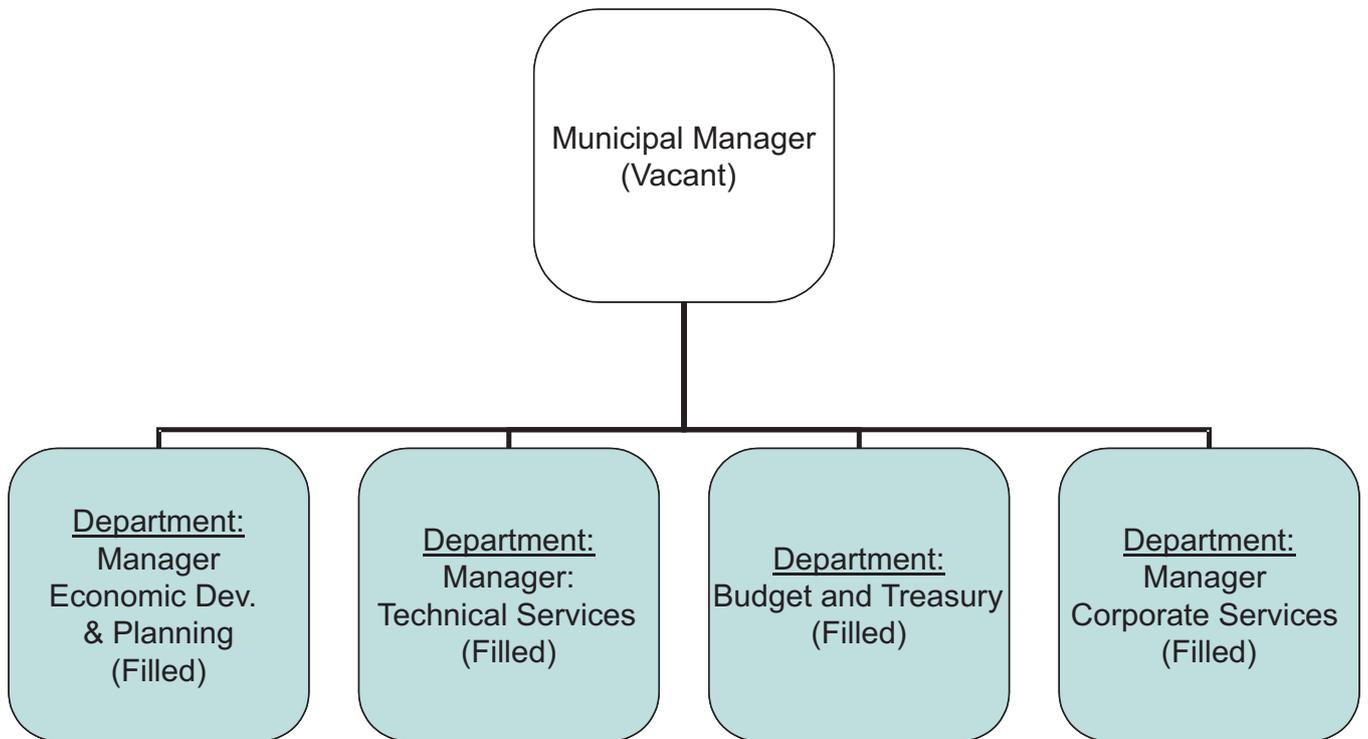
The total amount spent for Mayoral Bursary in 2007/2008 was R 299 999.00 for all the seven students mentioned above

ORGANISATIONAL STRUCTURE

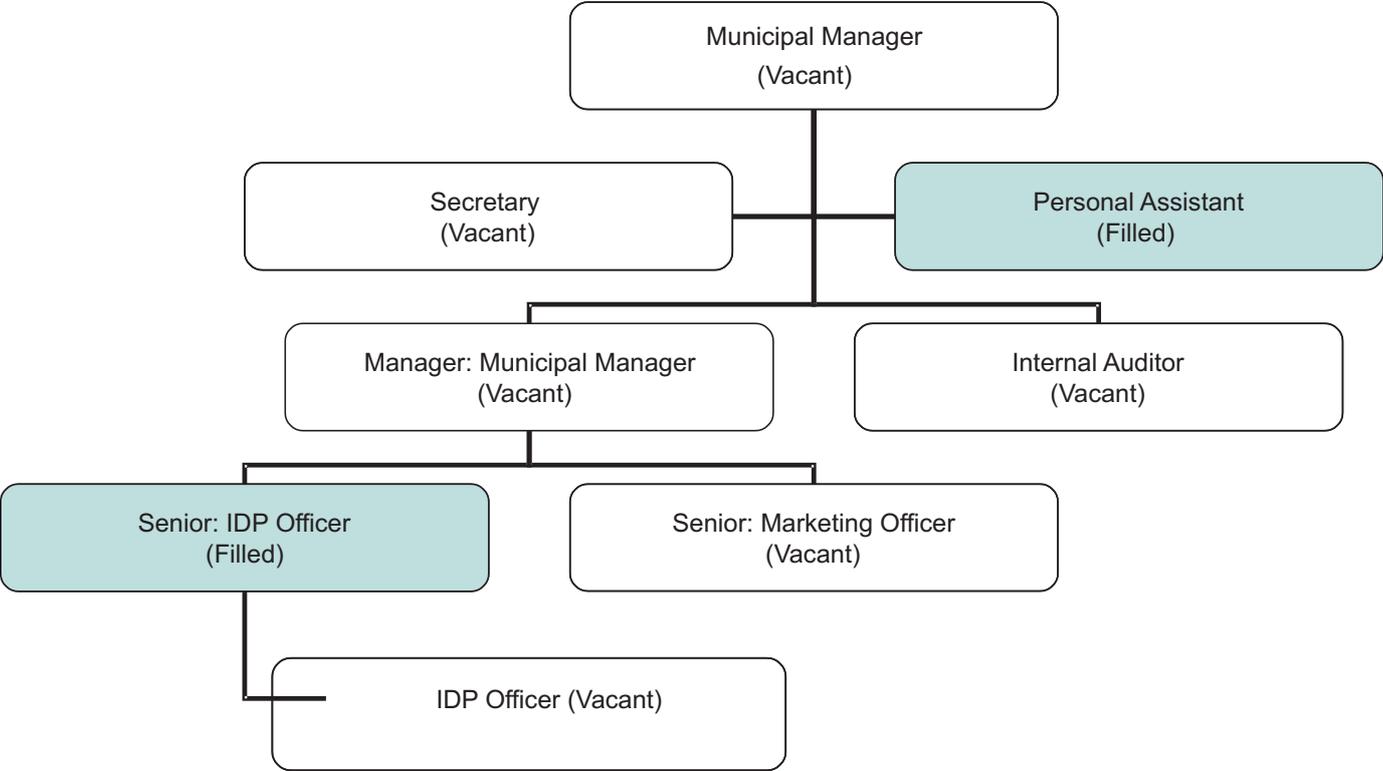
Council



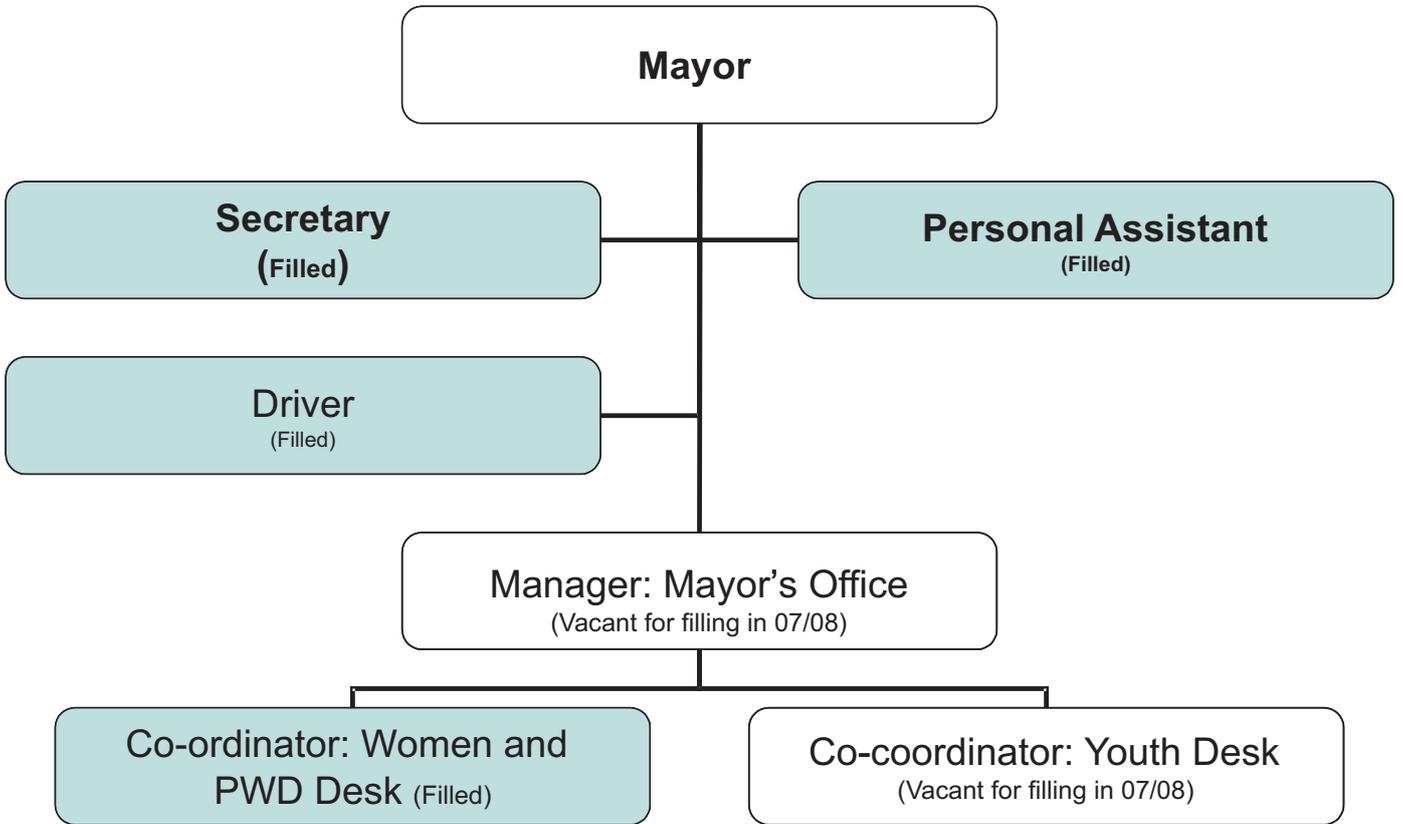
Management



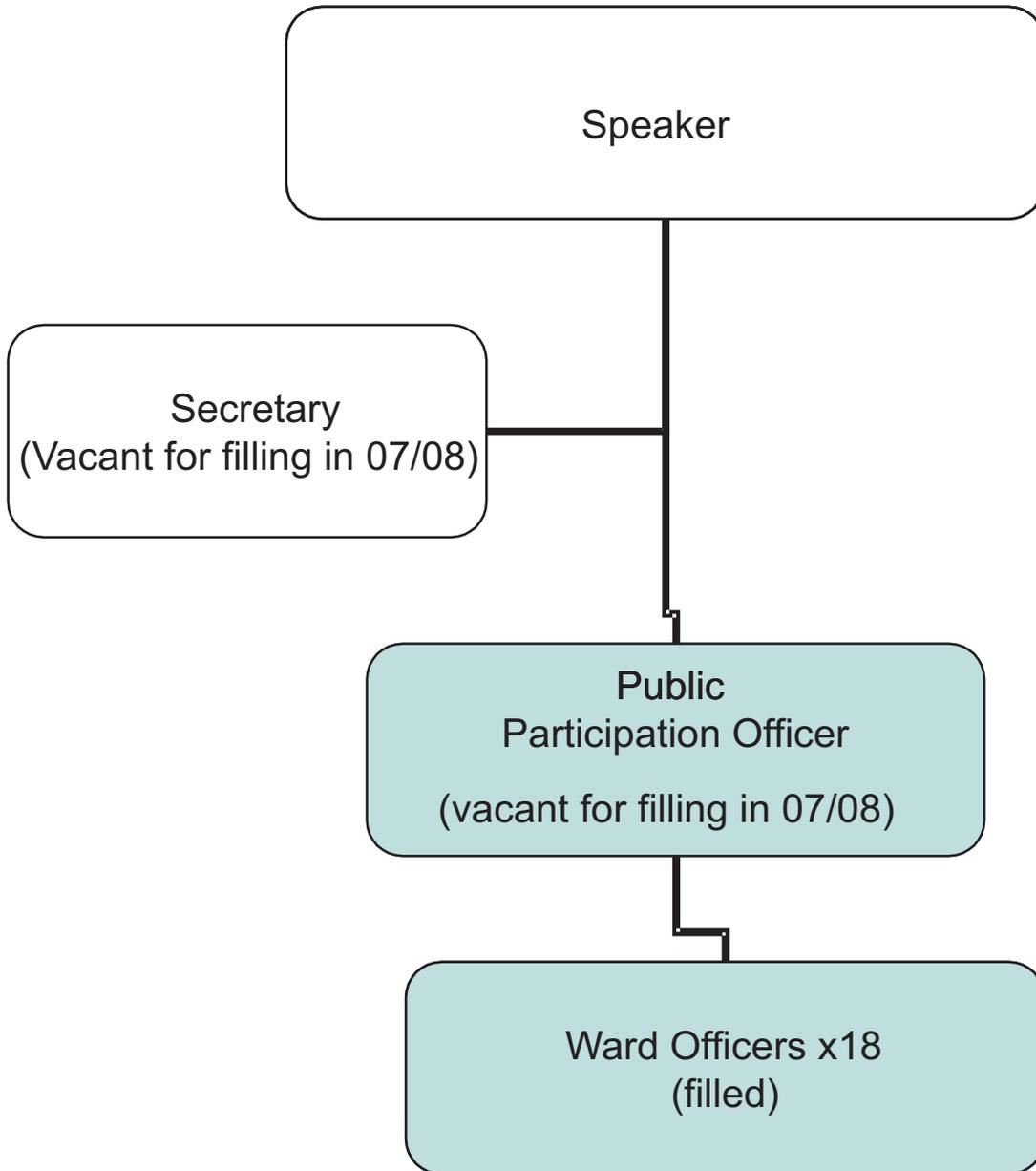
Municipal Manager's Office



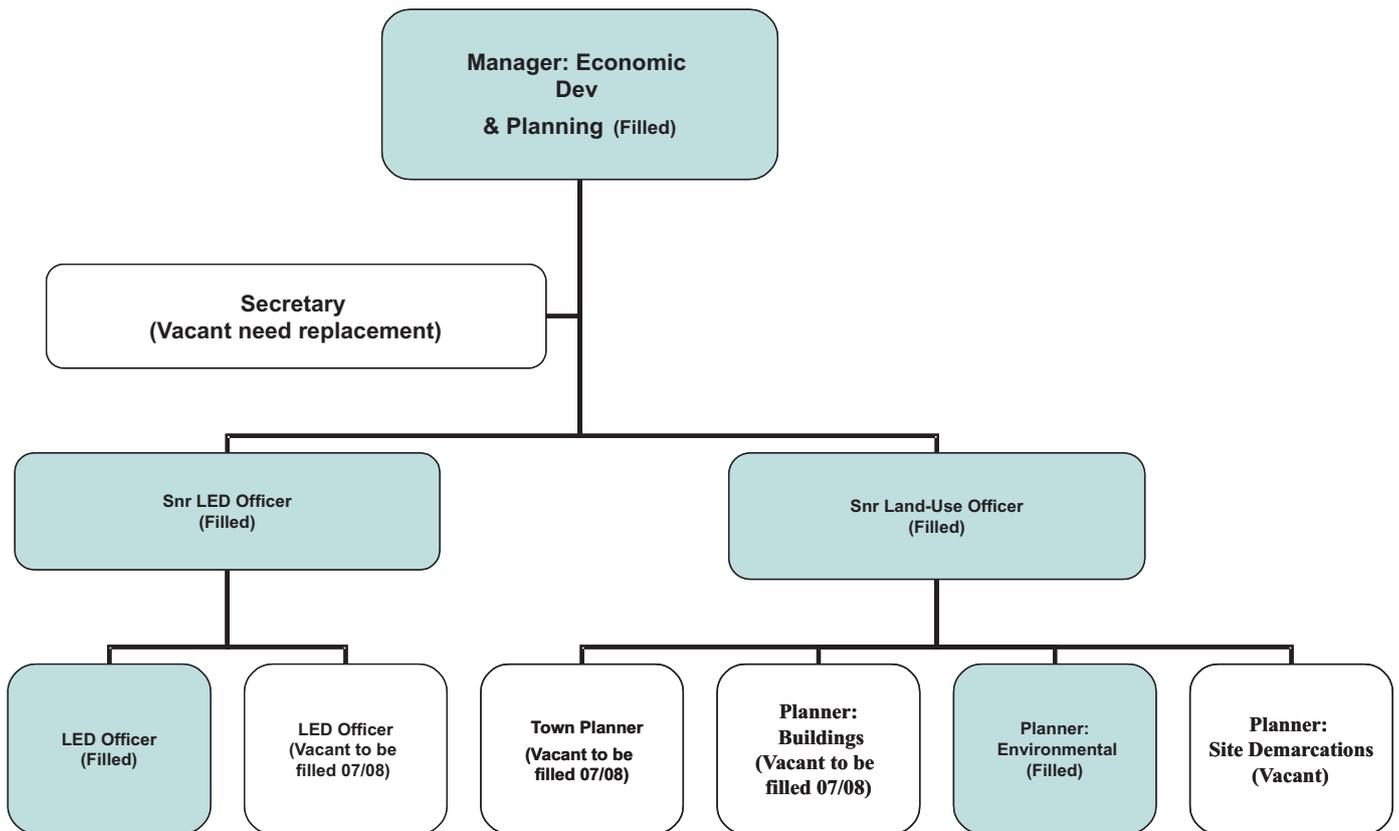
Office of the Mayor



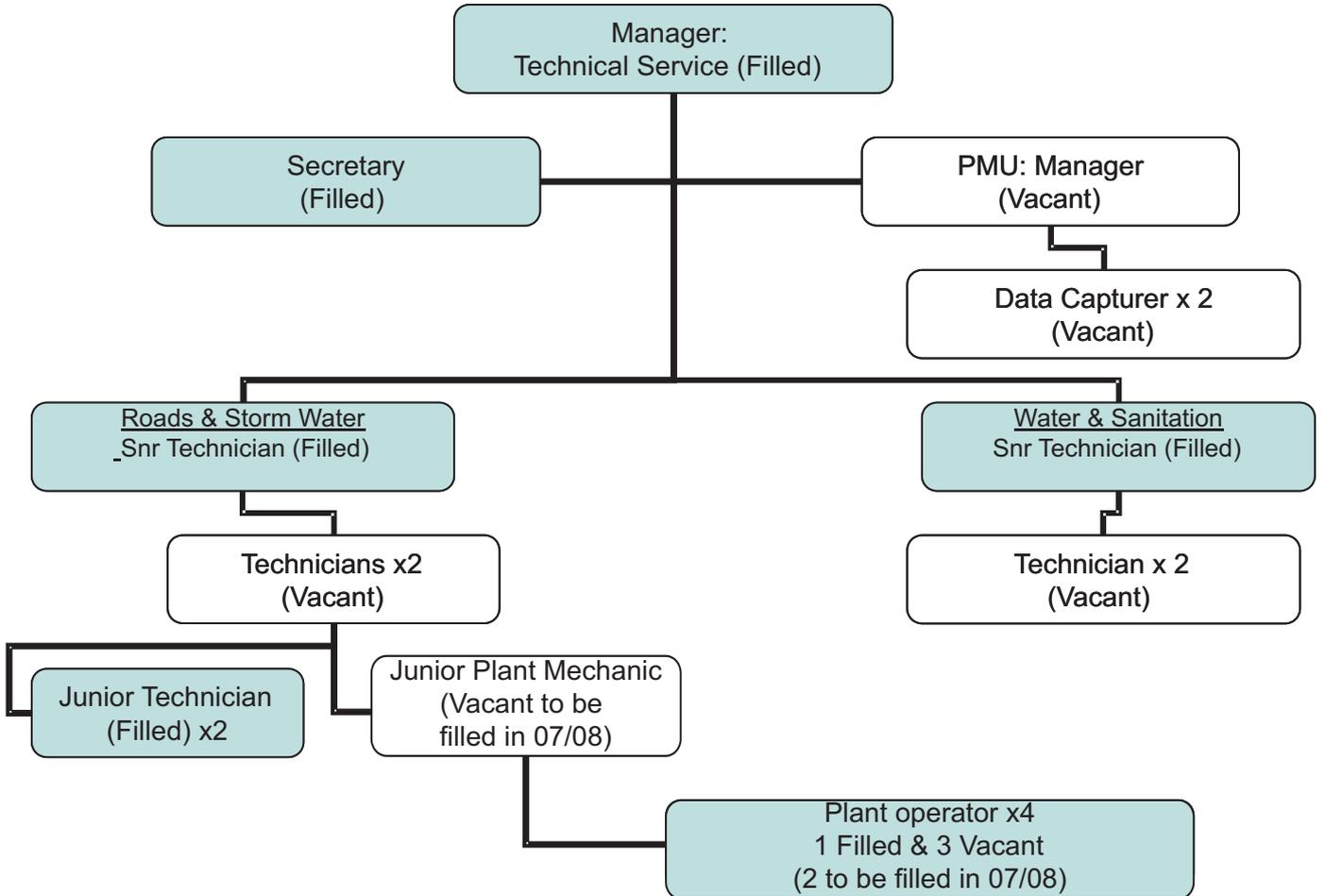
Office of the Speaker



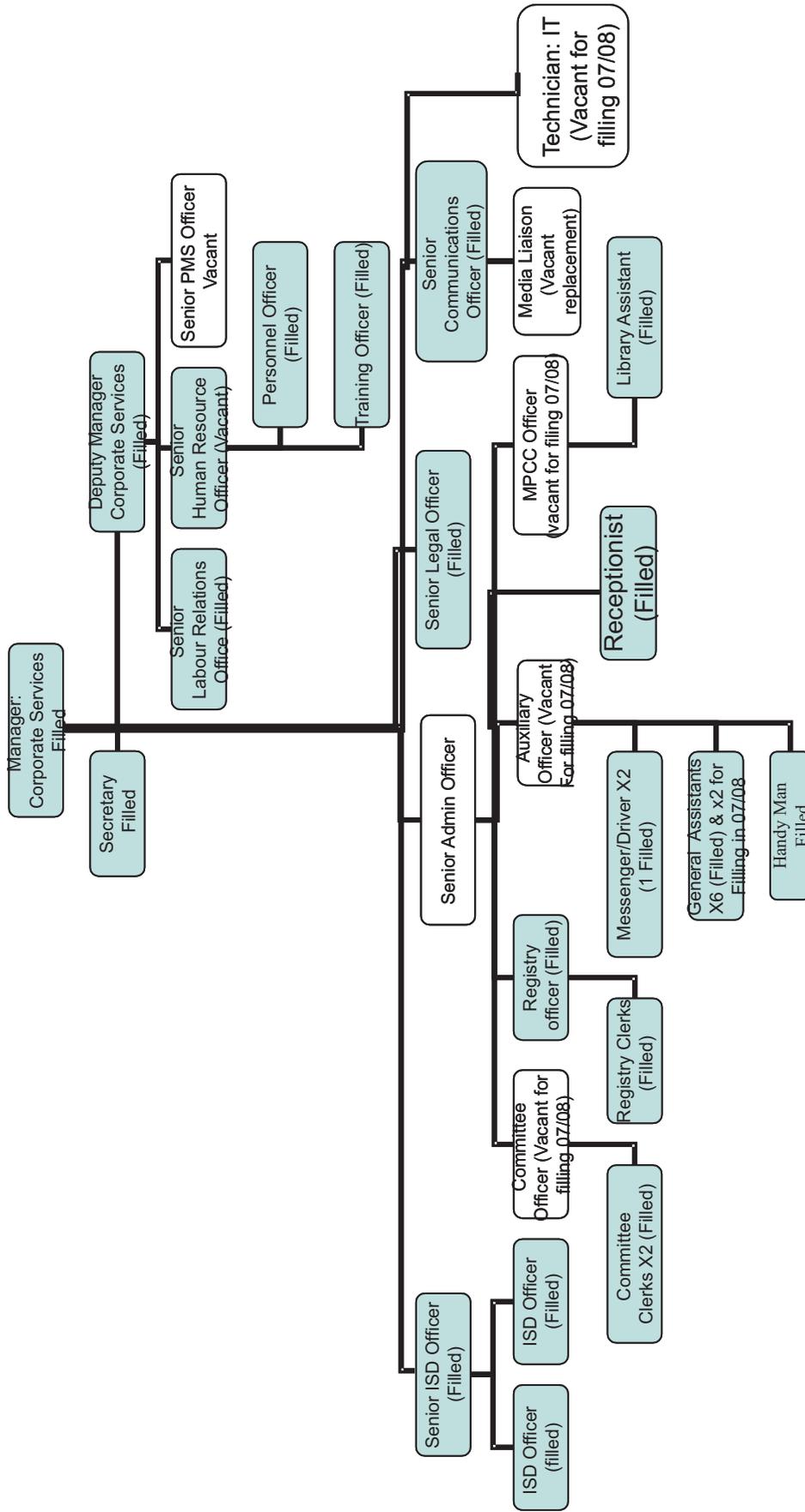
Economic Development and Planning



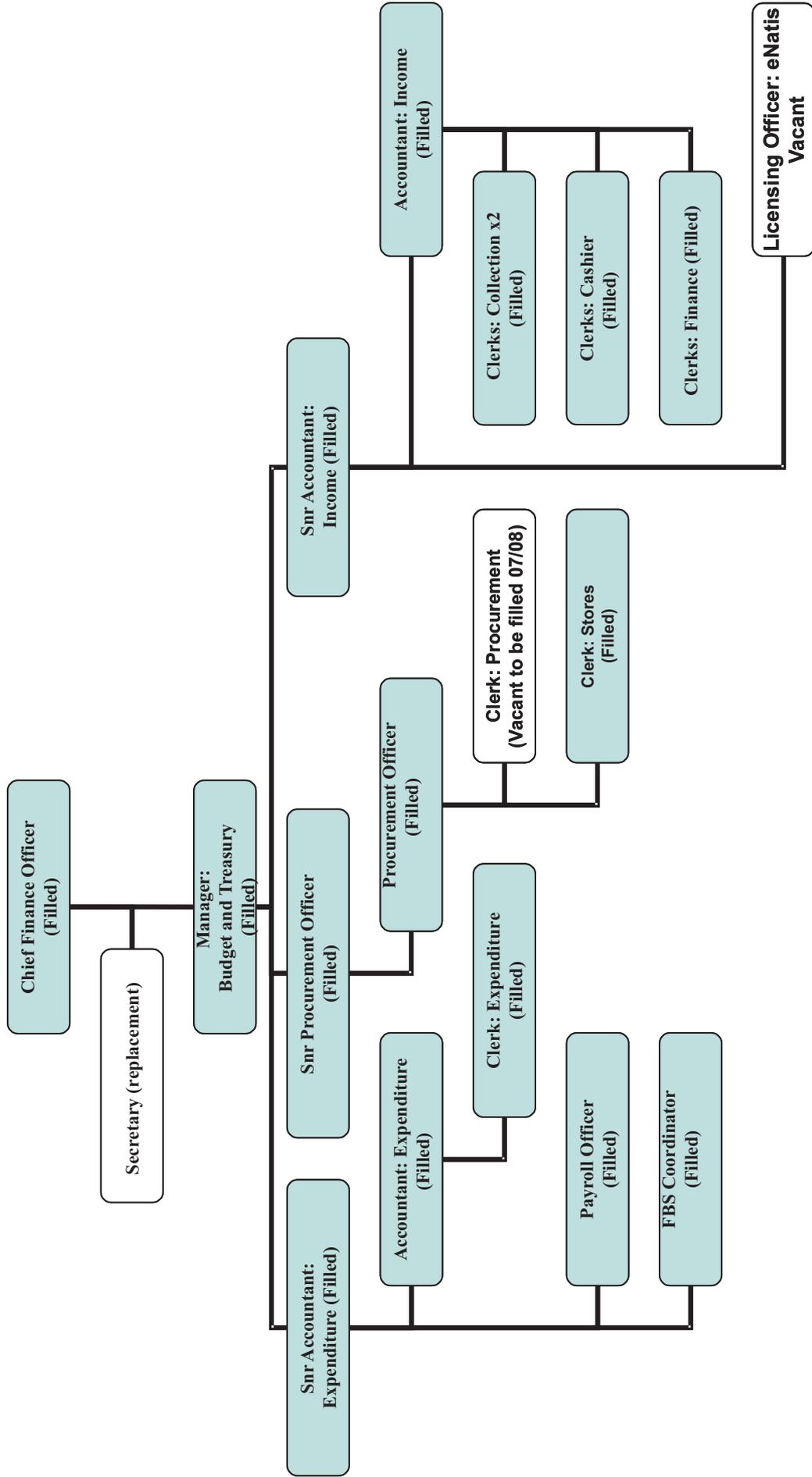
Technical Services



Corporate Services



Financial Services



CHAPTER 4

Audited Financial Statements & related statements

PREFACE

It is our pleasure to present Aganang Local Municipality Annual Financial Statement for 2007/2008 financial year, which is in compliance with the Municipal Systems Act and Municipal Finance Management Act. These financial statements are presented with the audit file which is critical for the auditors to start their work.

As the Municipality we have been encouraged by the efforts and commitment of the Auditor General in resolving issues which have concerned the municipalities in relation to audit processes. We are confident that the interventions he has made will go a long way in normalizing the audit environment in the country.

During this financial year the municipality managed to fill without delay three key section 57 positions which became vacant, namely Chief Financial Officer, Manager Economic Development and Planning and Manager Technical Services. This has enabled us to ensure that we operate at full capacity at the senior management level. We also managed to appoint the Audit Committee, which has earnestly started off with its tasks and we are indebted to its unflinching support. Its birth has instilled confidence in us in dealing with challenges relating to the audit space. We are also celebrating the arrival of the Internal Auditor at the beginning of September 2008. This will strengthen us even further in dealing with the space that has proved to be of serious challenge to our municipality. Of critical importance is that our governance will be enhanced and repositioned. In view of our limited financial resources, which stand as a major challenge for the municipality, we have appropriated our capital funding for the following high priority projects:

- Electrification
- Construction of roads network
- Construction of crèches
- Local Economic Development Projects

The municipality is still faced with the challenge of uneducated households in terms of municipal activities. Through our public participation activities, we have managed to make our communities aware of major municipal programmes and activities. Our key vehicles for communication of municipal issues have been the following: imbizo`s, ward committee meetings, meetings with Magoshi, sector forums and village based meetings. A matter that featured highly in our meetings and consultations has been property rates, which is geared towards mobilizing revenue for the municipality. Revenue generation is increasingly becoming a serious municipal project, which is giving hope towards pushing off our financial inadequacies.

The governance structures, namely Council, Executive Committee and Portfolio Committees have discharged their responsibilities very well and have fully supported the administration to achieve the set goals to which we are grateful and keen to sustain and enhance further.

Ramakuntwane Selepe
Municipal Manager

REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF AGANANG MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2008

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying statements financial statements of the Aganang Municipality which comprise the balance sheet as at 30 June 2008, income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the accounting officers's report as set out on pages 43 to 59

Responsibility of the accounting officer for the financial statements

2. The accounting of the officer is responsible for the preparation and fair presentation of these financial statements in accordance with the entity specific basis of accounting, as set out in accounting policy note 1 to the financial statements and in the manner required by the Local Government : Municipal Finance of Revenue Act, 2003 (Act No 1 2007) DoRA). This responsibility includes:

designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstamen, whether due to fraud or error selecting and applying appropriate accounting policies making account estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As requires by section188 of the Constitutions of the Republic of South Africa, 1996 read with section 4 of the Public Audit, 2004 (Act No .25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit
4. I conducted my audit in accordance with the International Standards on Auditing and General Notice 616 of 2008, issued in Government Gazette No.31057 of 15 May 2008.Those standards require that I comply with ethical requirement and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effective of the entity's internal control.
6. An audit includes evaluating the :

appropriateness of accounting policies used reasonableness of accounting estimates made by management overall presentation of the financial statements
7. I believe that the audit evidence i have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

8. The municipality's policy is to prepare financial statements on the entity-specific basis of accounting as set out in accounting policy note 1.

Basis for qualified opinion.

Corresponding figures

9. In my previous audit report dated 12 June 2008, I was unable to express an audit opinion on the financial statements of the municipality for the year ended 30 June 2007. The qualification matters have not all been adequately resolved and my audit report is accordingly modified regarding the accumulated surplus brought forward.

Qualified opinion

10. In my opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the financial statements of Aganang Municipality as at 30 June 2008 and its financial performance and cash flows for the year then ended have been prepared, in all material respects, in accordance with the basis of accounting as set out in accounting policy note 1 and in the manner required by the MFMA and DORA division of revenue OCL.

OTHER MATTERS

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Internal controls

11. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent system of financial and risk management and internal control. The table below depicts the root causes that gave rise to the inefficiencies in the system of internal control, which led to the qualified opinion. The root causes are categorised according to the five components of an effective internal control. In some instances deficiencies exist in more than one internal control component.

Reporting item	Control Environment	Risk assessment	Control activities	Information and communication	Monitoring
Corresponding figures			✓		✓

Control environment : establishes the foundation for the internal control system by providing fundamental discipline and structure for financial reporting.

Risk assessment : involves the identification and analysis by management of relevant financial reporting risks to achieve predetermined financial reporting objectives.

Control activities : Policies, procedures and practices that ensure that management's financial reporting objectives are achieved and financial risk mitigation strategies are carried out.

Information and communication : support all other control components by communicating control responsibilities for financial reporting to employees and by providing financial reporting information in a form and time frame that allows people to carry out their reporting duties.

Monitoring : covers external oversight of internal controls over reporting by management or other parties outside the process or the application of independent methodologies like customised procedures or standard checklist, by employees within process.

Matters of governance

12. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
• The Municipality had an audit committee in operation throughout the financial year	✓	
• The audit committee operations in accordance with approved, written terms of reference.	✓	
• The audit committee substantially fulfilled its responsibility for the year, as set out in Section 165 (2) of the MFMA	✓	
Internal audit		
• The municipality has an internal audit function in operation throughout the financial year	✓	
• The internal audit operates in terms of an approved internal audit plan	✓	
• The internal audit function substantially fulfilled its responsibility for the year, as set out in section 126 MFMA		✓
Other matters of governance		
• The annual financial statements were submitted for audit as per the legislated deadlines in the section 126 of the MFMA	✓	
• The annual report was submitted to the audit for consideration prior to the date of the auditor report.	✓	
• The financial statements submitted for audit were not subject to any material amendments resulting from the audit.	✓	
• No significant difficulties were experience during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	✓	
• The prior year's external audit recommendations have been substantially implemented.	✓	
Implementation of Standards of Generally Recognised Accounting Practice (GRAP)		
• The Municipality submitted an implementation plan, detailing progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 30 October 2007.	✓	
• The municipality substantially complied with the implementation plan it submitted to the National Treasury and the relevant provincial treasury before 30 October, detailing its progress towards full compliance with GRAP.	✓	
• The municipality submitted an implementation plan, detailing further progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 31 March 2008.	✓	

Unaudited supplementary schedules

13. The supplementary information set out on pages 43 to 59 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

14. I was engaged to review the performance information.

Responsibility of the accounting officer for the performance information

15. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government : Municipal Systems Act, 2000 Act No 32 of 2000 (MSA)

Responsibility of the Auditor-General

16. I conducted my engagement in accordance with section 13 of the PAA read with General Notice of 616 of 2008, issued in Government Gazette No 31057 of 15 May 2008 and section 45 of the MSA.
17. In terms of the foregoing my engagement including performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures selected depend on the auditor's judgment.

Audit findings (performance information)

Non-compliance with regulatory requirement

18. No annual performance report was prepared by the Aganang Municipality in terms of section 46 of the MSA

APPRECIATION

19. The assistance rendered by the staff of the Aganang Municipality during the audit is sincerely appreciated.

Auditor-General

Auditor General
Polokwane

30 November 2008



A U D I T O R - G E N E R A L

AGANANG MUNICIPALITY
REPORT OF THE CHIEF FINANCIAL OFFICER

1. INTRODUCTION

Our 2006/2007 Financial Statements was submitted to Auditor General for audit and a disclaimer opinion was expressed. During the current financial year we emphasised on improving our internal controls systems.

The transformation and restructuring of municipalities continues to be a challenging process. During the current financial year Council was faced with the following improving the following:

- > Implementation of the MFMA
- > Preparation for implementation of Property Rates Act
- > Non-payment of services
- > Provision of Free basic services to indigents

Council has also appointed an Audit Committee, the committee has managed to have three sittings in the 2007/8 financial year

We have also managed to review our IDP and prepare the budget in lign with the IDP. Our 2007/8 Budget was monitored in order to ensure that we spent in line with the adopted budget.

The Municipality is also faced with the challenge of non-payments of services amongst our ratepayers.

We have debtors roll which is more than 36 months old.

Council has then taken a resolution to provide our debtors as bad debts and further resolved that the municipality should continue to recover those debts

Council has resolved that 40% rebate will be granted on businesses who will be settling their debts.

The municipality is currently experiencing a huge challenge of low revenue base due to lack of infrastructure within our jurisdiction.

We are largely depended of grants and subsidies from National and our District

Despite these challenges the financial year ended in a success

I therefore present you with the Financial Analysis in 2007/8 fianacial year':

2. OPERATING RESULTS

Details of the operating results per department, classification and object of expenditure are disclosed in appendices C and D

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

	Actual 2008 R	Actual 2007 R	Variance 2008 %	Budget 2008 R	Variance Actual/ Budget
INCOME					
Opening surplus/(deficit)	(9,796,987)	6,218,157			
Income	44,187,922	44,294,594	0%	61,705,447	-28%
Appropriations for the year	(1,589,183)	(138,832)			
	32,801,752	50,373,919			
EXPENDITURE					
Operating expenditure for the year	53,984,909	33,596,074	61%	61,705,447	-13%
Appropriations for the year		-			
Closing surplus	1,479,335	6,218,157			

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

1. Basic of presentation

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

- 1.1 The financial statements are prepared on the historical cost basis. The accounting policies are consistent with those applied in previous years, except if otherwise indicated.
- 1.2 The financial statements are prepared on the accrual basis:
Income is accrued when measurable and available. Certain direct income is recorded when received, such as licences and government grants.

Expenditure is accrued in the year it is incurred.

2. Consolidation

The Balance Sheet includes Rate and General Services, Trading Service and different funds, reserves and provisions. All inter-departmental charges are set-off against each other, with the exception of assessment rates, which are treated as income and expenditure in the respective departments.

3. Fixed assets

- 3.1 Fixed assets are stated at historical costs while they are in existence and fit for use.
- 3.2 Non-substantial fixed assets are written off against income at the date of purchase and are controlled by asset inventory sheets.
- 3.3 Apart from advances from the various council funds, assets may be acquired through:
- Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and other Capital Receipts" account.
- 3.4 The acquisition of fixed assets was financed from the equitable share and other grants received.
- 3.5 Depreciation: The balance shown against the heading "Loans redeemed and other capital receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this provision, assets are written down over their estimated useful life.

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

4. Funds and Reserves

4.1 Capital Development Fund

The Capital Development Fund Ordinance no 9 of 1978 requires a minimum contribution of 1,0% of the defined income for the immediately preceding financial year.

No allocation has been made to the Capital Development Fund as Aganang Municipality is in its sixth year of operation, the Municipality is still establishing its resources.

4.2 Reserves

No contribution were made to the reserves during the year under review.

4.3 Trust Fund

A Trust Fund was received from DPLG for People Housing Project. The houses will be completed in the next financial year.

5. Surpluses and deficits

Any surpluses or deficits arising from the operating of trading services are transferred to Rate and General Services to alleviate the tax burden of the rate payers.

6. Treatment of administration and other overhead expenses

The costs of internal support services are transferred to the different services in accordance with the IMTA's *Report on Accounting for the Support Services (1990)*.

7. Retirements benefits

Aganang Municipality and its employees contribute to either the Municipal Gratuity Fund, Local Government pension fund or

the Municipal Pension Fund, both of which provide retirement benefits to the employees

8. Provisions

Provisions are created for liabilities or contingencies which are known at the date of the balance sheet. Provisions have been made for leave payments and retentions for capital projects,

9. Inventory

Consumable stores, raw materials, work in progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first in, first out method.

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

10. Income Recognition

- 10.1 Revenue from the sale of goods is recognised when the risk is passed to the consumer.
- 10.2 Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered.
- 10.3 Amounts received from government and donors that are considered to be of a revenue nature are recognised on receipt.
- 10.4 Revenue from the sale of water and electricity is recognised when either a meter reading has been performed or an estimate of consumption is raised on a provisional basis.

11. Investments

Investments are stated at cost, less amounts written off.

Investments are written down to give recognition to a permanent decline in value.

Investment interest are utilised to fund expenses in respective financial year

AGANANG MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 R	2007 R
CASH RETAINED FROM OPERATING ACTIVITIES:		16,329,397	14,229,958
Cash generated by operations	10	(26,241,271)	(15,030,603)
(Increase)/Decrease in working capital	11	9,219,667	(1,828,472)
		-	
Application of funds		(17,021,604)	(16,859,075)
Cash contribution from State and Public	12	33,351,001	31,089,033
CASH UTILISED IN INVESTING ACTIVITIES		(22,973,898)	(9,461,933)
Acquisition of fixed assets	13	(19,124,256)	(10,944,553)
(Increase)/Decrease in Investment		(3,849,642)	1,482,620
Cash utilised for the year		(6,644,502)	4,768,024
Cash balance at the beginning of the year		7,037,713	2,269,689
Cash Resources end of the year		393,211	7,037,713

AGANANG MUNICIPALITY
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	2007 ACTUAL INCOME	2007 ACTUAL EXPENDITURE	2007 SURPLUS (DEFICIT)	2008 ACTUAL INCOME	2008 ACTUAL EXPENDITURE	2008 SURPLUS (DEFICIT)
	R	R	R	R	R	R
	40,715,813	36,810,477	3,905,336	42,649,976	46,406,437	(3,756,461)
	3,545,320	1,712,150	1,833,170	3,101,160	3,274,136	(172,976)
	37,170,493	35,098,327	2,072,166	39,548,816	43,132,302	(3,583,486)
	3,578,780	697,936	2,880,844	1,537,945	7,578,471	(6,040,526)
	44,294,593	37,508,413	6,786,180	44,187,922	53,984,909	(9,796,987)
			6,786,180			(9,796,987)
			(138,832)			(1,589,183)
			6,647,348			(11,386,170)
			6,218,157			12,865,505
			12,865,505			1,479,335

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2008
--

	2008	2007
	R	R
1. TRUST FUNDS		
People Housing Project Housing Grant	0	628,356

The Municipality has a bank account that serves as security for the fund balance.

2. RESERVES

Transitional Fund	1,356,653	1,356,653
Tax capacity fund	97,040	97,040
Governance fund	272,201	272,201
Conditional Grant	350,000	350,000
Transfer from previous TLC	4,597,037	4,597,037
Transfer from Moletji/Matlala	37,827	37,827
	6,710,758	6,710,758
(See Appendix A)	6,710,758	6,710,758

3. FIXED ASSETS

Fixed assets at the beginning of the year	39,295,414	28,765,048
Capital expenditure during the year	20,660,383	10,944,553
Asset previously purchased (not accounted in prior year)	359,392.11	-
Assets previously classified as Inventory	100,000.00	
Assets disposed during the current year	(20,301,959)	(414,187)
	40,113,230	39,295,414
Less: Loans redeemed and other capital receipts	40,113,230	39,295,414
Net Fixed Assets	-	-

(See Appendix B)

4. DEBTORS

Trade and other receivables	9,074,179	8,064,172
	<hr/>	<hr/>
	9,074,179	8,064,172
Less: Provision for bad debts	(6,052,173)	-
	<hr/>	<hr/>
	3,022,005	8,064,172
	<hr/>	<hr/>

5. BANK AND CASH

Bank (ABSA)	385,063	6,409,494
Bank(ABSA-PHP Housing)	-	628,356
Cash on hand	200	
Bank(Aganang Child headed families)	7,947	(137)
	<hr/>	<hr/>
	393,211	7,037,713
	<hr/>	<hr/>

PHP housing bank account serves as security for the Trust Fund.

6. INVENTORY

Refreshments	8,247	3,073
Stationery	137,336	81,460
Consumables	28,512	13,642
Water meters	0	100,000
	<hr/>	<hr/>
	174,095	198,175
	<hr/>	<hr/>

7. INVESTMENTS

ABSA 32 Day Call Account	10,367,022	6,517,380
	<hr/>	<hr/>
	10,367,022	6,517,380
	<hr/>	<hr/>

8. CREDITORS

Trade and other payables	3,628,726	347,106
	<hr/>	<hr/>
	3,628,726	347,106
	<hr/>	<hr/>

9. PROVISIONS

Provision for leave	665,020.29	689,173
Retention	1,442,931.97	576,540
Bonus	29,561.52	
	<u>2,137,513.78</u>	<u>1,265,713</u>

10. CASH GENERATED BY OPERATIONS

(Deficit)/Surplus for the year	(9,796,987)	6,786,180
Adjustment for:		
Prior year adjustment	(1,589,183)	(138,832)
Investment income		
Fixed assets	19,124,256	10,944,553
MIG	(7,577,574)	(7,862,131)
Equitable shares	(26,401,783)	(24,760,373)
	<u>(26,241,271)</u>	<u>(15,030,603)</u>

11. MOVEMENT IN WORKING CAPITAL

(Increase)/Decrease in Debtors	5,042,167	(767,571)
(Decrease)/Increase in Creditors	3,281,620	(1,189,161)
(Decrease)/Increase in Provisions	871,801	164,065
Decrease/(Increase) in Inventory	24,080	(35,805)
	<u>9,219,667</u>	<u>(1,828,472)</u>

12. CASH CONTRIBUTION FROM STATE AND PUBLIC

Transitional Funds	-	0
PHP	(628,356)	(1,533,471)
Equitable Shares Received	26,401,783	24,760,373
MIG	7,577,574	7,862,131
	<u>33,351,001</u>	<u>31,089,033</u>

13. ACQUISITION OF FIXED ASSETS

Contribution to fixed assets	<u>19,124,256</u>	<u>10,944,553</u>
	<u>19,124,256</u>	<u>10,944,553</u>

14. COUNCILLORS' REMUNERATION

Mayor's allowance	451,952	476,115
Councillor's allowance	5,042,488	5,581,336
	<u>5,494,440</u>	<u>6,057,451</u>

15. AUDITORS REMUNERATION

External Auditors	416,930	323,960
Internal Auditors	223,750	220,200
Audit Committee Memberes	20,773	-
	<u>661,453</u>	<u>544,160</u>

16 S57 MANAGERS REMUNERATION

Municipal Manager	680,000	-
Chief Finance Officers	520,000	495,000
Technical Services Manager	480,000	440,000
Corporate Services Manager	473,000	440,000
Economic Development Manager	473,000	440,000
	<u>2,626,000</u>	<u>1,815,000</u>

17. APPROPRIATIONS

Unappropriated Surplus/(Deficit) at beginning of year	12,865,505	6,218,157
Trade surplus/(deficit)	-9,796,987	6,786,180
Prior year adjustments	-1,589,183	(138,832)
Prior year creditors not accounted for	(368,335)	
Prior year MIG received in advance	(1,118,818)	
Prior year rental income received in advance	(7,402)	
Cellphone debt understated		28,061
Assessment rates overstated		(67,920)
Leave provision understated	(719)	
Prior year cheques written back		10,334
Cheques understated in prior year		(1,085)
Rebate granted	(13,598)	(8,433)
Retention relating to PY not accounted for		(99,790)
Credit note issued for income overstated	(26,215)	
FBW debt overstated	(36,014)	
Rebate granted relating to prior year assessment	(18,081)	
	-	
	<u>1,479,335</u>	<u>12,865,505</u>

17. TRANSITIONAL AND EQUITABLE SHARES

Equitable Shares	26,401,783	24,760,373
	<u>26,401,783</u>	<u>24,760,373</u>

18. FINANCE TRANSACTIONS

Total external interest earned or paid:

Interest earned	1,439,072	1,169,054
Interest paid		(3)
	<u>1,439,072</u>	<u>1,169,051</u>

19 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

- Approved and contracted for

Buildings	163,186	3,704,299.00
Electrification	147,464	3,900,417.00
Roads	295,483	

This expenditure will be financed from

- External sources

606,133	3,704,299
	3,900,417
<u>606,133</u>	<u>7,604,716</u>

20 RETIREMENT BENEFITS

Personnel are members of the Municipal Gratuity Fund, Municipal Employees Pension Fund, and Local Government Pension Fund whilst councillors are members of the Municipal Pension Fund for Councillors.

APPENDIX A

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

	Balance at 30.6.2007	Contributions during the year	Interest on investment	Other Income	Creditor- Expenditure during the year	Capital Expenditure during the year	Balance at 30.6.2008
	R	R	R	R	R	R	R
TRUST FUNDS							
PHP Housing Project	(628,356)	-	(4,047)			632,403	-
	<u>(628,356)</u>	<u>-</u>	<u>(4,047)</u>			<u>632,403</u>	<u>-</u>
RESERVE FUNDS							
Transitional Fund	(1,356,652)	-	-			-	(1,356,652)
Tax capacity fund	(97,040)	-	-			-	(97,040)
Governance fund	(272,201)	-	-			-	(272,201)
Conditional Grant-Provisional Gov	(350,000)	-	-			-	(350,000)
Transfer from Moleji/Matlala	(37,827)	-	-			-	(37,827)
Transfer from previous TLC	(4,597,038)	-	-			-	(4,597,038)
	<u>(6,710,759)</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>(6,710,758)</u>
TOTAL	<u>(7,339,115)</u>	<u>-</u>	<u>(4,047)</u>			<u>632,403</u>	<u>(6,710,758)</u>

APPENDIX B

ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2008

	Balance at 30.6.2007 R	Expenditure 2008 R	Inter-Department Transfers	Disposed/Transf during the year R	Balance at 30.6.2008 R
SERVICE RATES AND GENERAL SERVICES					
Community Services	36,407,349	20,660,383	-	(20,301,959)	36,765,773
Community Services	1,083,809		(1,083,809)	-	-
Municipal Manager's Office	216,744		87,459	-	304,203
Mayor's Office	401,741	24,035	(153,788)	-	271,988
Finance Department	1,299,182		61,865	-	1,361,047
Corporate Services	17,012,754	5,775,013	(2,348,013)	(72,544)	20,367,210
Economic Development	1,082,605	-	1,298,727	(1,963,646)	417,686
Infrastructure	15,310,514	14,861,335	2,137,558	(18,265,769)	14,043,638
Trading Services	3,347,456	-		-	3,347,456
Water	3,347,456			-	3,347,456
TOTAL FIXED ASSETS	39,754,806	20,660,383	-	(20,301,959)	40,113,230
LESS: LOANS REDEEMED AND OTHER CAPITAL RECEIPTS	39,754,806	20,660,383	-	(20,301,959)	40,113,230
Transfer from old TLC	317,468	-		-	317,468
Asset not accounted in prior year	16,627	-			16,627
Grants DLGH		287,493			287,493
Grants Received	13,162,341	11,689,800		(5,164,236)	19,687,905
Equitable Shares	26,258,370	8,683,091		(15,137,723)	19,803,737
NET FIXED ASSETS	-	-	-	-	-

APPENDIX C

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

Actual 2007 R	INCOME	Actual 2008 R	Budget 2008 R
36,777,663	Grants and subsidies	40,566,947	47,581,551
24,760,373	- Equitable share	26,401,783	26,401,783
500,000	- LGFMG	500,000	500,000
1,000,000	- DLGH Grant	-	-
273,313	- Municipal Support Grant	-	-
950,000	- CDM Grant	4,000,000	3,850,000
734,000	- MSIG	734,000	734,000
7,862,131	-MIG	7,577,574	14,728,087
697,846	-Free Basic Water	1,018,131	850,000
0	DBSA	335,459	517,681
7,516,930	Operating Income	3,620,974	14,123,896
1,177,184	Interest Received	1,439,072	1,017,661
444,837	Residential Levy	98,018	300,000
96,550	Tender Fees	96,400	-
44,100	Database registrations	49,050	-
344	Private Copier	2,476	-
1,120	Site Demarcation	1,000	-
93,900	Donation Received	34,650	-
5,775	Water Services	-	-
230,809	Cellphone Allowance	15,872	-
2,167,394.00	Assessment Rates	-	-
122,279.00	Facility Rental	276,346	460,888
1,712,150.00	PHP Reimbursements	528,553	603,308
255,488	Other Income	22,297	2,032,450
1,000,000	Limdev	1,000,000	1,000,000
	Billboards		50,000
	Surplus Funds Appropriated		8,659,589
	Town Maps	240	
165,000	Proceeds on disposal of asset	57,000	
44,294,594	TOTAL INCOME	44,187,922	61,705,447
EXPENDITURE			
17,124,263	Salaries and wages	17,651,600	18,579,266
8,719,519	General expenses	9,662,483	10,186,142
-	- Purchases of water	-	-
8,719,519	- Other expenses	9,662,483	10,186,142
175,918	Repairs and maintenance	230,530	270,000
544,160	Audit Fees	661,453	693,200
-	- Bad debts	6,052,173	150,000
	Loss on sale of assets	15,544	-
1,712,263	PHP	586,869	603,308.00
9,232,403	Contributions to capital outlay	19,124,256	31,223,531
4,057,304	-Equitable Shares	8,683,091	5,986,052
5,175,099	-MIG	7,441,165	14,728,087
	-Surplus funds appropriated		6,659,391
	-CDM	3,000,000	3,850,000
35,796,264	GROSS EXPENDITURE	53,984,909	61,705,447
35,796,264	NET EXPENDITURE	53,984,909	61,705,447
8,498,330	NET SURPLUS/(DEFICIT)	-9,796,987	-

APPENDIX D

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

2,007			2,008				
Actual Income R	Actual Expenditure R	Surplus/ (Deficit) R	Actual Income R	Actual Expenditure R	Surplus/ (Deficit) R	Budget	
RATES AND GENERAL SERVICES							
3,545,320	1,712,150	1,833,170	Community Services	3,101,160	3,274,136	(172,976)	2,620,969
93,900	-	93,900	Donations Received	34,650	34,650	-	
1,177,184	-	1,177,184	Interest Received	1,439,072	1,439,073	(1)	1,017,661
1,120	-	1,120	Site demarcation	1,000	1,000	-	
344	-	344	Private Copier	2,476	2,476	-	
74,324	-	74,324	Insurance Claim	57,000		57,000	
230,809	-	230,809	Cellphone Allowance	15,872	210,068	(194,195)	
	-	-	Refunds	1,022,297	1,000,000	22,297	1,000,000
	-	-	IDP			-	
255,489	-	255,489	Other Income	240		240	
1,712,150	1,712,150	-	PHP Reimbursements	528,553	586,869	(58,316)	603,308
		-					
37,170,493	35,098,327	2,072,166	Economic Services	39,548,816	43,132,302	(3,583,486)	57,323,590
37,005,493	35,098,327	1,907,166	Grants Received	39,548,816	38,548,816	1,000,000	46,731,551
		165,000	Other Income		4,567,941	(4,567,941)	10,592,039
165,000		165,000	Proceeds/(Loss) on disposal of an asset	15,544		(15,544)	-
3,578,781	697,936	2,880,845	Trading Services	1,537,945	7,578,471	(6,040,526)	1,760,888
5,775	-	5,775	Water Services		-	-	
444,837	-	444,837	Residential Levy	98,018	98,018	(0)	300,000
697,846	697,936	(90)	Free basic water	1,018,131	1,018,131	-	850,000
2,167,394	-	2,167,394	Assessment Rates	-	6,052,173	(6,052,173)	150,000
122,279	-	122,279	Facility Rental	276,346	264,699	11,647	460,888
96,550	-	96,550	Tender Fees	96,400	96,400	-	
44,100	-	44,100	Database Registration Fees	49,050	49,050	-	
44,294,594	37,508,413	6,786,181	TOTAL	44,187,922	53,984,909	(9,796,987)	61,705,447
		(138,832)	Appropriations for the year			(1,589,183)	
		6,647,349	TOTAL AFTER APPROPRIATIONS			(11,386,170)	
		6,218,156	Accumulated surplus beginning of the year			12,865,505	
		12,865,505	ACCUMULATED SURPLUS END OF THE YEAR			1,479,335	

APPENDIX E

STATISTICAL INFORMATION

2008

2007

GENERAL STATISTICS

Population 147,682 165,777
Registered Voters 56,383 56,383

Total Valuation

Taxable
Non Taxable
Commercial

287	287
149	149
843	843

Number of employees

81

75

ANNEXURE A

CHAPTER 5 - FUNCTIONAL SERVICE DELIVERY REPORTING

TABLE OF CONTENTS

Function	Sub-Function	Page
General Information		2
Executive and Council		3
Finance and Administration	Finance	4
	Human Resources	6
	Other Administration (Procurement)	7
Planning and Development	Economic Development	8
Health	Clinics	10
	Ambulance	12
Community and Social Services	All inclusive	14
Housing		16
Public Safety	Police (Traffic)	18
Waste Management	Solid Waste	20
Waste Water Management	Sewerage	22
Road Transport	Roads	24
	Public Buses	26
Water	Water Distribution	28
Electricity	Electricity Distribution	31
	Street Lighting	33

**AGANANG LOCAL MUNICIPALITY
GENERAL INFORMATION**

Reporting Level	Detail	Total	
Overview:	Rural municipality with no income generated		
Information:	<Provide statistical information on (as a minimum):>		
	Geography:		
	1 45 km west of Polokwane 1.852km ²		
	Demography:		
	2 Total population average household size of 6.39 Note: Indicate source of information stats A	145454	
	3 Indigent Population Note: Indicate source of information and define basis of indigent policy including definition of indigent		
	4 Total number of voters		
	5 Aged breakdown:		
	Male	45.52	
	Female	54.48	
Youth	34.28		
Youth community survey 2007			
6 Household income:			
- over R3,499 per month	31.51		
- between R2,500 and R3,499 per month	15.10		
- between R1,100 and R2,499 per month	12.83		
- under R1,100 per month	11.79		
Note: Indicate source of information Community survey 2007			

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.		

Function:

Function:	Executive and Council
Sub Function:	N/A

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the executive and council function of the municipality including costs associated with mayoral, councillor and committee expenses and governance. Note: remuneration of councillor information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .		
Description of the Activity:	<p>The function of executive and council within the municipality is administered as follows and includes:</p> <p><List administration of each function here: this should detail what is offered, and how it is offered to the community></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of provincially/provincial/other private sector government. The municipality has a mandate to:</p> <p><List here></p> <p>The strategic objectives of this function are to:</p> <p><List here></p> <p>The key issues for 200X/0Y are:</p> <p><List here></p>		
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Councillor detail: Total number of Councillors Number of Councillors on Executive Committee</p> <p>2 Ward detail: Total number of Wards Number of Ward Meetings</p> <p>3 Number and type of Council and Committee meetings: <List here> List here Council meetings, followed by individual committee and the number of times that each met</p>	<p>36 7</p> <p>18 72</p>	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.>		

Function:	Finance and Administration
Sub Function:	Human Resources

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the human resource management function of the municipality including recruitment, selection and induction - also performance management systems, code of conduct detail and decision making systems. Note: Read in conjunction with Chapter 3 on <i>Human Resource Management</i> .		
Description of the Activity:	<p>The function of human resource management within the municipality is administered as follows and includes:</p> <p>1. Staff Provisioning - The function is guided by Policy on Staff Provisioning when recruiting employees. Approved and budgeted positions are advertised internal or externally, the following steps are then followed; Job selections, Appointment and placement, Induction.</p> <p>2. Staff Maintenance - The function is guided by Collective Agreements on Service Conditions, Municipal Policy on Conditions of Service, Policy on Overtime and Basic Conditions of Employment Act. Employees are paid as agreed and the municipality is adhering to leave provisions as state in collective agreements.</p> <p>3. Training & Development - The function is guided by Municipal Policy on Training and Development, Skills Development Act and Skills Levies Act. the Municipality contributes skills levy to LGSETA, Compile and Submit Workplace Skills Plan, training Implementation plan and Annual Report.</p> <p>4. Labour Relation - The function is guided by Collective agreements on These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p>		

	<List here> The strategic objectives of this function are to: <List here> The key issues for 200X/0Y are: <List here>		
Analysis of the Function:	<Provide statistical information on (as a minimum):> 1 Number and cost to employer of all municipal staff employed: Number and cost to employer of all municipal staff employed: Managers Deputy Managers - Senior officers - Officers - Clerk Driver, Operators and handy man - General Assistants - Temporary Staff - Contract Staff (interns) Note: total number to be calculated on full-time equivalent (FTE) basis, providing detail of race and gender according to the breakdown described above. Total cost to include total salary package	5 3 11 13 17 3 8 2 60	1839666.66 598184,83 3323549,07 6277639.11 8612877 273202.97 417048,82 150000,00 17003385.74

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.		

Function:	Finance and Administration
Sub Function:	Other Administration (Procurement)

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc		
Description of the Activity:	<p>The function of procurement within the municipality is administered as follows and includes:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include <i><function/area></i> , but do not take account of <i><function/area></i> which resides within the jurisdiction of <i><national/provincial/other private sector></i> government. The municipality has a mandate to:</p> <p><i><List here></i></p> <p>The strategic objectives of this function are to:</p> <p><i><List here></i></p> <p>The key issues for 200X/0Y are:</p> <p><i><List here></i></p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Details of tender / procurement activities:</p> <ul style="list-style-type: none"> - Total number of times that tender committee met during year - Total number of tenders considered - Total number of tenders approved - Average time taken from tender advertisement to award of tender <p>Note: Figures should be aggregated over year across all municipal functions</p>		
	<p>2 Details of tender committee:</p> <ul style="list-style-type: none"> - <i>Details of tender committee membership</i> <p>Note: List details of each member of the tender committee</p>		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i><List at least five key performance areas relative to the above function as articulated in the budget here></i>	<i>< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.></i>		

Function:	Planning and Development
Sub Function:	Economic Development

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with economic development initiatives		
Description of the Activity:	<p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include <i><function/area></i> , but do not take account of <i><function/area></i> which resides within the jurisdiction of <i><national/provincial/other private sector></i> government. The municipality has a mandate to:</p> <p><i><List here></i></p> <p>The strategic objectives of this function are to:</p> <p><i><List here></i></p> <p>The key issues for 200X/0Y are:</p> <p><i><List here></i></p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Number and cost to employer of all economic development personnel: - Professional (Directors / Managers) - Non-professional (Clerical / Administrative) - Temporary - Contract Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Detail and cost of incentives for business investment: <i><list details></i> Note: list incentives by project, with total actual cost to municipality for year</p> <p>3 Detail and cost of other urban renewal strategies: <i><list details></i> Note: list strategies by project, with total actual cost to municipality for year</p> <p>4 Detail and cost of other rural development strategies: <i><list details></i> Note: list strategies by project, with total actual cost to municipality for year</p> <p>5 Number of people employed through job creation schemes: - Short-term employment - Long-term employment Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives</p> <p>6 Number and cost to employer of all Building Inspectors employed: - Number of Building Inspectors - Temporary - Contract Note: total number to be calculated on a full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>6 Details of building plans: - Number of building plans approved - Value of building plans approved</p>		

Reporting Level	Detail	Total	
	Note: Figures should be aggregated over year to include building plan approvals only		
7	Type and number of grants and subsidies received:		
	Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the 200X/0Y budget here>	< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.		

Function:	Health
Sub Function:	Clinics

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of health		
Description of the Activity:	<p>The function for the provision of community health clinics within the municipality is administered as follows and includes:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community. List here any agency relationships and roles of provincial and national government></i></p> <p>These services extend to include <i><function/area></i> , but do not take account of <i><function/area></i> which resides within the jurisdiction of <i><national/provincial/other private sector></i> government. The municipality has a mandate to:</p> <p><i><List here></i></p> <p>The strategic objectives of this function are to:</p> <p><i><List here></i></p> <p>The key issues for 200X/0Y are:</p> <p><i><List here></i></p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Number and cost to employer of all health personnel:</p> <ul style="list-style-type: none"> - Professional (Doctors/Specialists) - Professional (Nurses/Aides) - Para-professional (Clinic staff qualified) - Non-professional (Clinic staff unqualified) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Number, cost of public, private clinics servicing population:</p> <ul style="list-style-type: none"> - Public Clinics (owned by municipality) - Private Clinics (owned by private, fees based) <p>3 Total annual patient head count for service provided by the municipality:</p> <ul style="list-style-type: none"> - 65 years and over - between 40 and 64 years - between 15 and 39 years - 14 years and under <p>Note: if no age range available, place to other</p> <p>4 Estimated backlog in number of and costs to build clinics:</p> <p><i><list details></i></p> <p>Note: total number should appear in IDP, and cost in future budgeted capital works programme</p> <p>5 Type and number of grants and subsidies received:</p> <p><i><list each grant or subsidy separately></i></p> <p>Note: total value of specific health clinic grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.</p> <p>6 Total operating cost of health (clinic) function:</p>		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<p><i><List at least five key performance areas relative to the above function as articulated in the budget here></i></p>	<p><i>< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.</i></p>		

Function:	Electricity
Sub Function:	Electricity Distribution

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity		
Description of the Activity:	<p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include <i><function/area></i> , but do not take account of <i><function/area></i> which resides within the jurisdiction of <i><national/provincial/other private sector></i> government. The municipality has a mandate to:</p> <p><i>To see every household having an access to an electricity</i></p> <p>The strategic objectives of this function are to:</p> <p><i>To provide the basic service delivery to the communities residing in Aganang area of juristiction.</i></p> <p>The key issues for 2007/08 are:</p> <p><i>Rapitsi, Mohlajeng, Dibeng, Phetole</i></p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.</p> <p>2 Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer</p> <ul style="list-style-type: none"> - Residential - Commercial - Industrial - Mining - Agriculture - Other <p>3 Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <ul style="list-style-type: none"> - Household - Commercial - Industrial - Mining - Agriculture - Other <p>4 Total year-to-date electricity losses in kilowatt hours and rand</p> <p><i><detail total></i></p> <p>5 Number of households with electricity access, and type and cost of service:</p>		<p>R (9600 000)</p> <p>1 344 000.00</p> <p>200000</p> <p>150000</p> <p>100000</p> <p>100000</p> <p>200000</p> <p>R (000s)</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>R (000s)</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>R (000s)</p> <p>None</p> <p>R (000s)</p>

Reporting Level	Detail	Total	Cost
	- Electrified areas		
	- Municipal	None	None
	- Eskom	None	None
	- Alternate energy source		
	- Gas	None	None
	- Paraffin	None	None
	- Solar	None	None
	- Wood	None	None
	- Non electrified	None	None
	Note: if other types of services are available, please provide details		
6	Number and cost of new connections:		R (000s)
	<detail total>	None	None
7	Number and cost of disconnections and reconnections		R (000s)
	<detail total>	None	None
8	Number and total value of electrification projects planned and current:		R (000s)
	- Current (financial year after year reported on)	2678	R12 318 800.00
	- Planned (future years)	2500	R11 500 000.00
	Note: provide total project and project value as per initial or revised budget		
9	Anticipated expansion of electricity service:		R (000s)
	<detail total>	None	None
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
10	Estimated backlog in number (and cost to provide) water connection:		R (000s)
	<detail total>	5437	R25 010 200.00
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
11	Free Basic Service Provision:		
	- Quantity (number of households affected)	2441	R11 228 600.00
	- Quantum (value to each household)	R4 600.00	
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
12	Type and number of grants and subsidies received:		R (000s)
	<list each grant or subsidy separately>	None	None
	Note: total value of specific electricity grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
13	Total operating cost of electricity distribution function		R (000s)

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.		