



**REPUBLIC OF NAMIBIA**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE**

# **TOWN COUNCIL OF OMUTHIYA**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

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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 Town Council of Omuthiya for the financial year ended 30 June 2020, 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, February 2023**

A handwritten signature in black ink, appearing to read 'Junias Etuna Kandjeke'.

**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF  
OMUTHIYA TOWN COUNCIL  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

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**1. DISCLAIMER AUDIT OPINION**

I have audited the financial statements of Omuthiya Town Council for the financial year ended 30 June 2020. These financial statements comprise the Statement of Financial Position, Statement of Comprehensive Income, Cash flow Statement, notes to the annual financial statements for the year then ended.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

**2. BASIS FOR DICLAIMER AUDIT OPINION**

I conducted my audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the entity in accordance with the code of ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the code of ethics.

I believe that the audit evidence I have obtained is not sufficient and appropriate to provide a basis for the audit opinion. A disclaimer audit opinion is being expressed due to the following:

**2.1 Comparative figures and opening balances**

The prior year audit report had a disclaimer audit opinion as well. Consequently, the auditors could not obtain sufficient appropriate evidence to satisfy themselves that the opening balance of retained earnings and comparative figures in the current year under review statement of financial position, statement of financial performance, statement of changes in net equity and cash flow statement are fairly presented.

**2.2 Cash and cash equivalent**

The auditors were unable to confirm the accuracy and existence of one of the Council's bank account with a local Bank to the amount of N\$ 5 895 982 as one of the signatories was no longer with the Council for the bank to provide the confirmation thereon.

### **2.3 Property, plant and equipment**

The Council has property, plant and equipment which is carried at N\$ 93 383 865 (2019: N\$ 103 580 416) in the financial statements. The fixed asset register does not classify the assets as per the class of assets but as per the type of financing used to purchase those assets. In addition, the assets are not tagged so that they are easily identifiable, thus the auditors could not trace assets physically to verify from the floor to the asset register. There are no alternative procedures that auditors could perform to verify completeness, existence and valuation of property, plant and equipment.

### **2.4 Inventory**

The auditors did not observe the counting of physical inventories stated at N\$ 124 706 (2019: N\$ 160 631) in the financial statements, thus auditors were unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the existence, completeness and valuation of the inventory quantities by alternative audit procedures.

Furthermore, the Council did not disclose the inventories relating to erven which were available for sale as at year end. There is currently no accounting policy pertaining to the land available for sale and there is no disclosure that there were any transitional exemptions applied on IPSAS 12 disclosures. Consequently, auditors were unable to satisfy themselves as to the existence, completeness, valuation and accuracy of inventory and related financial statement areas.

### **2.5 Trade and other receivables**

There are customers with a credit balance of N\$ 2 949 117 (2019: N\$3 426 683) as at year end which were incorrectly classified as trade and other receivables instead of being reclassified to trade and other payables. As a result, the trade and other receivables as well as trade and other payables were understated by this amount in the statement of financial position. Furthermore, the Town Council could not provide the detailed debtors age analysis as at 30 June 2020, or proof of subsequent receipts. Thus the auditors could not verify the recoverability of the trade and other receivables.

In addition, the Credit Control, Debt Collection Policy and Procedures states that provision for doubtful debts or bad debts will be provided for in the statement of financial position for debts that is +120 days old in the debtor's age analysis. The provision policy is not in line with the generally accepted provision policy for the Local Authorities of 90 days and above. Thus, the provision for doubtful debts recognised in the financial statements appear to be understated by N\$ 1 000 128 which results in an overstatement of account receivables with the same amount.

### **2.6 Financial reporting disclosure deficiencies**

The Council omitted to make the following disclosures in the financial statements which are required in terms of the International Public Sector Accounting Standards (IPSAS);

- The annual financial statements submitted did not meet the requirements of the International Public Sector Accounting Standards regarding the disclosure list of standards adopted, and the list of standards applied for exemption;
- There is no disclosure of the related party transactions and balances as required by IPSAS

20 -- Related Party Disclosure;

- The Council have classified the Employee Benefits of N\$ 974 372 (2019: N\$ 1 030 871) which comprise of leave pay and bonus provision as long-term liabilities. This is not in accordance with the requirements of IPSAS 39 – Employee Benefits, which considers such benefits as short term.
- The reasons for the variances between the budget and actual amounts are not disclosed in the statement of comparison of budget and actual amounts;
- The budget disclosed in financial statements does not agree to the approved budget. There is a material difference amounting to N\$ 12 238 237.

There are no comparative figures on some of the notes in the financial statements such as the following:

- Property, plant and equipment;
- Cash flow statement reconciliation and
- Funds and reserves.

## **2.7 Cash Flow Statement**

There are no comparative amounts on the cash flow statement and the reconciliation on the notes. The auditors could not verify the accuracy of the cash flow statement. Furthermore, the auditors were not provided by the Council with calculations on cash receipts from customers, and cash paid to suppliers.

## **2.8 Revenue**

The auditors were unable to satisfy themselves as to the completeness, accuracy, and existence of revenue from the following municipal services as no customer breakdowns were provided. Auditors therefore could not satisfy themselves if the billings were done accurately as per the approved tariffs:

- Water sales;
- Assessment rates;
- Sewerage income and
- Refuse removal.

## **2.9 Investment Property**

The Council has undetermined land that has not been valued or disclosed in the financial statements as investment properties. There is currently no accounting policy pertaining to the undetermined land.

## **3. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSAS), and for such internal control as management determines it necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible of overseeing the entity's financial reporting process.

#### **4. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue my report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), I exercise professional skepticism throughout the audit, I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies uses and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence, obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
- Provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

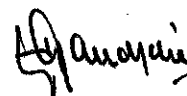
From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **5. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

The financial statements were submitted later than required by the Accounting Officer to the Auditor-General on the 03<sup>rd</sup> of June 2021 in terms of the Local Authorities Act 23 of 1992 Section 87(1), instead of three months after year end (30 September 2020) as required by the Act.

## **ACKNOWLEDGEMENT**

The co-operation and assistance by the management and staff of Omuthiya Town Council during the audit is appreciated.



**JUNIAS ETUNA KANDJEKE  
AUDITOR-GENERAL**

**WINDOEK, February 2023**

**OMUTHIYA TOWN COUNCIL**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE**

		<b>2020</b>	<b>2019</b>
	Note	N\$	N\$
<b>ASSETS</b>			
<b>Current assets</b>			
		<b>15 627 421</b>	<b>11 375 232</b>
Cash and Cash Equivalents	2	13 243 621	10 287 353
Trade and Other Receivables	3	2 259 094	927 248
Inventories		124 706	160 631
<b>Non-current assets</b>			
		<b>94 688 679</b>	<b>103 580 416</b>
Property, Plant and Equipment		93 383 865	103 580 416
Work In Progress		1 304 815	-
<b>Total assets</b>		<b>110 316 100</b>	<b>114 955 648</b>
<b>NET ASSETS AND LIABILITIES</b>			
<b>Current Liabilities</b>			
		<b>1 779 138</b>	<b>4 520 019</b>
Trade and Other Payables	4	1 337 836	4 112 725
Consumer Deposit		441 302	407 294
<b>Non-current liabilities</b>			
		<b>974 372</b>	<b>1 030 871</b>
Employee Benefits		974 372	1 030 871
<b>Net assets</b>			
		<b>107 562 590</b>	<b>109 404 758</b>
Funds	5	243 268	14 583 721
Accumulated Surplus/Deficit		107 319 322	94 821 037
<b>Total net asset and liabilities</b>		<b>110 316 100</b>	<b>114 955 648</b>

## OMUTHIYA TOWN COUNCIL

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR  
THE YEAR ENDED 30 JUNE

		2020	2019
	Note	N\$	N\$
<b>Revenue</b>	11	<b>30 354 946</b>	<b>36 801 905</b>
Rates and Taxes		6 341 419	5 746 275
Government Grants and Subsidies		537 972	17 325 656
Fees, License, Fines and Penalties		483 041	326 082
Other Income		6 042 491	4 517 923
Income from Sales of Erven		5 691 313	-
Income from Water		7 847 494	5 885 666
Income from Sewerage		1 877 848	1 595 604
Income from Refuse Removal		1 533 368	1 404 699
<b>Less: Expenses</b>	12	<b>31 273 005</b>	<b>52 161 492</b>
Council General Expenses		986 307	1 438 267
Chief Executive Officer		1 627 078	2 352 698
Finance Department		3 926 155	3 950 563
Fire Brigade		285 177	856 122
Technical Department		1 978 697	2 749 237
Cemeteries		30 000	-
Health Department		315 054	1 523 271
Town Planning		2 069 268	21 754 544
Cleansing		749 800	837 370
Sewerage		209 408	288 208
Assessment Rates		317 071	524 153
Water Department		5 125 144	4 046 115
Depreciation and Amortisation		9 826 776	9 547 373
Bad Debt Provision		3 883 569	2 306 927
Provision For Employee Benefits		(56 499)	(13 356)
<b>Surplus/(Deficit) for the period</b>		<b>(918 059)</b>	<b>(15 359 587)</b>

**OMUTHIYA TOWN COUNCIL**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE**

	<b>Funds</b>	<b>Accumulated Surplus/Defi ts</b>
	N\$	N\$
Balance as at 1 July 2018	14 260 462	(14 588 900)
Changes in Accounting Policy, Error and Correction-IPSAS 3	-	126 283 969
<b>Reinstated Accumulated Surplus (Loss)</b>	-	<b>111 695 068</b>
Increase in Funds	323 259	
Surplus/ Deficit for the period	-	(16 874 031)
<b>Balance as at 1 July 2019</b>	<b>14 583 721</b>	<b>94 821 037</b>
Changes in Accounting Policy, Error and Correction-IPSAS 3	-	14 374 549
<b>Reinstated Accumulated Surplus (Loss)</b>	-	<b>109 195 586</b>
Increase in Funds	(14 340 453)	
Surplus/ Deficit for the period	-	(1 876 264)
<b>Balance as at 30 June 2020</b>	<b>243 268</b>	<b>107 319 322</b>

**OMUTHIYA TOWN COUNCIL  
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE**

	Note	<u>2020</u> N\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
		<b>29 091 116</b>
Receipts from exchange and Other non-exchange transaction	7	28 553 144
Government grants and subsidies		537 972
<b>Payments</b>		
		<b>25 199 896</b>
Payment to suppliers and on behalf of employees	8	25 199 896
<b>Net cash flow from operating activities</b>	<b>6</b>	<b><u>3 891 220</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment	9	(290 746)
Work In Progress	9	(644 293)
<b>Net cash flow from investing activities</b>		<b><u>(935 039)</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Decrease in funds and reserves	9	88
<b>Net cash flow from financing activities</b>		<b>88</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>2 956 269</b>
Cash and cash equivalents at the beginning of the year		10 287 353
<b>Cash and cash equivalents at the end of the year</b>		<b><u>13 243 621</u></b>

**OMUTHIYA TOWN COUNCIL  
CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE**

DESCRIPTION	2020		
	BUDGET	YTD	VARIANCE
		N\$	
<b>SALARIES, WAGES AND ALLOWANCES</b>	<b>10 427 847</b>	<b>8 288 400</b>	<b>2 139 447</b>
Salaries and wages	4 752 945	4 026 467	726 478
Overtime	103 346	76 261	27 085
Service bonus	396 080	307 122	88 958
Social security commission	36 231	20 892	15 339
Medical aid	1 068 600	852 910	215 690
Pension fund contributions	1 031 390	817 532	213 858
Car allowance	281 333	195 749	85 584
Cell phone allowance	33 600	21 600	12 000
Housing allowance	1 901 179	1 280 645	620 534
Transport allowance	295 301	170 130	125 171
Councilors allowances	483 092	483 092	0.08
Contract & airtime councilor	27 600	27 600	-
Standby allowance	17 150	8 400	8 750
<b>GENERAL EXPENSES</b>	<b>35 016 485</b>	<b>9 160 214</b>	<b>26 109 377</b>
Advertising	70 000	56 187	13 813
Car hire	5 000	-	5 000
Material and stores	65 000	830	64 170
Telephones	120 000	105 134	14 866
Printing and stationery	155 000	160 043	5 043
Team building	40 000	-	40 000
Vehicle license fees	32 000	23 051	8 949
Travel and subsistence	700 000	278 567	421 433
Training	410 000	98 480	311 520
Fuel	280 000	277 002	2 998

**OMUTHIYA TOWN COUNCIL**  
**CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

DESCRIPTION	2020		
	BUDGET	YTD	VARIANCE
<b>GENERAL EXPENSES (continued)</b>			
Entertainment	15 000	12 229	2 771
Protective clothing	36 000	-	36 000
Security services	440 000	333 524	106 476
Lubricants and oil	9 000	3 385	5 615
Postages & courier services	60 000	85 883	25 883
Fonder and water	40 000	-	40 000
Bank charges	110 000	126 051	16 051
Dept electricity consumption	370 000	398 396	28 396
Insurance	360 000	201 683	158 317
Cleansing materials	20 000	29 869	9 869
Redesigning of logo	17 000	-	17 000
Insect & rodent control	10 000	289	9 711
Equipment hire	95 500	12 539	82 961
Legal advice	310 000	167 210	142 790
Administration charges	11 810 685	-	11 810 685
Wellness program	80 000	-	80 000
Casual labour	20 000	-	20 000
Laboratory tests	10 000	-	10 000
Entertainment - mayor	20 000	21 016	1 016
Municipal ass contributions	102 435	65 543	36 892
Donation	5 500	-	5 500
Refuse contract	700 000	665 752	34 248
Relocation expenses	15 000	-	15 000
Conveyances and burials	15 000	-	15 000
Valuation roll	650 000	420 195	229 805
Publicity & subscriptions	10 000	80	9 920
Foreign trips	280 000	-	280 000
SME training	40 000	-	40 000
Water materials and store	350 000	115 097	234 903
Grave number plates	6 000	-	6 000
Bulk water purchases	4 500 000	4 238 969	261 031
Internet and e- mail	15 000	13 552	1 448
Consulting fees	105 800	-	105 800
Contribution to regional council	300 000	317 071	17 071

**OMUTHIYA TOWN COUNCIL**  
**CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

DESCRIPTION	2020		
	BUDGET	YTD	VARIANCE
<b>GENERAL EXPENSES (continued)</b>			
Rental photocopy machine	17 000	18 638	1 638
Tools and equipment	10 000	7 650	2 350
Mayoral fund	30 565	-	30 565
Junior councilor	70 000	-	70 000
Year-end function	16 500	10 800	5 700
SS employee's compensation	38 200	27 507	10 693
Car wash	32 000	2 310	29 690
Finstel license fees	76 000	62 500	13 500
Compensation	10 000 000	317 883	9 682 117
Formulate/drafting inv.policy	50 000	-	50 000
Review & updating led strategy	39 000	-	39 000
Re-designed & host website	50 000	43 478	6 522
Disaster expenses	100 000	-	100 000
Council water self-billing	140 000	161 585	21 585
Job attachment allowances	46 800	15 446	31 354
Business plan/council comme	50 000	-	50 000
Marketing,comm.& stakeholder	48 000	-	48 000
Re-branding	460 000	-	460 000
Annual plan 2019/20 & individual	190 000	-	190 000
Updating mayors chain	20 000	-	20 000
Tree planting material	50 000	-	50 000
Table and chair cloth	18 000	-	18 000
Deed transfer cost	270 000	128 560	141 441
Subdivision and rezoning	30 000	-	30 000
Contingency/emergency	200 000	136 229	63 771
Promotion and advertising	60 000	-	60 000
Firefighting training mate	1 500	-	1 500
Volunteers	48 000	-	48 000
Formulate. Internal audit policy	50 000	-	50 000



**OMUTHIYA TOWN COUNCIL  
CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE  
(Continued)**

DESCRIPTION	2020		
	BUDGET	N\$ YTD	VARIANCE
<b>REPAIR AND MAINTENANCE</b>	<b>1 926 900</b>	<b>1 004 008</b>	<b>922 892</b>
Vehicles	100 000	115 362	(15 362)
Machinery and equipment	150 000	65 063	84 937
Office furniture & equipment	2 000	-	2 000
Machines and equipment	13 000	12 573	427
Vehicles	6 000	-	6 000
Pounding kraal	5 000	-	5 000
Streets, sidewalks, stormt	1 000 900	568 190	432 710
Lan & computer maintenance	95 000	98 649	(3 649)
Cleaning of town	50 000	25 739	24 261
Sewerage pumps	250 000	30	249 970
Parks and open space maintenance	65 000	82 602	(17 602)
Oxidation ponds	70 000	5 800	64 200
Cleaning of cemetery	50 000	30 000	20 000
Debushing in town	70 000	-	70 000
<b>CAPITAL EXPENDITURES</b>	<b>13 721 750</b>	<b>933 344</b>	<b>12 788 406</b>
Office furniture	20 000	-	20 000
Filling cabinets	4 500	-	4 500
Laptop/computer	146 000	97 496	48 504
Environmental impact assess	90 000	-	90 000
Drain high pressure hose	24 000	27 539	(3 539)
Health auditing kit	60 000	-	60 000
Christmas lights/decor	120 000	-	120 000
Construction of open market	2 000 000	387 534	1 612 466
Retention-sport stadium	150 000	-	150 000
Construction of fire station	325 000	-	325 000
Server ups for all computer	80 000	-	80 000
Cell phone	15 000	-	15 000
Retention fees -ext 8	464 500	124 739	339 761
Council tablets	45 500	36 400	9 100
Kitchen utensils	30 000	-	30 000
Table x 12	13 000	-	13 000

**OMUTHIYA TOWN COUNCIL**  
**CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

DESCRIPTION	2020		
	BUDGET	N\$ YTD	VARIANCE
<b>CAPITAL EXPENDITURES (continued)</b>			
New telephone system	100 000	-	100 000
Fencing a portion erf 198	233 750	-	233 750
Road sign	53 000	-	53 000
JACK BOTTLE HYD 50t	2 600	1 797	803
Jack hyd. Bottle 20t	1 300	1 080	220
16mm max-alloy	10 600	-	10 600
Coldroom	70 000	-	70 000
Trailer	300 000	-	300 000
Netball court	1 000 000	55 096	944 904
Toilets	294 000	0.26	294 000
Double mopping trolley x 3	9 000	-	9 000
Construction of roads	8 000 000	201 663	7 798 337
Dumping signs x 10	50 000	0.22	50 000
Drain retro jet nozzle	10 000	-	10 000
<b>GRANT TOTAL</b>	<b>61 092 982</b>	<b>19 385 966</b>	<b>41 960 122</b>
<b>INCOME</b>	<b>50 563 745</b>	<b>32 231 212</b>	<b>18 332 535</b>
Building sand	250 000	87 496	162 504
Illegal water connection	2 000	-	2 000
Promotional goods sold	20 000	-	20 000
Discount received	-	18 690	(18 690)
Admin / commission fees	6 500	5 215	1 285
Capital account interest	300 000	-	300 000
Site leasing	-	23 200	(23 200)
Procurement bidding document	60 000	24 000	36 000
Interest: current account	2 400	-	2 400
Burial fees	6 000	5 300	700
Water reconnection	50 000	17 724	32 276
Water disconnection	10 500	3 913	6 587
Refuse removal	1 503 212	1 533 368	(30 156)

**OMUTHIYA TOWN COUNCIL**  
**CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

DESCRIPTION	2020		VARIANCE
	BUDGET	N\$ YTD	
<b>INCOME (continued)</b>			
Sale of refuse bins	20 000	3 476	16 524
Sport stadium rental fees	50 000	5 770	44 230
Water basic	1 505 812	1 056 889	448 923
Water sales	7 020 000	6 790 605	229 395
New connection	260 952	139 245	121 707
Corporate wear	-	1 985	(1 985)
Auction proceeds	380 000	-	380 000
Interest on outstanding accounts	2 700 000	3 311 713	(611 713)
Sewerage charges	1 665 610	1 877 848	(212 238)
Surplus / deficit for year	-	1 876 264	(1 876 264)
Rates & taxes	7 000 000	6 341 419	658 581
Interest on investments	400 000	499 751	(99 751)
Fees on clearance cert.	5 000	15 086	(10 086)
Pound fees	5 000	1 200	3 800
Grazing fees	3 000	-	3 000
Faxing revenue	400	17	383
Photocopying revenue	3 000	2 010	991
RFA subsidy	1 000 900	1 000 892	8
Building plan fees	200 000	294 617	(94 617)
Registration/fitness certificate	90 000	106 212	(16 212)
Hire of machinery	110 000	23 030	86 970
Sale of erven business	-	3 473 904	(3 473 904)
Sale of erven residential	-	2 217 409	(2 217 409)
Sundry income	5 000	1 083	3 918
Mayoral fund income	50 000	-	50 000
Penalty on fitness/registration	1 000	670	330
Illegal vendor	500	-	500
Soccer field rental	-	230	(230)
Surcharges from NORED	470 000	413 971	56 029
Pegs searching	1 600	-	1 600
Fire levies	90 000	91 325	(1 325)
Compensation	10 000 000	-	10 000 000
Income from park	3 000	3 913	(913)

**OMUTHIYA TOWN COUNCIL  
CONSOLIDATED STATEMENT OF BUDGET FOR THE YEAR ENDED 30 JUNE  
(Continued)**

DESCRIPTION	2020		
	BUDGET	N\$ YTD	VARIANCE
<b>INCOME(continued)</b>			
Garden and building refuse	2 000	-	2 000
Site rental	230 000	332 875	(102 875)
Rental office space	5 000	2 400	2 600
National planning commission	8 000 000	537 972	7 462 028
Emptying sewer tang per tan	10 000	6 548	3 452
Hiring of plastic chairs	300	435	(135)
Bill board advert fees	140 000	81 542	58 458
Slaughter fees	3 000	-	3 000
Reserve fund	6 179 774	-	6 179 774
Capital development fund	740 285	-	740 285
Site hire	2 000	-	2 000
	<b>(10 529 237)</b>	<b>12 845 247</b>	<b>(23 627 587)</b>

**OMUTHIYA TOWN COUNCIL****NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE**

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**1. ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENT****1.1 INTRODUCTION**

The Accounting Policies for Omuthiya Town Council has been prepared in accordance with International Public Sector Accounting Standards (IPSASs), from July 2018. Having previously prepare its financial statements according to the basis of fund accounting in compliance with D3 framework issued by the office of the auditor general in consultation with Ministry of Urban and Rural Development. Where there is no specific guidance in the Standard, the Council has developed its own accounting policy which is aimed at creating information which is:

- Relevant to the decision-making needs of users; and reliable, in that of the financial statements.
- Represent fairly the financial position, financial performance and cash flows of the entity;
- Reflect the economic substance of transactions, other events and conditions and not merely the legal form;
- Are neutral i.e. free from bias;
- Are prudent
- Are complete in all material respects

This document outlines how the Council will account for all income, expenditure, assets, equity, and liabilities held and incurred during the financial year under review.

The accounting policies of the Council are updated regularly to reflect any changes in IPSASs, Local Authority Act, State Finance Act and Treasury Instruction, other change in statute impacting on the authority's accounts.

The Accounting Policies of the Council as far as possible have been developed to ensure that the accounts of the Council are understandable, relevant, and free from material error or misstatement, reliable, comparable and timely presentation.

The document has been divided into three distinct categories which are Accounting Principles, Capital Accounting and Revenue Accounting.

**1.2 ACCOUNTING PRINCIPLES****1.2.1 GOING CONCERN**

The Council prepares its accounts on the basis that it remains a going concern; that an organization will continue to operate in a foreseeable future.

**OMUTHIYA TOWN COUNCIL**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

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### **1.2.2 ACCRUAL CONCEPT**

The Council accounts for income and expenditure in the period to which the service has taken place, rather than when cash payments are received or made.

Where income and expenditure has been recognized but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Statement of Financial Position. Equally, where cash has been received or paid which is not yet recognized as income or expenditure, a receivable (income in advance) or payable (payment in advance) is recorded in the Statement of Financial Position.

### **1.2.3 VALUE ADDED TAX**

VAT collected is payable to Ministry of Finance. Any amounts outstanding (payment or receipt) at the year-end date is held as a creditor or debtor after netting off the amounts either due or owed. Amount owed/ receivable may not balance with Receiver of Revenue figures because of different accounting concept that the government is using.

### **1.2.4 CHANGES IN ACCOUNTING POLICIES, CHANGE IN ACCOUNTING ESTIMATE AND ERRORS**

Where there is a known future change in accounting policy in terms of IPSAS 3, the Council will disclose the following in the notes to the accounts, in the notes, the council should provide:

- The reason why applying the new accounting policy provide reliable and more relevant information
- If retrospective application is impractical for the particular period, prospective application for new accounting policies for transaction, event, or other circumstances is applied.

Errors include the effects of mathematical mistakes, misunderstanding in applying accounting policies, oversights and misinterpretations of facts. Where those errors are thought to be significant, an adjustment will be entered into financial statements comparative balances as restated figures.

Errors which are found and not significant, will not result in prior year adjustment and will be corrected as a current year entry. In addition, errors as a result of information which was not known to the council, or could not have reasonably been determined when Financial Statements were authorized for issue, will be corrected in the current year and accumulated profit/loss will be reinstated.

### **1.2.5 UNIDENTIFIED INCOME**

All unidentified income received is initially recorded to an income suspense account. Monthly updates of the content of the suspense accounts are circulated to the Finance Manager, to ensure the balances are cleared as soon as possible. Any items of revenue not cleared at year end will be treated as sundry revenue.

**OMUTHIYA TOWN COUNCIL****NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUN 2018**  
**(Continued)**

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**1.2.6 EVENTS AFTER REPORTING PERIOD**

Where there is a material post balance sheet event before the date the accounts are authorized for issue, a disclosure in the notes to the accounts will be included. If this event provides additional evidence of conditions that existed at the Balance Sheet date, and materially affects the amounts to be included in the accounts; adjusting items will be shown in the accounts. None adjusting are those that are indicative of conditions that arose after reporting period.

**1.2.7 CONTINGENT ASSETS AND LIABILITIES**

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. They are not recognized in the Statement of Financial Position but disclosed in a note to the accounts.

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognized in the Statement of Financial Position but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

**1.2.8 CASH AND CASH EQUIVALENT**

Cash is represented by cash on hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in the value.

Overdraft are reported under Current Liabilities in the Statement of Financial Position, on the Statement of Cash flow, only the net will be disclosed under cash and cash equivalent in the Statement of cash Flow Statement.

**1.2.9 ACCOUNTING FOR CONSUMER DEPOSIT AND EMPLOYEE BENEFIT PROVISION.**

Consumer Deposit is accounted under current liabilities, because Account Receivable to which the account is related to is accounted under Current Asset.

Provision for Employee Benefit is accounted under Non-Current Liabilities, this is because, Omuthiya Town Council will continue to exist in a near feasible future (going concern), hence, which employees. Where are known employees, who will retire or resign in the next 12 months, this will be accounted under current liabilities.

## OMUTHIYA TOWN COUNCIL

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE  
(Continued)**1.3 CAPITAL ACCOUNTING****1.3.1 RECOGNITION OF CAPITAL EXPENDITURE**

Capital expenditure is recognized in terms of IPSAS 16: Investment Properties, IPSAS 17: Property, Plant, Equipment, and IPSAS 36 (revised): Investment in Associate and Joint Venture. Property, Plants and Equipment (PPE) are initially recognized at cost on its acquisition date or in the case of assets acquired by grants or donations, deemed cost, being the fair value of the asset on initial recognition.

Carrying amount for an item for PPE is determined by cost less accumulated depreciation. The carrying amount of an item of Property, Plant and Equipment is derecognized on a disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the de-recognition of an item of Property Plant and Equipment is included in surplus or deficit when the item is derecognized.

Depreciation is calculated using straight-line methods to write the cost of each asset over the useful life as follows:

**1.3.2 NON CURRENT ASSET CLASSIFICATION AND USEFUL LIFE**

Buildings and Plants	20 Years	5%
Machinery	10 Years	10%
Office Equipment	10 years	10%
Motor Vehicles	5 years	20%
Office Furniture and Fittings	10 years	10%
Computer Equipment's	5 years	20%
Other Assets	5 years	25%
Intangible assets (impairment assessments)		
Investment properties		

These are items of land and/or building held solely for the purpose of rental income generation or capital appreciation.

Asset owned by the council which are occupied by employees or other social groups are not to be classified as investment properties.

- Assets held for sale.

The council will classify the asset as held for sale where the following condition are met.

1. The asset is a condition required for sale
2. The assets sale is highly probable
3. The completion is expected to be completed with 12 months.



**OMUTHIYA TOWN COUNCIL**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE**  
**(Continued)**

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Non-current asset held for sale are not to be depreciated.

- **Investments.**

Investment include share owned by an organization which do not meet the requirement to be classified as investment in associate in term of IPSAS 36. Investment may also include cash held at the bank, which will not be used in the next 12 months.

### **1.3.3 INVESTMENT PROPERTIES-IPSAS 16**

Investment properties are measured using fair value model, using the gazetted valuation as a model to account for all investment properties. Fair value is time-specific as of given date, however the council opt not to revalue every year but rather to use amend according to the general valuation and interim valuation.

### **1.3.4 NON-CURRENT ASSET VALUATION METHODOLOGY**

Non-current asset is initially recorded at cost less accumulated depreciation and impairment. The council does not carry out market valuation because the cost outweighs the benefit, unless required, example when the asset is to be sold. The council may also make use of the valuation roll to determine the value for the assets. The council recognize intangible Assets at cost, revaluation of intangible asset will only be done annually where there a determinable market value for the asset.

Assets that are fully depreciated and still in use are recorded in the Statement of Financial Position at a rate of N\$1. It is up to management discretion to decide whether to do an asset valuation, taking into consideration the cost implications

### **1.3.5 IMPAIRMENT OF NON-CURRENT ASSET**

At the end of reporting period, the council may assess whether there is a need for impairment assessment. Considering the benefits and the cost to be incurred.

### **1.3.6 DISPOSAL OF NON-CURRENT ASSET**

When the asset is disposed of or decommissioned, the net value (Asset book value less receipt from disposal) for the asset in the Statement of Financial Position is written off to the Statement of Financial Performance as part of gain or loss on disposal.

## **1.4 REVENUE ACCOUNTING**

### **1.4.1 RECOGNITION OF REVENUE AND EXPENDITURES**

Revenue is derived from various sources. Revenue comprises the fair value of the consideration received or receivables for the sales of goods and services in the ordinary course of the Council activities. Revenue is shown net of value added tax, returns and other discounts.

Revenue from exchange transactions refers to transaction that occurred to Omuthiya Town Council directly in return for service rendered/ goods sold, the value of which approximates the consideration received or receivables.

**OMUTHIYA TOWN COUNCIL****NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE  
(Continued)**

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Revenue from non-exchange transaction refers to transactions where the Council received revenue from another entity without directly giving approximately equal value in exchange.

**1.4.2 GOVERNEMENT GRANTS AND OTHER DONATIONS**

Conditional grants, donations and funding's are recognised as revenue to the extent that the Town Council has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that these criteria, conditions or obligations have not been met. Where such requirements are not enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered as restriction and is recognised as revenue.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the council with no future related costs, are recognised in the statement of Financial Performance in the period in which they become receivable.

**1.4.3 BORROWING COSTS**

Omuthiya Town Council capitalises borrowing costs incurred that are directly attributable to the acquisition, construction or production of a qualifying assets as part of the cost of that assets in accordance with the requirements of IPSAS 5.

Omuthiya Town Council ceases to capitalise borrowing costs when substantially the activities necessary to prepare the qualifying assets for its intended use has been completed.

**1.4.4 RELATED PARTIES DISCLOSURE**

Individuals as their close family members and/or entities are related parties if one party has the ability, directly or indirectly to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Management is regarded as a related party and comprises the Mayor, Management Committee Member, Council Members, Chief Executive Officer and all other Managers reporting directly to the chief Executive Officer or as designated by the Chief Executive Officer.

**1.4.5 EMPLOYESS COST**

The council account for total benefit earned by employees during the financial year as salaries and wages in the statement of financial performance. Council members allowance is also recognized under this category.

**OMUTHIYA TOWN COUNCIL****NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018  
(Continued)**

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**1.4.6 RESEARCH AND OTHER RELATED COST**

Payment for environmental impact assessment, drafting of infrastructure plans and other expenditure relating to capital project to determine the feasibility are treated in the Statement of Financial Performance.

**1.4.7 PROVISION FOR DOUBTFUL DEBTS**

Omuthiya Town Council maintain a provision for any nonpayment, at each Balance sheet date, where there is a need the; council make an assessment as to whether impairment loss need to be recognized.

- Firstly, whether there is evidence of impairment for individual debtors that are significant.
- Secondary, there is evidence of impairment for the group of similar debtors.

The factor to be used will be disclosed in the notes the annual financial statement. Provision for impairment is only applicable to debtors who owe for more than 120 days.

**1.4.8 DEBTORS WITH CREDIT BALANCE**

Only debtors with a credit balance more than N\$50 000 will be reclassified to be payable in the statement of financial position.

**1.4.9 INVENTORY FOR CONSUMABLES**

Inventory is recognized at the lower of cost, or net realizable value. Inventory is recorded in terms of average cost, with exception to expiry goods which are recognized on the first in, first out.

**1.4.10 BUDGET INFORMATION**

The annual budget figures have been prepared in accordance with the IPSAS 24. This has to be consistent with the accounting Policies adopted by the council for the preparation of these Annual Financial Statement. The amounts are scheduled as a separate additional financial statement called the statement of Comparison of Budget and Actual amounts.

**APPLICATIONS**

Accounting policies is applicable as from 1 July 2018, and all future financial statements are to be prepared on the basis of this policy.

**OMUTHIYA TOWN COUNCIL**  
**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUI**  
**(Continued)**

	<b>2020</b>	<b>2019</b>
	N\$	N\$
<b>2. CASH AND CASH EQUIVALENT</b>	<b>13 243 620</b>	<b>10 287 353</b>
Current Account	2 851 087	520 741
Bank Windhoek Account	5 895 981	5 535 005
FNB Mail Call	4 094 697	3 532 052
FNB Capital Account	393 708	692 492
FNB Senior Citizens Account	6 116	6 191
FNB Build Together Call	767	873
Petty Cash	1 264	-
<b>Operational Account Bank Reconciliation</b>		
Balance as per Cash Book as at 30 June 2020	2 851 087	520 683
Less: Outstanding deposits	-	(31 946)
<b>Balance as per Bank Statement as at 30 June 2020</b>	<b>2 851 087</b>	<b>488 737</b>
<b>3. TRADE AND OTHER RECEIVABLES</b>	<b>2 259 094</b>	<b>927 248</b>
Debtors- Services	18 282 639	11 700 897
Provision for NORED/RFA	102 725	40 248
Receivables-Value Added Tax	643 090	2 071 894
	<b>19 028 455</b>	<b>13 813 039</b>
Less: provision for doubtful debtors	(16 769 361)	(12 885 791)
VAT Reinstatement	34 009	
	<b>2 225 085</b>	<b>927 248</b>
<b>4. ACCOUNTS PAYABLE</b>	<b>1 337 836</b>	<b>403 868</b>
Retention	432 815	-
Accrued Payables	905 022	403 868
<b>5. FUNDS AND OTHER RESERVES</b>	<b>243 268</b>	<b>14 583 720</b>
Fixed Property Fund	-	14 340 378
Build Together	-	-
Senior Citizens fund	243 268	243 342
Sack Dweller Funds	-	-
Other Funds	-	-
Other Reserve-Capital Outlay	-	<b>103 580 416</b>

## OMUTHIYA TOWN COUNCIL

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUN  
(Continued)

	<u>2020</u>
	N\$
<b>6. RECONCILIATION FOR CASH GENERATED FROM OPERATION:</b>	
Surplus/ (Deficit) from ordinary operating activities	(1 876 264)
<b>Non-cash items:</b>	<b>13 653 846</b>
<b>Add: Depreciation</b>	9 826 776
Provision for bad debt	3 883 569
Provision for employee benefits	(56 499)
Changes in Accounting Policies, Error and Corrections	-
<b>Less: Fair value adjustment</b>	<b>-</b>
<b>Cash generated from operation before changes in working capital</b>	<b>11 777 582</b>
<b>Changes in working capital:</b>	<b>(7 920 372)</b>
Account Receivables	(5 215 416)
Inventory	35 925
Long Term Receivables	-
Account Payables	(2 774 888)
Consumer Deposit	34 007
<b>Cash flow from operating activities</b>	<b>3 857 211</b>

**7. TRADE AND OTHER RECEIVABLES CONTROL ACCOUNT**

	<u>Debit</u>	<u>Credit</u>
Balance: Account receivables	927 248	2 225 085
Long term receivables	-	-
Balance: Consumer deposit	441 302	407 294
Revenue	30 354 946	
Government grants	-	537 972
<b>Cash received from exchange and non-exchange transactions</b>	<b>-</b>	<b>28 553 144</b>
	<b>31 723 496</b>	<b>31 723 495</b>

## OMUTHIYA TOWN COUNCIL

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE

(Continued)

	Debit	Credit
<b>8. TRADE AND OTHER PAYABLES CONTROL ACCOUNT</b>		
Balance: Account payables	1 337 836	4 112 725
Balance: Inventory	160 631	124 706
Expenditures		32 231 210
Loss on disposal	-	
Depreciation and amortisation	9 826 776	
Provision for employee benefits	(56 499)	
Provision for doubtful debts	-	
Borrowing cost	-	
Changes in Accounting policies, Error and Corrections:		-
<b>Cash paid to suppliers and on behalf of employees</b>	<b>25 199 896</b>	
	<b>36 468 640</b>	<b>36 468 641</b>
<b>9. PROPERTY PLANT AND EQUIPMENT</b>		
Balances	103 580 416	93 383 865
Depreciation		9 826 776
Reclassifications to Work in progress		660 521
<b>Purchase of property, plant and equipment</b>	<b>290 746</b>	
	<b>103 871 162</b>	<b>103 871 162</b>
<b>Work in progress</b>		
Balance	-	1 304 815
Reclassification from PPE	660 521	
Addition	644 293	
	<b>1 304 814</b>	<b>1 304 815</b>
Balances	14 583 721	243 268
Adjustment to Accumulated Reserve-IPSAS implementation	-	14 340 453
<b>Decrease in reserve and Funds</b>	<b>88</b>	<b>-</b>
	<b>14 583 809</b>	<b>14 583 721</b>

## OMUTHIYA TOWN COUNCIL

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE

(Continued)

	2020	2019
	N\$	N\$
<b>10. REVENUE EARNED</b>	<b>30 354 948</b>	<b>36 801 906</b>
National Planning Commission/GRN	537 972	17 325 656
Refuse Removal	1 533 368	1 404 699
Rates and Taxes	6 341 419	5 746 275
Admin/ commission fees	5 215	5 580
Site leasing	23 200	720
Sewerage charges	1 877 848	1 595 604
Procurement Binding Document	24 000	16 422
Interest: current account	-	(18)
Sale Of Water	6 790 605	4 907 216
Registration/Fitness Certificate	106 212	100 632
Interest on outstanding accounts	3 311 713	2 528 496
Bill Board Advert Fees	81 542	113 483
Interest on investments	499 751	468 660
Faxing Revenue	17	-
Photocopying revenue	2 010	2 738
Sundry income	1 083	1 712
Site rental	332 875	225 255
Fire levies	91 325	79 089
RFA Subsidy	1 000 892	260 999
Burial fees	5 300	3 474
Pound fees	1 200	-
Sale Of Erven	5 691 313	-
Penalty on fitness registration	670	2 080
sport stadium rental fees	-	460
Income from Park	3 913	4 200
Building Sand	87 496	192 122
Water Basic	1 056 889	978 450
Hire of machinery	23 030	7 289
New Connection-Water	139 245	157 060
Emptying sewer Tang per tang	6 548	3 000
Surcharges from NORED	413 971	423 487
Fees on Clearance Certificate	15 086	3 100
Water Re – connection	17 724	48 892

## OMUTHIYA TOWN COUNCIL

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE

(Continued)

	2020	2019
	N\$	N\$
<b>11. REVENUE EARNED (continued)</b>		
Water Disconnection	3 913	23 801
New Connection	-	30 110
Rental office space	2 400	870
corporate wear	1 985	61 292
sport stadium rental fees	5 770	(49 265)
Building plan fees	294 617	109 887
Discount received	18 690	18 379
Sales of Refuse Bins	3 476	-
Soccer Field Rental	230	-
Hiring of Plastic Chairs	435	-
	<b>32 231 210</b>	<b>53 675 936</b>
<b>12. EXPENDITURE</b>		
Council general expenses	986 307	1 438 267
Chief executive officer	1 627 078	2 352 698
Finance department	3 926 155	3 950 563
Fire brigade	285 177	856 122
Technical department	1 978 697	2 749 237
Cemeteries	30 000	-
Health department	315 054	1 523 271
Human resources department	958 205	1 514 444
Town planning	2 069 268	21 754 544
Cleansing	749 800	837 370
Sewerage	209 408	288 208
Assessment rates	317 071	524 153
Water department	5 125 144	4 046 115
Depreciation-Properties, Plant and Equipment	9 826 776	9 547 373
Bad Debt Provision	3 883 569	2 306 927
Provision for Employee Benefits	(56 499)	(13 356)