

REPORT TO THE EXECUTIVE MAYOR
OFFICE OF THE ACCOUNTING OFFICER

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE
2008/2009 BUDGET FOR THE PERIOD ENDING 31 DECEMBER 2008

1. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

2. STATEMENT OF FINANCIAL PERFORMANCE

The Statement of Financial Performance presented below, compares the expenditure and revenue on accrual basis against budget for the period ending 31 December 2008.

Table 1: Statement of Financial Performance for the period ending 31 December 2008

BUFFALO CITY MUNICIPALITY					
STATEMENT OF FINANCIAL PERFORMANCE					
		2008/09 ANNUAL BUDGET	2008/09 YTD BUDGET	2008/09 YTD ACCRUED INC / EXP	2008/09 VARIANCE
STATEMENT OF FINANCIAL PERFORMANCE	Note	R	R	R	%
OPERATING INCOME					
Property Rates		359,453,670	219,730,853	220,170,315	0.20
Service Charges	1	1,052,913,454	530,232,072	527,641,368	(0.49)
Rental of Facilities and Equipment		9,604,292	4,802,146	3,424,213	(28.69)
Interest Earned - External Investments		18,318,834	9,159,417	36,510,529	298.61
Interest Earned - Outstanding Debtors		33,878,313	16,939,157	17,790,322	5.02
Dividends Received		49,867	24,934	33,328	33.67
Fines		8,021,879	4,010,940	3,626,214	(9.59)
Licences and Permits		11,585,596	5,792,798	5,947,820	2.68
Government Grants and Subsidies	2	348,165,556	207,437,366	194,392,620	(6.29)
Other Income	3	128,016,564	64,008,282	58,033,766	(9.33)
Operating Project Grants		204,284,640	102,142,320	51,311,629	(49.76)
Total Operating Revenue		2,174,292,665	1,164,280,284	1,118,882,125	(3.90)
OPERATING EXPENDITURE					
Employee Related Costs	4	679,114,422	339,557,211	324,710,433	(4.37)
Bad Debts		42,283,339	21,141,670	21,141,670	0.00
Collection Costs		10,164,294	5,082,147	6,019,465	18.44
Depreciation		186,058,475	93,029,238	93,029,238	0.00
Repairs and Maintenance	5	140,334,210	70,167,105	46,392,633	(33.88)
Bulk Purchases	6	458,883,573	238,722,778	247,729,889	3.77
Contracted Services		6,846,154	3,423,077	1,724,402	(49.62)
Grants and Subsidies Paid		4,857,652	2,428,826	667,000	(72.54)
General Expenses - Other	7	420,671,829	210,335,915	182,328,285	(13.32)
Operating Projects	8	204,284,640	102,142,320	51,311,629	(49.76)
Total Operating Expenditure		2,153,498,588	1,086,030,286	975,054,643	(10.22)
Transfer to/from Leave Reserves		(20,361,751)	(10,180,876)	(3,148,847)	
OPERATING SURPLUS/(DEFICIT)		432,326	68,069,122	140,678,635	

The method of estimating the Year-to-Date (YTD) Budgets is:

- Grants, rates and service charges – historical income trends
- Other Income – six months of the Annual Budget
- Electricity and Water bulk purchase – seasonal trends
- Expenditure (excluding Electricity and Water Bulk purchases) – six months of the Annual Budget.

The Year-to-Date (YTD) percentage Variance is calculated by comparing the Year-to-Date (YTD) Accrual Income/Expenditure with the Year-to-Date (YTD) Budget.

The debtor's collection ratio for the six months ending 31 December 2008 is 91.48%.

Comments on Revenue and Expenditure with reference to "Table 1"

Note 1: Service Charges

Service Charges	2008/2009 Annual Budget R	2008/2009 YTD Budget R	2008/2009 YTD Expenditure R	2008/2009 Variance R	YTD Variance %
Electricity Service	604,173,373	302,939,147	302,618,763	320,384	(0.11)
Water Service	196,809,224	94,219,102	88,992,968	5,226,134	(5.55)
Refuse Service	119,414,425	58,136,172	63,040,365	(4,904,193)	8.44
Sewerage Service	132,516,432	74,937,651	72,989,272	1,948,379	(2.60)
TOTAL	1,052,913,454	530,232,072	527,641,368	2,590,704	(0.49)

The total service charges billing income indicates a negative variance of 0.49% (R2.59 million) for the period ending 31 December 2008. The annual budget will be revised through the 2nd adjustment budget to adjust Revenue and Expenditure estimates downwards as there is a material under collection on Water Services Revenue during the first 6 months of the current financial year.

Note 2: Government Grant income

The Grant Income received as at 31 December 2008 includes the equitable share grant allocation of R 180.98 million.

Note 3: Other income

Other income which is made up of numerous miscellaneous items reflects a cash inflow of R58.03 million as against an estimated budget of R64.01 million.

Note 4: Employee Related Costs

Employee Related Costs	2008/2009 Annual Budget R	2008/2009 YTD Budget R	2008/2009 YTD Expenditure R	2008/2009 Variance R	YTD Variance %
Officials Remuneration	659,247,385	329,623,693	314,603,259	15,020,433	(4.56)
Councilors Remuneration	19,867,037	9,933,519	10,107,174	(173,655)	1.75
TOTAL	679,114,422	339,557,211	324,710,433	14,846,778	(4.37)

The Basic Salaries and Wages were under spent by 4.37%. This is due to vacant funded posts that are not yet filled by the various Directorates and is well within the norm. The savings will be utilised to fund the Job evaluation/new tasks grading to be implemented in the third quarter of the current financial year as well as the councillors remuneration.

Note 5: Repairs and maintenance

Repairs and maintenance expenditure efficiency ratio for the period ending 31 December 2008 is 66.12% (R46.39 million). The repairs and maintenance indicate a decrease in the expenditure pattern when compared to the same period in the previous financial year (2007/2008: 71.54%). It is anticipated that this will increase in third and fourth quarter of the current financial year.

Note 6: Bulk Purchases

Bulk Purchases	2008/2009 Annual Budget R	2008/2009 YTD Budget R	2008/2009 YTD Expenditure R	2008/2009 Variance R	YTD Variance %
Electricity Bulk Purchases	366,774,586	196,302,636	194,401,690	1,900,946	(0.97)
Water Bulk Purchases	92,108,987	42,420,142	53,328,198	(10,908,056)	25.71
TOTAL	458,883,573	238,722,778	247,729,889	(9,007,111)	3.77

The bulk purchases indicate an over expenditure of 3.77% (R9.01 million). The budget for the Bulk Water Purchases will be revised in the 2nd adjustment budget to address the over expenditure.

Note 7: General expenses

General expenditure efficiency ratio for the period ending 31 December 2008 is 86.68% (R182.33 million). The general expenses indicate an increase in expenditure pattern when compared to the same period in the previous financial year (2007/2008: 82.89%).

Note 8: Operating Projects

Operating Projects expenditure efficiency ratio for the period ending 31 December 2008 is 50.24% (R51.31 million). The current year's expenditure has increased when compared to the same period in the previous financial year (2007/2008: 28.31%). Comments on the under expenditure will be disclosed in the detailed report to the Council.

3. CAPITAL EXPENDITURE

The total capital expenditure as at 31 December 2008 amounts to R98.07 million which is 11% of the approved budget and the 1st adjustment budget for the 2008/09 financial year. The capital expenditure indicates a decrease in expenditure pattern when compared to the same period in the previous financial year (2007/2008: 15%). The expenditure is anticipated to increase in the next half of the current financial year. (Refer to annexure 3)

Table 2: Capital Expenditure for the period ending 30 November 2008/09, 2007/08 and 2006/7

Financial Year	Approved Budget	Adjusted Budget	YTD Actual Exp	YTD Exp/Approved Budget	YTD Exp/Adjusted Budget
	<u>R'million</u>	<u>R'million</u>	<u>R'million</u>	<u>%</u>	<u>%</u>
2008/09	902.09	862.09	98.07	11%	11%
2007/08	372.33	466.84	68.09	18%	15%
2006/07	475.96	384.63	86.66	18%	23%

4. Restructuring Grant Milestones

The restructuring grant projects are progressing well. The expenditure efficiency ratio for the period ending 31 December 2008 is 27% (R1.3 million). This expenditure ratio is low due to the fact that the directorates were engaged in the procurement phase of their projects in the first quarter of the financial year. The expenditure ratio is expected to improve drastically in the second half of the financial year. (Refer to annexure 4)

CONCLUSION

- The actual operating expenditure is well within the allocated budget for the period ending 31 December 2008.

Recommendation

It is recommended that -:

- The statement of financial performance and the implementation of the 2008/2009 budget for the period ending 31 December 2008 be adopted in terms of the MFMA.
- The budget Water Services be revised accordingly in the 2nd adjustment budget to address the under collection of revenue and the over expenditure incurred.

V.R. LWANA
ACTING ACCOUNTING OFFICER

E.L.L. MNQONYWA
ACTING CHIEF FINANCIAL OFFICER

ANNEXURE:

- 1 Revenue Projections by Source
- 2 Year to date Summary Projection of Revenue and Expenditure by Function
- 3 Capital Expenditure
- 4 Schedule of Restructuring Grant funded Projects
- 5 Schedule of Borrowings

REVENUE PROJECTIONS BY SOURCE**Table 1: Revenue projections by source for the period ending 31 December 2008**

	YTD December 2008 Projected Revenue	YTD December 2008 Accrued Revenue
Source	R'million	R'million
Assessment rates	220	220
Electricity	303	303
Sanitation	75	73
Water	94	89
Refuse removal	58	63
Grants & subsidies	207	194
Conditional Grants	102	51
Fines	4	4
Other	101	122
Total Revenue	1,164	1,119

Table 1 above depicts the Accrued Revenue collected as compared to the Projected Revenue for the six months ending 31 December 2008.

YEAR TO DATE SUMMARY PROJECTIONS OF REVENUE AND EXPENDITURE BY FUNCTION

Projections of Revenue and Expenditure per Function 31 December 2008

Vote / Function	YTD 'Dec - 08 Projected			YTD'Dec - 08 Actuals			Jan '08 - 'June '09		
	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000
Executive Mayor									
Vote : Executive & Council	18,231		2,793	15,815		9,598	18,231		2,347
Vote : Finance & Admin - IT	1,358	125	918	504		361	1,358	125	771
Vote : Finance & Admin - Other	23,476	43,237	9,809	15,224	576	3,076	23,476	43,237	8,247
Vote : Planning & Development	4,012		1,143	1,937		1,316	4,012		961
TOTAL	47,077	43,362	14,663	33,479	576	14,351	47,077	43,362	12,325
Municipal Manager									
Vote : Finance & Admin - Internal Aud	1,701		56	1,057		1,569	1,701		47
Vote : Finance & Admin (Other)	6,900			9,393		7,361	6,900		
Vote : Other				25,554		17,280			
Vote : Planning & Development									
TOTAL	8,601		56	36,003	-	26,209	8,601		47
Chief Operations Officer									
Vote : Finance & Admin (Other)	2,249	135	1,750		92		2,249	135	1,750
Vote : Planning & Development	7,446		7,446				7,446		7,446
Vote : Housing	43,803	13,950	40,029		737		43,803	13,950	40,029
TOTAL	53,498	14,085	49,224		829		53,498	14,085	49,224
Financial Services									
Vote : Finance & Admin (finance)	115,090	3,376	340,611	89,283	2,669	316,292	115,090	3,376	286,209
TOTAL	115,090	3,376	340,611	89,283	2,669	316,292	115,090	3,376	286,209
Corporate Services									
Vote : Executive & Council									
Vote : Finance & Admin (HR)	8,622	143		17,072	12	15,585	8,622	143	2,273
Vote : Finance & Admin (IT)	10,223	2,030	2,703	6,071		7,898	10,223	2,030	228
Vote : Finance & Admin (Other)	16,032	1,785	272	9,168	596	8,318	16,032	1,785	
TOTAL	34,877	3,958	2,975	32,311	608	31,802	34,877	3,958	2,501
Engineering Services									
Vote : Finance & Admin (Other)	13,088	40,000	1,571	11,025	9,668	21,006	13,088	40,000	1,319
Vote : Waste Water Management	67,220	60,053	99,782	61,424	17,002	92,616	67,220	60,053	83,874
Vote : Road Transport	56,113	76,582	4,758	57,910	20,258	22,979	56,113	76,582	3,998
Vote : Water	107,902	34,528	131,774	115,501	20,312	128,206	111,902	34,528	110,772
Vote : Electricity	260,550	54,646	315,707	257,686	5,258	296,414	232,636	54,646	265,229
Vote : Other (Vehicles)									
TOTAL	504,873	265,809	553,592	503,546	72,497	561,221	480,959	265,809	465,193
Planning & Development									
Vote : Finance & Admin (Other)	9,720	1,813	414	8,281	1,081	8,731	9,720	1,813	348
Vote : Planning & Development	40,609	46,844	15,018	29,728	10,482	7,731	40,609	46,844	12,629
Vote : Housing	338		321	355		300	338		270
Vote : Other (Bus & BCMET)	8,905	950	9,086	11,099	32	7,448	8,905	950	7,640
TOTAL	59,572	49,607	24,839	49,463	11,596	24,211	59,572	49,607	20,888
Public Health and Public Safety									
Vote : Finance & Admin (Other)	1,782			1,519	37	1,733	1,782		
Vote : Health	25,139	1,569	19,992	27,730	544	9,729	25,139	1,569	16,798
Vote : Public Safety	56,588	14,240	41,796	47,876	133	35,265	56,588	14,240	35,119
Vote : Other (Dog Tax)	360		552	270		540	360		463
TOTAL	83,869	15,809	62,339	77,396	714	47,267	83,869	15,809	52,381
Community Services									
Vote : Finance & Admin (Other)	2,839		706	1,784	37	29	2,839		593
Vote : Community Services	29,690	8,333	6,797	26,636	1,987	9,912	29,690	8,333	5,713
Vote : Sports & Recreation	20,870	4,643	1,630	19,407	1,591	1,281	20,870	4,643	1,371
Vote : Environmental Protection	30,707	5,070	1,749	29,625	863	2,512	30,707	5,070	1,470
Vote : Waste Management	89,774	36,994	98,933	76,123	4,099	83,794	89,774	36,994	83,163
TOTAL	173,881	55,040	109,815	153,574	8,578	97,528	173,881	55,040	92,311
Total by Function	1,081,337	451,044	1,158,113	975,055	98,067	1,118,882	1,057,423	451,044	981,079

Note: The table above indicates the comparative of the projected and actual expenditure incurred and revenue earned for the period ending 31 December 2008.

CAPITAL EXPENDITURE

The total capital expenditure as at 31 December 2008 amounts to R98.07 million which is 11% of the approved budget and the 1st adjustment budget for the 2008/09 financial year. The capital expenditure indicates a decrease in expenditure pattern when compared to the same period in the previous financial year (2007/2008: 15%).

The year to date expenditure per funding source is reflected in table 1 below.

Table 1: Capital Expenditure per Funding Source

Funding	Approved 2008/2009 R	Adjusted Budget 2008/2009 R	Expend. 2008/2009 R	YTD Exp/ Approved Budget %	YTD Exp/ Adjusted Budget %
Contribution to Accumulated Surpluses	650,000	2,150,000	432,146	66%	20%
Capital Replacement Reserve	128,633,052	139,051,726	21,988,046	17%	16%
DBSA (Loan)	250,000,000	250,000,000	6,691,134	3%	3%
External Financing Fund / DBSA	65,902,688	66,122,688	12,039,273	18%	18%
Total Own Funding	445,185,740	457,324,414	41,150,599	9%	9%
Buffalo City Metropolitan Transport	14,659,997	14,650,240	989,785	7%	7%
Department of Sports Recreation Arts & Culture	50,000,000	50,000,000	0	0%	0%
Department of Land Affairs	2,953,025	2,894,882	766,084	26%	26%
Department of Local Government & Housing	27,968,398	26,505,359	531,858	2%	2%
Department of Water Affairs & Forestry	281,394	260,094	0	0%	0%
Development Bank of South Africa Grant	51,078	51,078	0	0%	0%
Department of Science & Technology	4,266,008	4,266,008	387,073	9%	9%
Disaster Management Fund	368,170	340,914	19,868	5%	6%
Eastern Cape Development Corporation	344,272	344,272	0	0%	0%
European Commission	53,261,212	54,054,377	4,078,568	8%	8%
Integrated National Electricity Provider	35,453,971	34,345,725	3,073,086	9%	9%
Leiden Platform	18,822	1,500,000	1,170,177	6217%	78%
MSIG	100,161	12,774	0	0%	0%
Municipal Infrastructure Grant	202,150,279	187,877,480	44,624,645	22%	24%
Neighbourhood Development Partnership Grant	41,100,000	9,300,000	0	0%	0%
Other (Lotto)	432,549	432,549	87,994	20%	20%
PUBLIC	8,000,000	8,000,000	0	0%	0%
Public Transport Infrastructure & Systems Grant	8,592,000	8,592,000	1,175,946	14%	14%
Restructuring Grant	6,728,170	1,166,726	11,933	0%	1%
Swedish International Development Agency	173,701	173,701	0	0%	0%
Total Grant Funding	456,903,207	404,768,179	56,917,018	12%	14%
Total Capital Budget - All Funding Sources	902,088,947	862,092,593	98,067,617	11%	11%

The actual capital expenditure for the month of December 2008 has increased when compared to the same periods in 2007/2008 and 2006/2007.

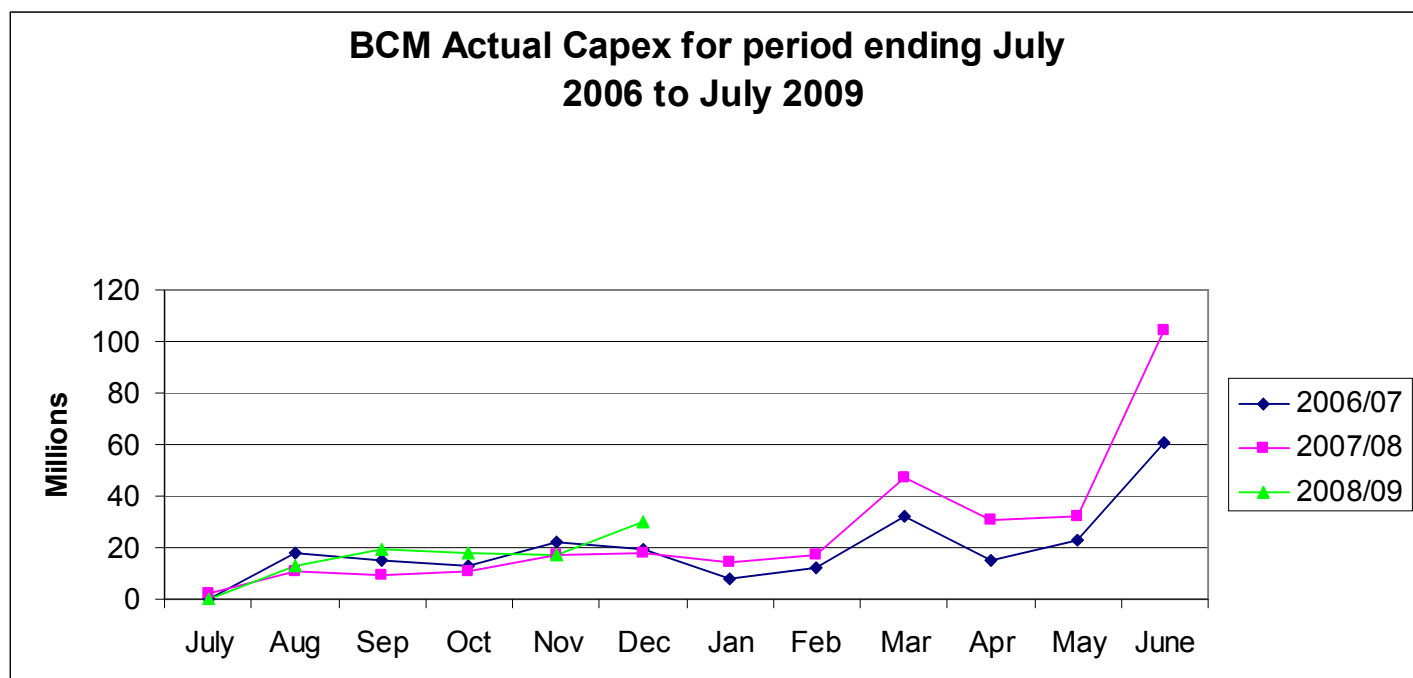


Table 2 identifies the actual Capital Expenditure per Directorate against budget.

Table 2: Actual Expenditure per Directorate against Budget

Directorate	Approved 2008/2009 R	Adjusted Budget 2008/2009 R	Expend. 2008/2009 R	YTD Exp/ Approved Budget %	YTD Exp/ Adjusted Budget %
Directorate Executive Support Services	86,907,279	86,921,279	576,047	1%	1%
Directorate Chief Operations Officer	28,336,398	28,257,554	829,387	3%	3%
Directorate of Finance	5,721,655	12,763,921	2,669,419	47%	21%
Directorate of Corporate Services	8,022,961	7,366,733	607,536	8%	8%
Directorate of Engineering Services	531,766,842	490,177,768	72,497,483	14%	15%
Directorate of Development Planning	99,251,083	89,632,882	11,595,734	12%	13%
Directorate of Health & Public Safety	31,853,274	33,764,554	713,798	2%	2%
Directorate of Community Services	110,229,455	113,207,902	8,578,213	8%	8%
Total Capital Budget - All Directorates	902,088,947	862,092,593	98,067,617	11%	11%

Table 3 below gives a breakdown of the spending per Service.

Table 3: Spending per Service

Service	Approved 2008/2009 R	Adjusted Budget 2008/2009 R	Expend. 2008/2009 R	YTD Exp/ Approved Budget %	YTD Exp/ Adjusted Budget %
Water	68,555,136	65,403,529	20,311,604	30%	31%
Waste Water	120,105,414	114,441,651	17,002,091	14%	15%
Electricity	109,292,609	101,384,569	5,276,024	5%	5%
Roads and Stormwater	153,164,683	141,854,019	20,257,760	13%	14%
Housing	27,968,398	26,739,554	737,292	3%	3%
Transport Planning	85,342,000	62,936,479	10,427,789	12%	17%
Cleansing	73,987,213	73,174,658	4,099,183	6%	6%
Amenities	25,951,645	30,642,676	3,578,629	14%	12%
Environmental Services	5,874,589	4,962,060	475,941	8%	10%
Health Services	3,138,371	3,288,371	543,966	17%	17%
Public Safety	28,479,903	30,241,183	133,302	0%	0%
Support Services	102,855,807	106,463,910	4,006,879	4%	4%
Other	97,373,179	100,559,934	11,217,156	12%	11%
Total Capital Budget - All Services	902,088,947	862,092,593	98,067,617	11%	11%

Schedule of Restructuring Grant funded Projects

DIR	VOTE/PROJ.No.	PROJECT TITLE	Adj. Annual Budget 08/09	YTD Adj. Budget 08/09	YTD Exp 08/09	YTD Exp./YTD Adj.Budget
ESS	1050051770105	2010 World Cup: Est. Ancillary Costs	84,185	42,093	-	0%
ESS	1050051770105	2010 Operational Requirements	1,300,000	650,000	517,349	80%
ESS	1050201770105	Ward Development Projects	26,370	13,185	-	0%
ESS	1050301770105	Special Programmes Focal Areas	139,120	69,560	12,090	17%
ESS	1100151770105	CDS Implementation	808,049	404,025	-	0%
ESS	1200101770105	Computer Software	51,939	25,970	30,702	118%
MM	2150051770105	Institutional Performance Audit	12,572	6,286	-	0%
DOF	3150051770105	Credit Rating of BCM	109,460	54,730	-	0%
DOF	3150051770105	Audit Amount for National Treasury	431,507	215,754	-	0%
DOF	3150051770105	Predictive Planning	12,113	6,057	-	0%
DOF	3200051770105	GRAP Implementation	293,848	146,924	293,848	200%
DOF	3200051770105	Fixed Asset Management System	181,847	90,924	179,189	197%
DOF	3200101770105	Supply Chain Management	25,287	12,644	-0	0%
DOF	3300051770105	General Valuations C/O	226,306	113,153	700	1%
DOF	3300201770105	Customer Incentive Scheme	655,100	327,550	-	0%
DCS	4150251770105	BCM : IT Strategy	24,051	12,026	-	0%
DCS	4200201770105	Councillor Training	64,247	32,124	55,621	173%
DCS	4200201770105	Employee Wellness - HIV/AIDS	1,526	763	-	0%
DES	5200051770105	BCM Water Service Authority Investigation	1,921,355	960,678	101,721	11%
DES	5250251770105	Surfacing of Roads	1,170,829	585,415	47,180	8%
DDP	6150951770105	Painting of City Hall & Gonubie House	13,313	6,657	-	0%
DDP	6150951770105	Renovations City Hall	111,657	55,829	12,123	22%
DDP	6350051770105	Assessment of the Tourism Function in BCM	7,188	3,594	-	0%
DDP	6350051770105	Formalization and empowerment of Comm. Tourism Organisatio	6,924	3,462	-	0%
DDP	6350051770105	SMME DATA BASE AND PROFILE -C/O	3,421	1,711	-	0%
DDP	6350051770105	Broad Based Black Economic Empowerment (BBBEE) Monitor	2,250	1,125	-	0%
DDP	6350051770105	Integrated Agriculture and Rural Development Strat - C/O	130,412	65,206	-	0%
DDP	6350051770105	Dimbaza Wall of Fame c/o	127,605	63,803	1,633	3%
DDP	6350051770105	Trade and Investment Promotion	11,404	5,702	-	0%
DDP	6350051770105	Ward Based Agriculture	100,000	50,000	-	0%
DDP	6350051770105	Economic Development Strategy	65,167	32,584	-	0%
DDP	6350051770105	Section 78(1) Assessment	200,000.00	100,000	0	0%
DDP	6050051770105	Civic Centre - Preliminary Cost	9,726.00	4,863	-	0%
DCOM	7500101770105	20 Refuse Skips	8,624.00	4,312	-	0%
DCOM	7500101770105	Section 78 Studies for the Zoo, Aquarium	179,298.00	89,649	-	0%
DCOM	7500101770105	NE Expressway - Cut Grass/Environ. Maint.	4,626.00	2,313	-	0%
DCOM	7650101770105	Viability Study on Market of Sports - C/O	79,463.00	39,732	40,000.00	101%
DCOM	7650251770105	Masterplan EL Zoological Gardens - C/O	60,731.00	30,366	-	0%
DOF	31500566539001	Computer Requirements	6,131	3,066	-	0%
DOF	33000566539002	General Valuations	461,334	230,667	-	0%
DOF	33000566539003	General Valuations	589,472	294,736	-	0%
DCS	40501066539004	Document Management	26,291	13,146	-	0%
DCS	41502566539006	BCM IT Equipment	8,419	4,210	-	0%
DCS	42000566539007	Employee Wellness Programme	26,283	13,142	11,933	91%
DES	52002566539009	Amahleke Water Supply - Upgrading	48,796	24,398	-	0%
			9,828,246.00	4,914,123.00	1,304,088.82	27%

SCHEDULE OF BORROWINGS AS AT 31 DECEMBER 2008

EXTERNAL LOANS						Balance at	Received	Redeemed	Balance at
Local Registered Stock						01/12/2008	during the	or written off	31/12/2008
Issued	Int Rate	Loan No.	Ref No.	Redeemable	Source	R	R	R	R
09/02/1990	16.50%	72	SC 13121/ELL110M-S	30/06/2010	CMB & OLD MUTUAL	8,000,000			8,000,000
19/12/1990	17.05%	73	AC 27451/ELL110M-S	31/12/2011	OLD MUTUAL	10,000,000			10,000,000
14/06/1990	17.90%	5/90	AA/256/12/14/5/90	30/06/2010	VULCAN COMMODITIES	160,000			160,000
						18,160,000			18,160,000
EXTERNAL LOANS						Balance at	Received	Redeemed	Balance at
Annuity Loans						01/12/2008	during the	or written off	31/12/2008
Received	Int Rate	Loan No.	Ref No.	Redeemable	Source	R	R	R	R
Brought forward						18,160,000			18,160,000
Annuity Loans									
09/02/2006	13.95%	INCA	BFF-00-0001	31/12/2020	INCA	114,311,179		1,723,036	112,588,143
01/06/2001	10.83%	13717	13717	30/06/2021	DBSA	54,736,842		2,105,263	52,631,579
01/06/2002	11.40%	100124	100124	30/06/2023	DBSA	137,857,803		1,779,709	136,078,094
09/06/2004	10.15%	100783	100783	30/09/2009	DBSA	6,000,000			6,000,000
29/06/2004	12.56%	101058	101058	31/12/2023	DBSA	53,517,168		574,883	52,942,285
01/12/1979	9.50%	CJPF 5	GNB109M-S	30/06/2009	INCA	17,004		8,305	8,699
30/03/2007	9.80%	102531	1 - 5	VARIOUS	DBSA	150,213,808	9,802,421	5,013,736	155,002,493
* DBSA facility available R 250,000,000									
Sub Total Annuity Loans						516,653,804	9,802,421.37	11,204,933	515,251,292
Sub Total Annuity & Stock Loans						534,813,804	9,802,421	11,204,933	533,411,292
Financial Leases									
Various		Various		Various		2,614,286			2,614,286
Sub Total Annuity, Stock Loans & Financial Leases						537,428,090	9,802,421.37	11,204,933	536,025,578
GRAND TOTALS						537,428,090	9,802,421	11,204,933	536,025,578