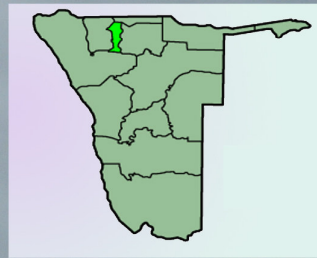




REPUBLIC OF NAMIBIA



REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE

REGIONAL COUNCIL OF THE OSHANA REGION

FOR THE FINANCIAL YEARS ENDED 31 MARCH 2008 AND 2009

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REPUBLIC OF NAMIBIA



TO THE HONOURABLE SPEAKER OF THE NATIONAL ASSEMBLY

I have the honour to submit herewith my report on the accounts of the Regional Council of the Oshana region for the financial years ended 31 March 2008 and 2009, in terms of Article 127(2) of the Namibian Constitution. The report is transmitted to the Honourable Minister of Finance in terms of Section 27(1) of the State Finance Act, 1991, (Act 31 of 1991) to be laid upon the Table of the National Assembly in terms of Section 27(4) of the Act.

WINDHOEK, September 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

**REPORT OF THE AUDITOR-GENERAL ON THE
ACCOUNTS OF THE REGIONAL COUNCIL FOR THE OSHANA REGION
FOR THE FINANCIAL YEARS ENDED 31 MARCH 2008 AND 2009**

1. INTRODUCTION

The Regional Council for the Oshana region was established with effect from 31 August 1992 under Section 2(1) of the Regional Councils Act, 1992 (Act 22 of 1992).

The financial powers, duties and functions of the Council are stipulated in Article 108 of the Namibian Constitution and Section 28 of the Regional Council Act. Sections 39 and 40 of the Act require that accounting records of the Council shall be kept and its financial statements shall be prepared by its Chief Regional Officer.

Figures in the report are rounded off to the nearest Namibian dollar.

2. FINANCIAL STATEMENTS

The Regional Council's financial statements were submitted to the Auditor-General by the Accounting Officer in compliance with Section 40(1) of the Regional Councils Act, 1992, **except that these were only approved by the Council on 30 November 2009 instead of three months after the end of the financial year as stipulated in Section 40(1) of the Act.** The abridged balance sheet, Annexure A, is a true reflection of the original.

The following annexures are also attached to this report:

- Annexure B: Statements of income and expenditure
- Annexure C: Cash flow statement
- Annexure D: Notes to the financial statements

3. SCOPE OF AUDIT

The Chief Regional Officer of the Regional Council is responsible for the preparation of the financial statements and of ensuring the regularity of the financial transactions. It is the responsibility of the Auditor-General to form an independent opinion, based on the audit, on those statements and the regularity of the financial transactions included in them and to report his opinion to the National Assembly.

The audit as carried out by audit staff of his Office, included:

- Examination on a test basis of the evidence relevant to the amounts, disclosure and regularity of financial statements.

The audit was planned and performed so as to obtain all the information and explanations considered necessary to provide sufficient evidence to give reasonable assurance that:

- The financial statements are free from material misstatement, whether caused by error, fraud or other irregularity;
- in all material respects, expenditure and income have been applied to the purposes intended by the Regional Councils Act; and
- the financial transactions conform to the authorities, which govern them.

4. AUDIT OBSERVATIONS AND COMMENTS

4.1 Bank and cash

At the time of the audit the Council could not provide the audit team with detailed cash-books for the 2007/2008 financial year related to transactions on the bank accounts of the Council.

4.2 Inventory/stock (2007/2008 & 2008/09)

Although stock taking reports are in place and consumables items value has been determined, the total value of N\$ 120 868: 2008/2009 and N\$ 88 548: 2007/2008 for consumables were not reflected in the financial statement.

4.3 Income

4.3.1 Income - Settlement areas (2007/2008 & 2008/09)

The Regional Council did not keep cash-books at settlement areas. No receipts were issued when payments were made for the financial years under review. Debtor cards (yellow) are not in place at the settlement areas.

As a result, important audit test for the selected sample could not be conducted by the auditors. Furthermore, the Council made use of more than one receipt book at the same time at the Head Office.

Due to afore-mentioned the auditors could not determine the completeness of settlement area income

4.3.2 Interest received and royalties (2007/2008)

4.3.2.1 A difference of N\$ 51 023 was noted between the general ledger and the bank statements.

4.3.2.2 A withdrawal of N\$ 126 411 was made from the call account but was debited against the interest received ledger account which means that the account is understated by the said amount and that the call account is overstated by the amount. Council should rectify this mistake during the next year.

4.3.3 Income

4.3.3.1 Stale cheques

Stale cheques to the amount of N\$ 30 109 were written back during the year but was wrongly treated as revenue. This means that revenue for the 2007/2008 financial year is overstated by the said amount and accumulated surplus is also overstated.

4.3.3.2 S & T refund

S&T refunds to the amount of N\$ 13 669 for the 2007/2008 financial year was also incorrectly treated as revenue thus overstating revenue and the accumulated surplus with the said amount.

4.4 Journal entries/ adjustments (2007/2008 & 2008/2009)

For the years under review it was observed that for both income and expenditure most of the transactions in the general ledger were processed through journal entries, which made it difficult to trace these transactions to their supporting documents.

In addition, important audit test could not be carried out by the auditors due to a lack of information that was not available.

Furthermore the validness appropriateness of the journal entries could not be determined due to the fact that no proper procedures are in place for the preparing, approval and processing of journal entries.

4.5 Account receivable

4.5.1 VAT receivables to the amount of N\$ 825 213: 2008/09 and N\$ 333 136 for the 2007/08 financial year could not be reconciled with the VAT statements of the Receiver of Revenue.

4.5.2. At the time of the audit an amount of N\$ 2 018 related to trade debtors for the 2008/09 financial year could not be verified due to the fact that no detailed customer ledger could be provided.

4.6 Adjustments

Adjustments of N\$ (222) for 2008/2009 and N\$ 8 334 885 for 2007/2008 was made in the financial statements of the Council to balance the accounts. The Council should investigated the reason for these adjustments.

5. ACKNOWLEDGEMENT

The courtesy and assistance extended to the Auditor-General's staff by the Chief Regional Officer and his staff during the audit is appreciated.

6. QUALIFIED AUDIT OPINION

The accounts of the Regional Council for the Oshana region for the financial years ended 31 March 2008 and 2009 have been audited in terms of Section 38 of the Regional Councils Act, 1992 (Act 22 of 1992) and Section 25(1)(b) of the State Finance Act, 1991 (Act 31 of 1991).

A qualified audit opinion is being expressed due to the following reasons:

- Council could provide detailed cash-books for the 2007/08 financial year.
- Stock to the value of N\$ 120 868 for the 2008/09 financial year and N\$ 88 548 for the 2007/08 financial year is not disclosed in the financial statements.
- The Regional Council did not keep cash-books at settlement areas. No receipts were issued when payments were made and debtor cards are not in place.
- A difference of N\$ 51 023 was noted between the general ledger and bank statements regarding interest received.
- Due to an accounting error the ledger account for interest received is understated by N\$ 126 411 and the call account is overstated by the same amount.
- Stale cheques written back to the amount of N\$ 30 109 was wrongly treated as revenue during the 2007/08 financial year.
- Subsistence and travel advances refunded to the amount of N4 13 669 was wrongly treated as revenue during the 2007/08 financial year.
- VAT receivables to the amount of N\$ 825 213: 2008/09 and N\$ 333 136 for the 2007/08 financial year could not be reconciled with the VAT returns from the Receiver of Revenue.
- Adjustments of N\$ (222): 2008/09 and N\$ 8 334 885: 2007/08 was made to balance the account of the Council.

Except for the effects of any adjustments which might have been necessary as referred to above, in my opinion, these financial statements fairly present the financial position of the Council at 30 June 2008 and 2009, and the results of operations and cash flows for the years then ended in accordance with generally accepted accounting practice.

WINDHOEK, September 2010

**JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL**

REGIONAL COUNCIL FOR THE OSHANA REGION

BALANCE SHEETS AS AT 31 MARCH

	Notes	2009 N\$	2008 N\$	2007 N\$
ASSETS				
Non-current assets				
Property, plant and equipment	3	54 032 909	48 596 947	41 059 851
		54 032 909	48 596 947	41 059 851
Current assets				
Accounts receivable	5	10 995 777	13 355 884	10 971 261
Bank and cash on hand	6	1 027 598	440 631	35 740
		9 968 179	12 915 253	10 935 521
Total assets		65 028 686	61 952 831	52 031 112
EQUITY AND LIABILITIES				
Equity				
Accumulated funds		64 837 796	61 732 538	51 976 320
Current liabilities				
Bank overdraft	7	190 890	220 293	54 792
Trade and other payables	8	-	57 257	-
		190 890	163 036	54 792
Total equity and liabilities		65 028 686	61 952 831	52 031 112

ANNEXURE B

REGIONAL COUNCIL FOR THE OSHANA REGION

INCOME STATEMENTS AS AT 31 MARCH

	Notes	2009 N\$	2008 N\$	2007 N\$
Income	2.1	19 929 128	17 294 927	17 392 469
Expenditure	2.3	18 160 892	16 668 838	18 685 065
Net operating surplus/(loss)		1 768 236	626 089	(1 292 596)
Interest and dividends		1 337 244	795 244	1 266 639
Accumulated income/(deficit)		3 105 480	1 421 333	(25 957)
Accumulated Funds				
~ At the beginning of the year		61 732 538	51 976 320	47 501 905
~ Adjustments		(222)	8 334 885	4 500 372
~ At the end of the year		64 837 796	61 732 538	51 976 320

REGIONAL COUNCIL FOR THE OSHANA REGION

CASH FLOW STATEMENTS FOR THE YEARS ENDED 31 MARCH

	<u>2009</u>	<u>2008</u>	<u>2007</u>
	N\$	N\$	N\$
Cash flow from operating activities			
Cash receipt from customers	19 929 128	17 294 927	17 392 469
Cash paid to suppliers	(18 720 227)	(8 630 600)	(14 181 368)
Cash generated by operations	1 208 901	8 664 327	3 211 101
- Interest/dividends received	1 337 244	795 244	1 266 639
Net cash flow from operating activities	2 546 145	9 459 571	4 477 740
CASH FLOW FROM INVESTING ACTIVITIES			
Net capital expenditure	(5 435 962)	(7 537 096)	(20 910 264)
Net (decrease)/increase in cash and cash equivalents	(2 889 817)	1 922 475	(16 432 524)
CASH AND CASH EQUIVALENTS			
- Beginning of the year	12 857 996	10 935 521	27 368 045
- End of the year	9 968 179	12 857 996	10 935 521

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH

1. ACCOUNTING POLICIES

The annual financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the entity, which are consistent with those applied in the previous year.

The annual financial statements are prepared in line with the accrual concept. It should be noted, however, that income and expenditure in relation to Delegated function is accounted for during the year on cash accounting concept, in line with State Finance Act, 1992, however, since all liabilities to Delegated functions remains with the line Ministry and all unexpended Delegated Funds are returned to the State Account as at 31 March, this does not materially affect the Regional Council financial statements.

1.1 Property, plant and equipment

All property, plant and equipment are initially recorded at cost. Cost includes all costs directly attributed to bringing the assets to working condition for their intended use.

The residual value and the useful life of each asset are reviewed at each year-end.

Land and infrastructure assets are not depreciated. It is assumed that land will appreciate in value over time, and that infrastructure assets (i.e. water, sewerage and electricity works) will maintain their value due to the necessity of regular maintenance.

Buildings that are still under construction are classed as work-in-progress, and are not depreciated until the work is fully completed.

Where the carrying amount of an asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit. On disposal of revalued assets, amounts in revaluation and other reserves relating to that asset are transferred to retained earnings.

Depreciation is calculated on a straight- line method to write off the cost of each asset, or the revalued amount, to their residual values over their estimated useful lives as follows:

Buildings	50 years
Machinery and equipment	5 years
Motor vehicles	5 years
Office furniture and equipment	3 years
Computer equipment	3 years

REGIONAL COUNCIL FOR THE OSHANA REGION**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH (continued)**

ACCOUNTING POLICIES (continued)**1.2 Trade receivables**

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified

1.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4. Revenue

Revenue consists of the following:

1.4.1 Government Transfers: MRLGH&RD

The Regional Council receives administrative grants from the Ministry of Regional and Local Government, Housing and Rural Development. The grants are for the day-to-day operations of the Regional Council.

1.4.2 Rates levy from Local Authorities

The Regional Council, levies an amount equal to 5% of the rates levied on all ratable property situated in Local Authority areas as stipulated in Section 77(1) of the Local Authorities Act, 1992 (Act 23 of 1992).

1.4.3 Royalties and surcharges

The Regional Council receives royalties in respect of surcharges levied on its behalf by NORED Electricity (Pty) Ltd. The rates are based on approved rates tariffs by the Electricity Control Board.

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH (continued)

1.5 Delegated functions

The Regional Council is currently performing the following functions delegated by Central Government Ministries.

Under delegation, the Regional Council acts as an agent for the relevant Ministry. The relevant Ministry, however, retains overall responsibility to approve the related budget. This budget allocation is transferred to the Regional Council via cash transfers.

Line ministry	Delegated function	2009	2008	2007
		N\$	N\$	N\$
Income		2 569 845	451 469	4 541 249
Ministry of Gender Equality and Child Welfare	Early Childhood Development (ECD)	-	151 469	131 750
	Orphans and Vulnerable Children (OVC)	-	-	446 035
Ministry of Regional and Local Government, Housing and Rural Development	Rural Development Center (RDC)	-	-	3 963 464
Ministry of Agriculture and forestry	Ploughing and Weeding	2 569 845	300 000	-
Expenditure		2 943 609	288 327	3 764 004
Ministry of Gender Equality and Child Welfare	Early Childhood Development (EDC)	-	147 052	136 784
	Orphans and Vulnerable Children (OVC)	-	-	416 859
Ministry of Regional and Local Government, Housing and Rural Development	Rural Development Center (RDC)	-	141 275	3 194 101
National Drought Fund		-	-	16 260
Sundries		2 943 609	-	-
SURPLUS		(373 764)	163 142	777 245

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

ACCOUNTING POLICIES (continued)

	Notes	2009 N\$	2008 N\$	2007 N\$
2. INCOME AND EXPENDITURE				
2.1 Income				
Government transfer : MRLGHRD		16 125 000	15 825 000	11 878 228
Rates levy from local authorities		997 743	698 522	807 597
Rates, charges and fees (settlement areas)		4 576	155 159	59 271
Donations received		14 570	15 000	3 500
Other income	2.2	188 633	129 402	100 419
Royalties and surcharges		28 761	20 375	2 205
Sub-total		17 359 283	16 843 458	12 851 220
Delegated functions	1.5	2 569 845	451 469	4 541 249
Total income		19 929 128	17 294 927	17 392 469
2.2 Other income				
Commission received		16 803	21 698	-
Fishing license fees		5 650	2 000	500
Letting of properties		41 374	-	6 800
Emergency assistance		46 800	-	-
Insurance refund		7 583	-	-
Mahangu seed sales		-	-	3 600
Photos		-	-	20
Private call charges		-	7 435	5 893
Refund – Other activities		-	24	270
Refund – Road Fund Administration		-	-	21 414
S&T advance refunds		-	21 604	16 790
Sewerage truck		7 200	300	900
Stale cheques		-	30 109	12 445
Tender documents		61 900	11 195	11 500
Trade Fair – T-shirts sales		-	796	1 660
Sundries		451	34 241	18 627
Tuck shop sales		872	-	-
		188 633	129 402	100 419

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

	Note	2009	2008	2007
		N\$	N\$	N\$
2.3 Expenditure				
Remuneration		10 762 326	10 919 066	10 066 767
Subsistence & travelling		164 075	949 442	767 389
Material & supplies		686 144	267 804	344 288
Transport expenses		334 004	372 001	500 852
Utilities		792 247	909 566	667 680
Maintenance expenses		383 024	457 108	336 057
Property rental & related charges		15 792	173 673	93 676
Other services & expenses		787 725	878 475	1 276 025
Membership fees & sub domestic		67 963	53 877	23 816
Individuals & Ngo's		-	-	158 389
Public, departmental & private entities		-	-	-
Grants & transfers to Government		-	-	38 500
Operational expenses & bank charges		-	-	-
Depreciation expenses		1 009 397	1 336 709	647 623
Settlement areas expenses		63 424	-	-
Subsidies, grants and donations		151 162	62 790	-
Subtotal		15 217 283	16 380 511	14 921 062
Delegated functions	1.5	2 943 609	288 327	3 764 004
Total expenditure		18 160 892	16 668 838	18 685 066

3. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery & vehicles	Office furniture, equipment & computers	Total
	N\$	N\$	N\$	N\$
31 March 2009				
Cost as at 1 April 2008	46 117 066	3 197 441	3 303 006	52 617 713
Additions	5 895 286	293 981	256 092	6 445 359
Cost as at 31 March 2009	52 012 352	*3 491 422	3 559 098	59 062 872
Depreciation as at 1 April 2008	-	(1 580 168)	(2 440 399)	(4 020 567)
Charge for the year	-	(633 238)	(376 159)	(1 009 397)
Depreciation as at 31 March 2009	-	(2 213 406)	(2 816 558)	(5 029 964)
Net book value as at 31 March 2009	52 012 352	1 278 016	742 540	54 032 908

* This amount includes work in progress of N4 41 999 093 (See note 4)

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

	Land and buildings	Machinery & vehicles	Office furniture, equipment & computers	Total
	N\$	N\$	N\$	N\$
Cost as at 1 April 2007	37 969 259	2 900 505	2 873 945	43 743 709
Additions	8 147 807	296 936	429 061	8 873 804
Cost as at 31 March 2008	46 117 066	*3 197 441	3 303 006	52 617 513
Depreciation as at 1 April 2007	-	(980 058)	(1 703 800)	(2 683 858)
Charge for the year	-	(600 110)	(736 599)	(1 336 709)
Depreciation as at 31 March 2008	-	(1 580 168)	(2 440 399)	(4 020 567)
Net book value as at 31 March 2008	46 117 066	1 617 273	862 607	48 596 946

* This amount includes work in progress to the amount of N\$ 36 103 807 (See note 4).

	Land and buildings	Machinery & vehicles	Office furniture, equipment & computers	Total
	N\$	N\$	N\$	N\$
Cost as at 1 April 2006	18 625 467	1 359 586	2 200 768	22 185 821
Additions	19 343 792	1 540 919	673 177	21 557 888
Cost as at 31 March 2007	37 969 259	2 900 505	2 873 945	43 743 709
Depreciation as at 1 April 2006	-	(723 625)	(1 312 609)	(2 036 234)
Charge for the year	-	(256 433)	(391 191)	(647 624)
Depreciation as at 31 March 2007	-	(980 058)	(1 703 800)	(2 683 858)
Net book value as at 31 March 2007	37 969 259	1 920 447	1 170 145	41 059 851

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

	2009	2008	2007
	N\$	N\$	N\$
4. CAPITALIZED WORK-IN-PROGRESS			
Assets constructed and under construction			
Construction - Uukwiyu constituency office	1 447 922	1 447 922	1 245 198
Construction of HQ additional block	2 701 411	2 701 411	245 259
Water project in constituencies	971 314	971 314	635 687
Uukwangula Okwandi water pipeline	832 369	832 369	-
Eheke service and construction	23 104	23 104	13 104
Construction of Eheke office – Ondangwa	1 367 876	1 367 876	85 046
Constituency electrification	1 421 121	1 421 121	873 968
Construction of Ompundja office	21 534	21 534	958
Construction of fence/wall governors house	103 847	103 847	5 213
Construction of Uukwangula sport complex	14 942 605	14 942 605	11 013 546
Renovation of governors house	173 878	173 878	-
Construction water network Uukwangula	1 606 957	1 606 957	930 393
Construction of water network - Eheke	949 645	949 645	-
Construction of Eheke oxidation ponds P2	3 128 328	3 128 328	1 690 122
Engombe constituency office - Uuvudhiya	33 057	33 057	-
Construction - Constituency office Okaku	12 309	12 309	-
Design & planning of Uukwangula town	7 970	7 970	-
Servicing of Uukwangula settlement	295 412	295 412	-
Construction of water sewer at Eheke	1 521 571	1 521 571	873 122
Construction of Uukwangula roads	1 143 564	1 143 564	1 042 088
Upgrading of soccer pitches	34 293	34 293	34 293
Construction of Ongwediva constituency office	1 399 028	1 399 028	528 673
Compensation of land	224 934	224 934	127 120
Construction of Uukwangula Oxidation Ponds	291 929	291 929	-
Construction of Oshakati-East constituency office	599 452	599 452	-
Construction of Oshakati-West constituency office	736 751	736 751	-
Other projects	111 626	111 626	-
Sundry capital projects	5 895 286	-	-
Total	41 999 093	36 103 807	19 343 790

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

	2009	2008	2007
	N\$	N\$	N\$
5. TRADE AND OTHER RECEIVABLES			
Staff loans	200 367	-	-
Trade debtors	2 018	-	-
Inter-bank transfers	-	107 495	-
Ondonga traditional authority	-	-	35 740
Receiver of Revenue - VAT	825 213	333 136	-
	1 027 598	440 631	35 740
6. BANK AND CASH			
Cash on hand	4 043	-	-
Standard Bank current account	913 311	-	485 709
Standard Bank call account	1 487 059	2 099 128	582 423
Standard Bank fleet management	44 639	15 137	5 774
Standard Bank Equity Provision Fund	708 587	709 486	712 301
Standard Bank Drought Relief	75 815	734	1 523
Standard Bank first independence celebrations	-	16 981	16 981
Standard Bank independence celebrations	-	10 914	10 595
Standard Bank Ombuga tree planting project	28 539	27 394	26 658
Standard Bank Oshana Community	144 985	-	-
Standard Bank Emergency Fund	85 880	-	-
First National Bank capital project account	637 570	209 587	-
First National Bank call account	2 402 329	4 866 190	2 817 027
First National Bank Uukwangula sports complex	1 521 584	1 395 872	2 729 462
First National Bank 32 day notice deposit	141 059	1 021 926	992 937
First National Bank RACOC	23 320	26 262	19 773
First National Bank traditional authority	2 631	3 314	3 975
Bank Windhoek Revenue account	1 564 382	1 488 970	2 056 325
Bank Windhoek Christmas Fund	15 587	14 408	13 352
Bank Windhoek cash for work program	156 839	323 948	30 625
Standard Bank OVC	-	63 892	20 659
First National Bank Ongwediva RDC	10 020	621 110	769 362
	9 968 179	12 915 253	11 295 461

REGIONAL COUNCIL FOR THE OSHANA REGION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 MARCH
(continued)

	2009	2008	2007
	N\$	N\$	N\$
7. BANK OVERDRAFTS	-	(57 257)	(359 940)
Standard Bank – Current account	-	(57 257)	-
First National Bank – Capital projects	-	-	(359 940)
8. TRADE AND OTHER PAYABLES			
Trade creditors	183 524	163 036	54 792
Unclaimed funds	7 366	-	-
	190 890	163 036	54 792
10. CASH (UTILISED)/GENERATED BY OPERATIONS			
Net (deficit)/surplus before adjustments and before interest received	1 768 236	626 089	(1 292 596)
Adjustments	(222)	8 334 885	4 500 372
Operating income before changes in working capital	1 768 014	8 960 974	3 207 776
CHANGES IN WORKING CAPITAL			
(Increase)/decrease in accounts receivable	(586 967)	(404 891)	-
Increase/(decrease) in trade and other payables	27 854	108 244	3 325
	(559 113)	(296 647)	3 325
Cash generated by operations	1 208 901	8 664 327	3 211 101