



SUBMISSION OF THE 2014/15 ANNUAL REPORT

It is with the great honour to submit the Annual Report of the Greater Tzaneen Economic Development Agency (GTEDA) for the period 1 July 2014 to 30 June 2015, in accordance with the Municipal Finance Management Act (MFMA), 2003 (Act No. 56 of 2003)

Mr. MW Mulaudzi

Acting Chief Executive Officer

Date: 19/12/2015

Mr. MZ Mawasha

Board Chairperson

Date: 19/12/2015

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PART 1: INTRODUCTION

Being a Municipal Entity, GTEDA is expected to prepare an Annual Report in accordance with the provisions of section 121 of its founding legislation, that is, the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA). This must be done every financial year without fail as the Annual Report serves the purpose of providing a record of the activities of the Entity during the financial year under review; providing a report on performance against the budget of the Entity for the same period; and promoting accountability to the People of the Greater Tzaneen Municipality for the decisions made throughout the year by the Entity.

As GTEDA, we believe that it is through the Annual Report that we are able to foster transparent governance and accountability.

PART 2: GENERAL INFORMATION OUR VISION

To be the leading catalyst for sustainable economic development in the Greater Tzaneen Municipal area.

MISSION

To implement the local economic development strategy and foster an entrepreneurial culture.

VALUES

Being an institution whose mandate is to serve the people of the Greater Tzaneen Municipality, GTEDA fully subscribes to the values as embodied in the *Batho Pele* Principles.

STRATEGIC OBJECTIVES

- Ensuring Good Governance;
- Organisational/Institutional Development (HRM & Labour Relations);
- Ensuring Financial Viability and Management;
- Economic Development; and

- Research and Innovation.

LEGISLATIVE MANDATE

As a Municipal Entity of the Greater Tzaneen Municipality (GTM) established with the main aim of implementing economic development within the GTM area, the Greater Tzaneen Economic Development Agency (GTEDA) therefore derives its legislative mandate first and foremost from Chapter 10 of the *Municipal Finance Management Act, 2006* (Act No. 53 of 2003) and its Regulations read with Chapter 8A of the *Municipal Systems Act, 2000* (Act No 32 of 2000) and its Regulations. GTEDA also ensures compliance, to an extent applicable, to other legislation governing local government including, but not limited to the following:

- The Constitution of the Republic of South Africa, 1996;
- Basic Conditions of Employment Act, 1997 (Act no. 75 of 1997);
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- Disaster Management Act, 2002 (Act No. 57 of 2002) and its Regulations;
- Division of Revenue Act, 6 (Act No. 6 of 2012);
- Employment Equity Act, 1998 (Act No. 55 of 1998);
- Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 2005);
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005);
- Labour Relations Act, 1995 (Act No. 66 of 1995);
- Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);
- Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- Municipal Fiscal Powers and Functions Act, 2007 (Act No 12 of 2007);
- National Archives Act of South Africa Act, 1996 (Act No. 43 of 1996);
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) and its Regulations;
- Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004);
- Promotion of Access to Information Act, 2000 (Act No. 2 of 2000);
- Promotion of Administration to Justice Act, 2000 (Act No. 3 of 2000);
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000);
- Skills Development Act, 1998 (Act No. 97 of 1998);
- Skills Development Levy Act, 1999 Act No. 9 of 1999;
- Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003);
- White Paper on Local Government;

GLOSSARY

A-G	Auditor-General
AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
ARMC	Audit and Risk Management Committee
BSSC	Business Services Support Centre
CEO	Chief Executive Officer
GTEDA	Greater Tzaneen Economic Development Agency
GTM	Greater Tzaneen Municipality
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IODSA	Institute of Directors South Africa
LDA	Limpopo Department of Agriculture
MFMA	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
PwC	PricewaterhouseCoopers
SAIMET	Southern Africa Institute of Management
SETA	Sectoral Education Training Authority
SMME	Small Medium Micro Enterprises

FOREWORD BY THE CHAIRPERSON

The end of the 2014/15 financial year falls within the year that marks a major milestone, that is, the seven years anniversary for GTEDA since its existence and the completion of the five (5) milestone phases. As we complete these significant milestones, we remain mindful still, of the important mandate and role that has been entrusted upon us by our Parent Municipality and that is, the mandate of promoting the economic development of the Tropical Paradise.

Operations

While GTEDA remains committed as the key instrument of the economic drive and to be an important component of South Africa's economic development equation, what is required for continued operations is a mechanism/strategy to source additional funding. This matter is a subject of ongoing discussions between the Board and the Parent Municipality. Related to this is the need to expedite the required support in project prioritization which will lead to both GTEDA being self-sustainable as well as the economy of the Greater Tzaneen Municipal area being sustainable.

Despite the above challenges, we remain particularly proud of the sound governance standing among other Development Agencies and we continue to work hard to retain the unqualified audit opinion; whilst still realizing the critical need to work even harder, towards self-sustainability.

Governance

Boards are tasked with ensuring an effective governance framework within their respective institutions. Moreover as Government institutions, Municipal Entities operate within an industry that is highly regulated. In line with the latter, GTEDA is committed to continue operating with the utmost transparency. In the few years of its existence, a number of systems have been implemented as part of the organisation's efforts to achieve greater higher levels of good governance and accountability to both the shareholder and the community. To ensure that GTEDA is equipped to meet these challenges in a way that is fair and transparent, the organisation is monitored and regularly reviewed by a number of independent bodies.

The Board also plays a vital role in ensuring that GTEDA meets its developmental obligations, while adhering to the strictest standards and operating in a manner that not only benefits the community which the Agency serves, but also serves the Shareholder's interests. To this end, a number of policies have been introduced and existing policies reviewed, such as those dealing with conflicts of interest.

Attention has been focused on key areas such as Economic Development through key projects, and Sound Corporate Governance. Again, relevant policies and procedures have been put in place to ensure that GTEDA now adheres strictly to all requirements and is able to address challenges effectively. The Board and management are similarly committed to the acceleration of skills development and transformation in our industry. With the well-established governance structures for thorough and diligent Board oversight and

communication, and with the key strategic issues underlying the operational, I feel that despite the significant challenges that still remain, it is within the power of the Agency, its management, Board and Shareholder, all working in partnership, to put in place the necessary requirements that will set the Agency on a new footing for both financial and developmental success.

Risks, Challenges and Opportunities

By the time this Annual Report is published, the Chief Executive Officer, Kwena Maphoto, will have left the organisation as his contract came to an end. On behalf of the Board, I wish to thank him for his contribution to GTEDA, as Chief Executive Officer. I am pleased to announce that the process for the selection of Mr Maphoto's successor is underway.

GTEDA strives to be a learning organisation. We constantly reflect on our development and operational practice in order to improve our effectiveness and outcomes.

There are also a number of system improvements that are required to enhance the efficiency of project development, financial management and risk management in GTEDA. These include more strategic medium term project planning and prioritization and more regular project risk assessment consultations.

Acknowledgements

With a sense of appreciation, the Board would like to acknowledge the following:

- The Greater Tzaneen Municipal Council and Executive Committees in their respective portfolios for their loyal support,
- Members of the Economic Cluster Portfolio Committee for their constructive role,
- The Industrial Development Corporation (IDC),
- The Former Board of directors for passing on the baton on a ground well set,
- Colleagues on the Board for their participation in robust Board deliberations, and
- The Management and staff of GTEDA for their contribution to the organisation's performance.

Mr MZ Mawasha

Board Chairperson

EXECUTIVE SUMMARY BY THE CHIEF EXECUTIVE OFFICER

We have once again completed yet another successful financial year. This has been a financial year full of challenges and successes in the history of the Agency. Our pivotal relationship with the Industrial Development Corporation (IDC), who was a key stakeholder during our formation and funded us throughout the years, has ended. This is a result of their commitment to fund the pre-establishment phase of the Agency. We take this opportunity to thank the IDC for the role they played to ensure Greater Tzaneen Municipality has a vehicle that will drive its socio-economic agenda and ensure job creation and economic development. We hope our relationship will be revived in the second phase of taking the Agency to new heights and that IDC will continue to support our projects.

However, the departure of IDC created a financial vacuum which needed urgent attention; we salute and thank the Municipality (main shareholder) for filling the void and ensuring the agency continues to carry its mandate without any hiccups.

We are constantly ensuring improvement in terms of our financial systems as we as our way of doing business. We are hopeful for our 6th unqualified Audit opinion once the Auditor-General of South Africa has completed the audit.

Corporate Social Investment

As part of our Social Corporate Investment Programme and Mandela month initiatives, GTEDA has, in partnership with stakeholders, contributed to the following:

- Donated toys to children at paediatric wards at Letaba, Van Velden and Dr CN Phatudi hospitals; and
- In partnership with professionals in various fields, rendered free Medical, Legal and Social services to all communities in and around Lenyenye and Nkowankowa townships.
- Renovated and painted crèches and pre-schools at Lephephane.

We thank all sponsors, partners and the community for having participated in this very successful event.

Projects

Our projects report has a detailed analysis of the successes and challenges encountered during the implementation of our projects; therefore I will only give a snapshot of key highlights. The report is contained in this Annual Report in details but let me take this opportunity to highlight some successes.

Business Services Support Centre (BSSC).

The first “Financial Institution” owned by disadvantaged people and small medium enterprises has been officially registered with the Co-operatives Bank Development Agency and has been granted a licence to operate. Its membership grew to over 280 members and is increasing. This will give SMMEs a bargaining voice in a sector dominated by capitalist banks and will ensure SMME sustainability.

Livestock Improvement

We involved the Department of Rural Development and Land Reform and SEDA as partners to the project to ensure it receives the financial and non-financial support needed to take this project to new heights. Our initiatives have started to yield results and we hope these initiatives will be cascaded to other projects. We have successfully renewed our free lease agreement with Limpopo Economic Development Agency for a period of nine months and we hope this will go a long way towards financially relieving the agency and the project. The upgrading of the current Leather Making Factory into a hub, housing bead making, sofa and shoe manufacturing, artwork and crafts has commenced.

The Tannery project has received the much needed training by Bosveld Tannery situated in Polokwane and members will be able to treat and cure animal hides for collection by Bosveld Tannery. This will provide a much needed cash injection which will improve the business side of this project. We hope that communities will support the project by selling their animal skins at a premium.

Shopping Centres development

Our efforts to ensure rural shopping developments are continuing as planned and GTEDA, in partnership with stakeholders including communities, is facilitating the appointment of developers for the building of shopping centres at Mokgwathi and Morutji communities. We are awaiting the finalisation of logistics and approvals relating to implementation of this project. We are also, as mandated, assisting in the facilitation of investors for the building of shopping centres at N'wamitwa and Dan/ Bindzulani.

Radio Station (GTFM 104.8)

The community's mouth piece continued to deliver high quality programmes amidst their financial difficulties; we hope to implement a sound financial and management strategy that will ensure future sustainability of the station and its ability to deliver the "three sides to every story, that is, the one side, the other side and the truth".

Restituted farms

Key to GTEDA's mandate is the revitalisation of restituted farms earmarked for job creation in our area. The Greater Tzaneen's economy is bolstered around agriculture and farming should take centre stage. However due to disputes at most of these farms, GTEDA's role of ensuring attraction of investors was not achieved. We hope the intervention of various stakeholders will resolve these challenges and create a platform for the Agency to carry out its mandate and open opportunities for our people.

My appreciation and thanks also go to Management and all staff that makes things happen every day. We hope that the Agency will be able to increase its financial muscle and increase capacity and manpower to ensure it is on course to deliver to the people.

We thank the Almighty God who made it possible that we achieve all these and He will continue to be on our side.

Mr. MW Mulaudzi

Acting Chief Executive Officer

PART 3: CORPORATE GOVERNANCE REPORT

GTEDA through its Board of Directors, Management and Staff, strives to create sustainable value to our Shareholder, Funders and most importantly to the Communities that it is mandated to serve. It is for the latter reason that our system of Corporate Governance is designed to support this goal. This is also evidenced by our continuous and consistent positive audit outcomes. GTEDA continues to comply with applicable laws and implements best corporate governance standards over and above upholding the principles of transparency, accountability and business integrity in all its dealings with stakeholders.

Having assured our Stakeholders of delivering the best corporate standards, we present our **Corporate Governance Report** as follows:

BOARD OF DIRECTORS

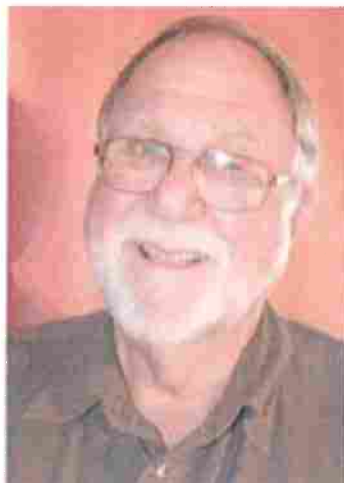
Though with challenges, we continued to comply with the requirements of a responsible and accountable Board as recommended in Chapter 2 of the King III Report.

Board Composition: For the period under review, the Board only comprised of four (4) Board Members down from the initial Membership of ten (10). Together with the Shareholder a commitment was made to review the skills shortage of the current Board in the financial year under review. However appointments were not been possible due to the change in key structures within the Political and Administrative Leadership. As a result the number of Board Members remained at four (4) (including the in-House Company Secretary) during the financial year under review, as a result of continued resignations. The latter did not fall short of the realisation that there is a serious need to still improve on the economic development and investment muscle in terms of additional skills to the Board in order to effectively carry out the core mandate of GTEDA. We are hopeful that this will be achieved in the next financial year.

OUTGOING BOARD: The Board in the year under review (2014/15) consisted of the following Members:



Mrs. MF Mushwana
Chairperson of GTEDA Board



Mr. MV Gardner
Deputy Chairperson



Mr. MC Msimanga
Director



Adv. VJG Baloyi
In-House Company Secretary



Mr. KJ Maphoto
Chief Executive Officer

Board Term: Directors are appointed on a fixed term of three (3) years with a possibility for an extension for a further 2 years. Due to the continuous change in both the Political and

Administrative Leadership of the Shareholder, the term of the current Board was extended in order to ensure continuity and succession planning. A new Board will be appointed in the next financial year.

Accountability, Roles and Functions of the Board: All Board Members are independent and have appropriate processes in place that are crucial for the effective functioning of the Board, with the exception of the In-house Company Secretary who acts as a liaison between the Board and Management. It is hoped that the issue of an undesirable system of In-House Company Secretary will be resolved in the 2015/16 financial year. The Board continued to ensure an efficient and balanced decision-making process to guarantee a seamless information transfer.

Board Training and Development: GTEDA put great emphasis on the training of our Board, Performance Evaluation and on improvement of our individual Board Members and the Board as a whole. However there was no training conducted for the period under review since the current Board Term of Office has been extended to December 2014. All Board Members are registered Members of Institute IODSA in order to keep abreast with new developments affecting their roles as a Board.

Board Meetings Attendance:

Member	Position Held	Ordinary Meetings	Special Meeting	Board
Mrs. M.F Mushwana	Chairperson	3 of 4	1 of 1	
Mr. M.V Gardner	Deputy Chairperson	3 of 4	1 of 1	
Mr. M Msimanga	Member	3 of 4	1 of 1	
Adv. V Baloyi	In-house Company Secretary	3 of 4	1 of 1	

Board Committees

The Board continued to delegate certain of its duties to Board Committees which were all chaired by independent non-executive directors:

- Human Resource and Remuneration Committee; and
- Audit and Risk Committee.

Human Resource and Remuneration Committee (HRRECO), the HRRECO is comprised entirely of independent non-executive directors and is entrusted with the responsibility to deal with Human Resource and determining the broad remuneration policies of the Agency. This includes the determination of the remuneration of executive directors and senior management and staff in general. It also proposes fees for non-executive directors, which are then tabled for approval by the Council of GTM. The Chief Executive Officer attends meetings on invitation by the committee; however he is not allowed to vote on any issues and does not attend meetings where his own remuneration is being discussed.

With regard to **Nominations**, HRRECO is charged with the responsibility of identifying suitable candidates for directorships, and make recommendations to the Board which subsequently makes recommendations to the Parent Municipality. In this regard the Committee further advises on the composition of the Board, and the balance between executive and non-executive directors. It also provides advice to the Board on issues of succession planning, particularly in relation to the Chief Executive Officer and managers reporting directly to him/her and the Board itself.

Board Remuneration

Linked to the responsibilities of HRRECO are issues relating to remuneration of the Board of Directors, the CEO, Managers and staff in general. Despite its limited financial resources, GTEDA strives to remunerate its Board of Directors and Staff fairly and responsibly and within its means.

Within such limitations, GTEDA also strives to ensure that it employs and maintains a staff complement consisting of the highest calibre of individuals who subscribe to its values and are committed to delivering sustainable long-term performance. However, GTEDA is also aware of the challenges regarding the ability to attract, retain and motivate staff within all government sectors. The Board of Directors are paid a fixed remuneration per sitting whilst staff members are paid a fixed salary, whether appointed on a permanent or contract basis. Full time staff members are also entitled to a 13th cheque. The CEO also qualifies for a performance bonus as informed by the performance of the Agency. In the next financial year we plan to introduce a remuneration policy for Board fees and also a policy on performance management that we hope will see all employees entitled to performance bonuses for outstanding performance. However implementation thereof will be informed by the availability of funds.

The attendance of Members of the HRRECO was recorded as follows for the period under review:

Member	Position Held	Meetings
Mr. M.V Gardner	Member	2 of 4
Mr MC Msimanga	Member	2 of 4
Adv. VJG Baloyi	Acting Chairperson	2 of 4

Accountability and Audit

For the year under review, GTEDA operated with an effective and independent Audit and Risk Committee under the capable guidance of Mr MC Msimanga. **See a full Audit and Risk Committee Report under Part 6 of this Report.**

Evaluation of the Board and its Committees

GTEDA has an approved annual self-assessment (360 degrees) review process that has been developed for the Board, individual Directors and Board sub-committees, and was implemented more fully in this financial year.

CHIEF EXECUTIVE OFFICER:

GTEDA has a Chief Executive Officer who operated within an approved framework of delegations of authority. He was supported by the Finance and Administration Officer and the Projects' Manager for the day-to-day management of the Agency. Directors are kept informed of progress through regular reporting during quarterly meetings, special meetings and other means as may be agreed from time to time.

COMPANY SECRETARY

GTEDA is aware of the mandatory requirement to appoint a Company Secretary and further aware of the need of its Board to assess the qualification, competence and expertise of the Company Secretary; noting further that the Company Secretary should maintain an arms-length relationship with the Board of Directors and most importantly that the Company Secretary should ideally not be a director. However due to its size and the cost benefits thereof, GTEDA continued to utilise the services of one of its Board Members who provides in-house Company Secretary Services.

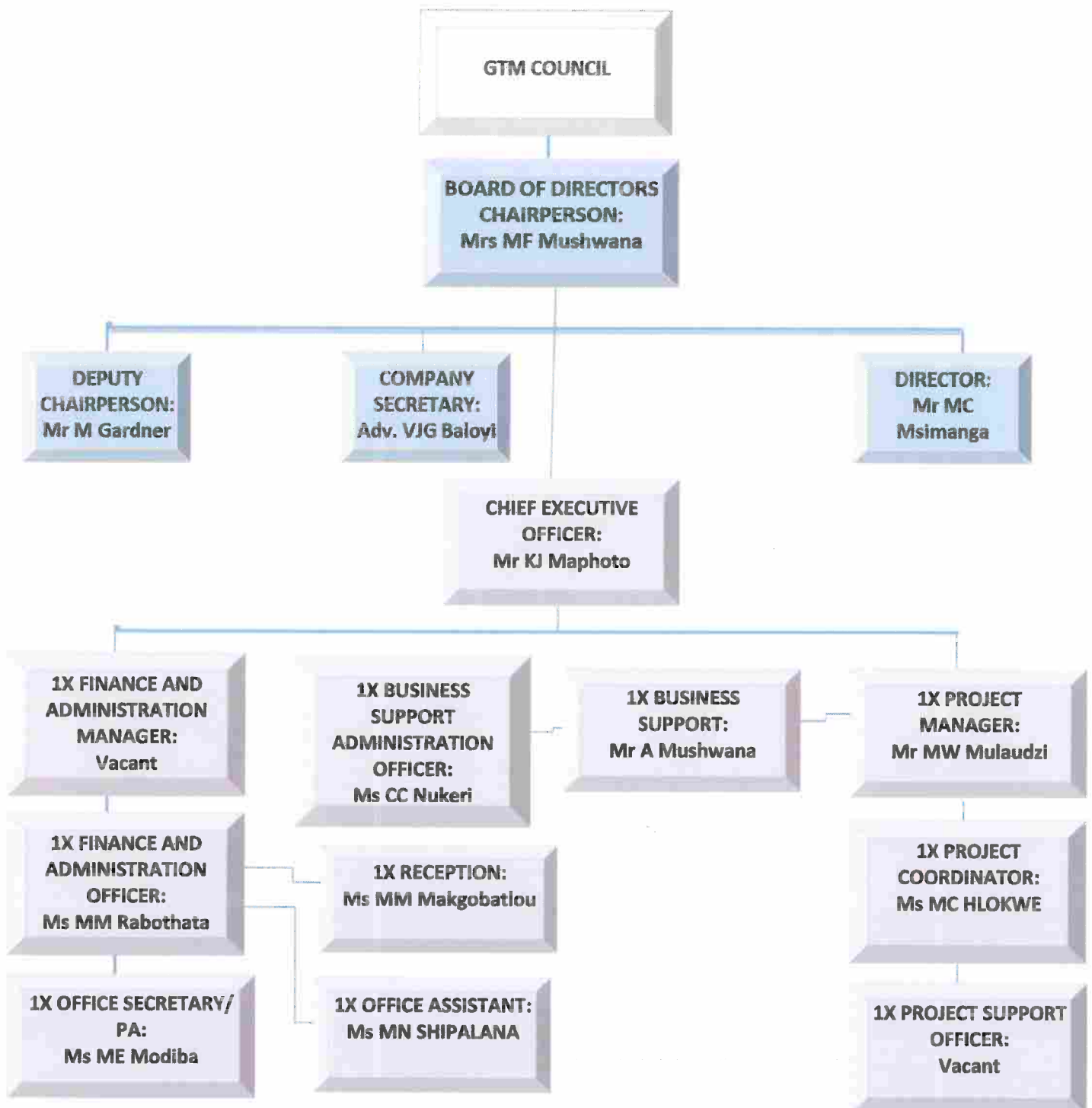
In order to continue to maintain best practice in this regard, the Company Secretary does not sign off any documents. The Board is also satisfied that the in-house Company Secretary is competent, suitably qualified and experienced. All Directors have access to the advice and services of the Company Secretary and are entitled to seek independent professional advice at the company's expense should such a need arise. They also have unrestricted access to all company information, records, documents and property. The current arrangement with regard to the position of the Company Secretary will be reviewed in the next financial year, funds permitting.

GENERAL

As we conclude our Corporate Governance Report, we are mindful of the fact that we need to continue to strive to improve in the interest of all our Stakeholders, that is mainly the communities that we serve. Furthermore to ensure that our Corporate Governance regime supports GTEDA in protecting the interests of our Shareholder and Funders by creating long term and sustainable shareholder and funder value and economic and social development for our communities. To this end, we have identified an improvement opportunity that will be implemented in the 2015/16 financial year. We are creating a Projects Management Committee of the Board to oversee the identification and implementation of Projects which informs to a larger extent the core of our Mandate as an Agency.

The Policy Review Process that was planned for the period under review was successfully carried out and this process saw most of the processes aligning to those of the Shareholder to some extent. We were successfully audited by the Auditor-General for the 2013/14 financial year and we are particularly pleased to register yet another clean audit with them.

PART 4: ORGANISATIONAL STRUCTURE 2014/15



For the period under review, GTEDA had an approved organogram with a staff complement of **nine (09)** under the guidance of the Chief Executive Officer assisted by the Personal Assistant.

The Finance and the Human Resource functions are performed under the guidance of the Finance and Administration Officer.

Human Resource Management:

Human Resource Administration: GTEDA currently does not have an approved Employment Equity Plan due to its size, however, to an extent practical, is sensitive to issues of employment equity when making appointments.

The workforce of GTEDA was constituted as follows for the year under review:

CA= Contract Appointment

Staff Categories	Male					Female					Total
	African	Indian	Coloured	White	Total Male	African	Indian	Coloured	White	Total Female	
Executive Management	1 (CA)	—	—	—	1 (CA)	—	—	—	—	—	1 (CA)
Middle Management	1 (CA)	—	—	—	1 (CA)*	1 (CA)	—	—	—	1 (CA)	2 (CA)
Lower Level	—	—	—	—	1	5	—	—	—	5*	6
Disabled	—	—	—	—	—	—	—	—	—	—	—
Contract Appointments	1	—	—	—	1	—	—	—	—	—	—
										TOTAL	9

Leave and payroll was handled effectively and efficiently.

Human Resource Development: For the period under review two Employees were offered bursaries to study in the following fields:

Course Description	Qualification	Institution
Financial Management	BCom Degree	Lyceum College
General Management	Diploma	Lyceum College

Office Management was maintained through the services of a Receptionist and a General Assistant who provided general auxiliary services.

Financial Management

GTEDA continued to maintain sound financial management and financial management systems.

Project Management Unit

The Project Management Unit is supported by the following Staff. (See operations of the Project Management Unit under Part 4).

Business Support Services Centre

The Business Support Services Centre is supported by the following Staff. (See operations of the Business Support Services Centre under Part 4).

PART 5: PERFORMANCE

Activities that relate/translates to the performance of GTEDA are organised within the following performance areas:

ANNUAL ORGANISATIONAL PERFORMANCE REPORT

KPA/ Theme	Strategic Objective	Programme	Strategic KPI	Baseline (end June 2014)	Target Sept '14	Actual Achieved 30 Sept '14	Target Dec '14	Actual Achieved 31 Dec '14	Target Mar '15	Actual Achieved 30 Mar '15	Target Jun '15	Actual Achieved 30 Jun '15	Reason for deviation
GG	Effective and Efficient administration	Board Structures	Updated governance charters approved by 30 Dec	1	Not applicable this quarter	Not applicable this quarter	30-Dec	None	Not applicable this quarter	1-Feb	Not applicable this quarter	Not applicable this quarter	Governance charters presented to Board 26 Nov 2014, this was deferred to next Board meeting. Thereafter Meetings were not held until after the new financial year.
GG	Effective and Efficient administration	Board Structures	% of Board members inducted and orientated by 30 July	100%	100%	0%	Not applicable this quarter	0%	Not applicable this quarter	0%	Not applicable this quarter	0%	No new Board appointed
GG	Effective and Efficient administration	Board Support	Number of board packs circulated 7 days before each meeting	4	1	0	2	2	3	3	4	3	The term of office for the current Board ended 30 June 2015 as a

GG	Effective and Efficient administration	Board Support	% of Board Resolutions implemented	79%	100%	75%	100%	90%	100%	83%	100%	90%	Due to Project disputes; and alignment processes which could not be implemented due to budgetary constraints.	result the Board meeting could not take place.
GG	Effective and Efficient administration	Board Support	Annual report approved by the Board by end December	26-Oct	Not applicable this quarter	Not applicable this quarter	30-Dec	Not yet approved	Not applicable this quarter	1-Feb-15	Not applicable this quarter	Not applicable this quarter	Draft Annual Report was presented to Board 26 Nov 2014; this was deferred back for inputs and serve to next Board meeting. Board could not sit in January as term of office ended in Dec, term was extended until end April	
GG	Effective and Efficient administration	Board Support	Annual report submitted to GTM by 10 January	9-Jan	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	10-Jan	20-Jan	Not applicable this quarter	Not applicable this quarter	Draft Annual Report was presented to Board 26 Nov 2014; this was	

GG	Effective and Efficient administration	Performance monitoring and reporting	Institutional Scorecard finalised by 30 May	28-Jun-14	Not applicable this quarter	1	Not applicable this quarter	2	Not applicable this quarter	3	Not applicable this quarter	30-May	4-Jun	deferred back for inputs and serve to next Board meeting. Board could not sit in January as term of office ended in Dec, term was extended until end April
GG	Effective and Efficient administration	Performance monitoring and reporting	# of quarterly progress reports submitted to the Board	4	Not applicable this quarter	1	Not applicable this quarter	2	Not applicable this quarter	3	Not applicable this quarter	4	4	None
GG	Effective and Efficient administration	Risk management	Number of updated Risk Registers submitted to the Board	4	Not applicable this quarter	1	Not applicable this quarter	2	Not applicable this quarter	3	Not applicable this quarter	4	4	None
GG	Effective and Efficient administration	Risk management	% compliance issues attended to within 7 working Days	90%	100%	90%	100%	80%	100%	90%	100%	95%	95%	SARS could not weave penalties on third party payments
GG	Effective and Efficient administration	Sound Governance	Audit opinion for GTEDA	Unqualified Audit Opinion 30 June 2013	Not applicable this quarter	1	Not applicable this quarter	2	Unqualified	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	None
GG	Effective and Efficient administration	Sound	# of audit	4	Not applicable this quarter	1	Not applicable this quarter	2	Unqualified	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	The term of

	Efficient administration	Governance	committee reports submitted to the Board														office of the current Board ended 30 June 2015 as a result the Audit Committee meeting could not take place.
GG / MFVM	Increase financial viability	Budget management	% of GTEDA budget spent	95%	25%	26%	50%	52%	75%	71%	100%	102%					None
GG / MFVM	Increase financial viability	Budget management	3 Year Budget approved by 30 April annually	5-Apr-14	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	30-Apr	30-Apr					None
GG / MFVM	Increase financial viability	Financial reporting	Number of Monthly Financial Reports submitted to GTM by the 7th of every month	12	3	3	6	4	9	9	12	12					None
GG / MFVM	Increase financial viability	Financial reporting	Financial Statements (AFS) submitted to GTM by 15 August	2-Aug-13	15-Aug	31-Aug-14	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter				First time submission of AFS to AGSA.
LED	Create a stable economic environment by attracting suitable investors	Economic Growth and Investment	# of committed investors attracted through GTEDA	5	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter		1					Didn't meet target due to disputes at key projects.
LED	Increased	Enterprise	# of SMMEs	4	1	-	2	6	3	14	4	12					None

	investment in the GTM economy	Development (SMIME support)	capacitated through GTEDA (1 Per cluster)	160	50	18	100	51	150	54	200	54		
LED	Increased investment in the GTM economy	Marketing and Investor Targeting	# of jobs created by GTEDA	9	Not applicable this quarter	8	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	9	9	54	Target not reached as key projects had disputes and no investments took place.
LED/ MTOD	Develop a high performance culture for a changed, diverse, efficient and effective local government	Employee Performance Management	Nr of Signed Performance Agreements by 30 July	4	1	1	2	2	3	3	4	4	9	None
LED/ MTOD	Develop a high performance culture for a changed, diverse, efficient and effective local government	Employee Performance Management	Nr of performance assessments concluded for GTEDA employees	4	1	1	2	2	3	3	4	4	4	None

PROJECT MANAGEMENT REPORT

KPA/Theme	Strategic Objective	Programme	Project	Planned end date	Opex 2014/2015	Qtr Ending 30 Sept '14	Actual Activities concluded by 30 Sept '14	Qtr Ending 31 Dec '14	Actual Activities concluded by 31 Dec '14	Qtr Ending 31 Mar '15	Actual Activities concluded by 30 Mar '15	Qtr Ending 30 Jun '15	Actual Activities concluded by 30 Jun '15	Reason for Deviation
LED	Increased investment in the GTM economy	Agriculture	Livestock improvement - Leather making	30/06/2015	R 80,000	<p>Project Implementation Plan finalised by 4 July '14. Monitor and evaluate Implementation of the Business Operational plan. Assist with resource mobilization. Finalise SLA with strategic partner. Compile monthly and quarterly reports.</p>	<p>Leather Making - Project Implementation Plan finalised. Monitoring and evaluation of the project done. 2014/15 business operational plan developed. Facilitated resource mobilisation with Department of social Development and IDC. Tannery Project - Facilitated the re-registration of the Co-operative with CIPC. Facilitated a draft MOU between the co-operative and GTEDA.</p>	<p>Monitor and evaluate project implementation in line with the Business Operational plan. Compile monthly and quarterly reports. Assist with resource mobilization in line with the quarterly reports. Assist with resource mobilization in line with the quarterly reports. Implement the Tannery Project Plan</p>	<p>Leather Making - Extension of services to include upholstery and beads making project. MOU signed between GTEDA and an upholstery project which will start operating from January 2015. Identified a partner at Letsitele. Monthly and quarterly reports compiled. Tannery Project - Identified a partner from Nwamitwa area (Mangovo Traditional Dancers) to assist with</p>	<p>Monitor and evaluate project implementation in line with the Business Operational plan. Compile monthly and quarterly reports. Assist with resource mobilization in line with the quarterly reports. Implement the Tannery Project Plan</p>	<p>Leather Making - Facilitated three project management meetings. Facilitated stakeholders meeting to review the strategic plan and marketing plan of the co-operative. Engaged LTA to assist with products exhibition. Monthly and quarterly reports compiled. Tannery Project - Three project meetings held. Site visit to Bosveld Hides (Tannery) in Polokwane with</p>	<p>Monitor and evaluate project implementation in line with the Business Operational plan. Compile monthly and quarterly reports. Assist with resource mobilization in line with the quarterly reports. Assist with resource mobilization in line with the quarterly reports. Implement the Tannery Project Plan</p>	<p>Leather Making - Facilitated application of non-financial support (capacity building, branding and marketing) from Department of Trade and Industry's co-operative incentive scheme (awaiting response). Facilitated request of procurement of additional machines by Department of Rural Development in order to set up a production line to enable optimal production (awaiting response). Facilitated three monthly management meetings. Monthly and quarterly reports compiled. Tannery Project - Facilitated on-site hides' treatment training offered by Bosveld tannery to capacitate members with skills of treating hides for commercial use. Facilitated off take agreement</p>	<p>Leather making- lack of commitment from members. Insufficient operational budget to cover rent and electricity costs. Tannery project-lack of infrastructure affects production on site.</p>

LED	Increased investment in the GTM economy	Agriculture	Support to restituted farms (Sapekoe, Bathlabine, Tours and Mamahlola farms)	30/06/2015	R 60,000	Monitor support to Sapekoe, Bathlabine, Tours and Mamahlola farms and report progress in line with the Project implementation plan on a monthly basis	Sapekoe (Makgoba Tea Estates) - Monitoring and evaluation done. Bathlabine - Facilitated Meetings with potential investors. Mamahlola - Monitoring and evaluation done. Monthly reports were	Monthly and quarterly reports compiled.	Skills transfer. Facilitated regular project meetings. Monthly and Quarterly reports compiled.	Members of the Cooperative to learn how to treat hides and to discuss possible collaboration and off-take agreements. Bosveld Hides offered the necessary training in order to meet the required standard to become a supplier of the hides. Monthly and Quarterly reports compiled.	Sapekoe (Makgoba Tea Estates) Heads of Agreement signed between Makgoba Community and ZZZ. Operating company registered with directors from Makgoba community	Monitor support to Sapekoe, Bathlabine, Tours and Mamahlola farms and report progress in line with the Project implementation plan on a monthly basis	Sapekoe-Facilitated a meeting with a consultant representing two prospective Chinese companies who are interested in growing tea at the estate, outcome of the engagements will be known in due course. Bathlabine-Facilitated signing of an investment agreement between owners of the farm and Maresteth trading enterprises to operate Leeways farm. Tours	Lack of role clarification between GTEDA and Department of Agriculture. Negotiations took longer than initially planned. Disputes affected negotiation processes with potential investors.
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LED	Increased investment in the GTM economy	Enterprise Development	New Shopping Centres Development	30/06/2015	R 100,000	Facilitate the establishment of new shopping centres progress made on Nwamitwa, Morutji, Mokgwathi, Dan & Lifestyle malls, in line with the Project Implementation Plan	Nwamitwa - Facilitated finalisation of adjudication process. Morutji and Mokgwathi - Facilitated resolution from Modjadji Traditional Authority. Dan/Bindzulan - Facilitated presentation of proposal to GTM Economic cluster.	Facilitate the establishment of new shopping centres progress made on Nwamitwa, Morutji, Mokgwathi, Dan & Lifestyle malls, in line with the Project Implementation Plan	Nwamitwa - All activities were put on hold due to discussions with GTM. Morutji - Stakeholder consultations done. Mokgwathi - A meeting was held with Mokgwathi Councillor to follow up on progress regarding the final resolution from Modjadji Traditional Authority. Dan/Bindzulan - A follow-up meeting was held with Hosi Muhlava to discuss the land ownership at Bindzulani. However, no breakthrough has been reached as yet. IDC was engaged and will assist in	Facilitate the establishment of new shopping centres progress made on Nwamitwa, Morutji, Mokgwathi, Dan & Lifestyle malls, in line with the Project Implementation Plan	Nwamitwa - The project was put on hold by the Valoyi Tribal Authority pending finalisation of the adjudication process. Lekgotla resolved that the Political management team must intervene. Morutji - development of the shopping centre has not yet started pending approval by the Modjadji Royal Council. Mokgwathi - development of the shopping centre has not yet started pending approval by the Modjadji Royal Council. IDC was engaged and will assist in	quarterly reports compiled.	Facilitate the establishment of new shopping centres progress made on Nwamitwa, Morutji, Mokgwathi, Dan & Lifestyle malls, in line with the Project Implementation Plan	Nwamitwa - As previously reported, the project was put on hold by the Valoyi Tribal Authority and no progress has been registered. Morutji - Facilitated a meeting between GTM Mayor and Morutji development committee to discuss a way forward regarding this project, a delegation will be sent to Modjadji Royal Authority to negotiate final approval. Mokgwathi - Facilitated a meeting between GTM Mayor and Mokgwathi development committee to discuss a way forward regarding this project, a delegation will be sent to Modjadji Royal Authority to negotiate final approval. Dan/Bindzulani - No progress registered this quarter due to stakeholders' failure to meet. Lifestyle Mall - No progress registered as project has been suspended indefinitely. Monthly and quarterly reports compiled.	Project has been suspended indefinitely by the Valoyi Tribal Authority.
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LED	Increased investment in the GTM economy	Enterprise Development	SMME support (Business Development)	30/06/2015	R 80,000	Facilitate support to SMMEs. Report progress with resources mobilised and support provided for the Village Bank and Internet Cafe (Lenyenye) in line with the Project Implementation Plan	Supported five SMMEs with business advice. Village Bank - Facilitated registration with Co-operative Banks Development Agency.	Facilitate support to SMMEs. Report progress with resources mobilised and support provided for the Village Bank and Internet Cafe (Lenyenye)	Identifying a role for GTEDA together with LEDA. Life style mall - development of phase 2 has been put on hold by the developers hence no support role was provided by GTEDA.	Facilitate support to SMMEs. Report progress with resources mobilised and support provided for the Village Bank and Internet Cafe (Lenyenye)	Supported fourteen (14) SMMEs with Business Advisory Services and market exposure. Financial Services Cooperative (FSC) - Facilitated full accreditation by the Co-operatives Bank Development Agency. The co-operative is officially	Negotiations are underway with stakeholders to finalise a development plan for this area. Lifestyle Mall-no progress registered as the project has been put on hold by the developers. Monthly and quarterly reports compiled.	Facilitate support to SMMEs. Report progress with resources mobilised and support provided for the Village Bank and Internet Cafe (Lenyenye)	Supported over 20 SMMEs by offering business advisory services. Greater Tzaneen Financial Services Co-operative.-Facilitated an AGM to elect a new board which will foresee the process of implementation and operations. Facilitated applications for an office and non-financial support from Department of Public works and Limpopo Economic Development Agency (awaiting response). Facilitated acquiring of interns from Bank SETA who will provide HR, Admin and	Lack of offices and systems to effect full operation. Lack of funds to cover operational costs. Lack of funds to cover
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LED	Increased investment in the GTM economy	Enterprise Development	Community Radio Station	30/06/2015	R 50,000	Conduct Due Diligence for Strengthening of Board and Management. Facilitate an AGM 30 July. Finalise the Sustainability strategy. Facilitate the development of	Due diligence conducted by GTM. Facilitated monthly management meeting. Provided administrative support. Sustainability Strategy not	Monitor and evaluate implementation of Sustainability Strategy and Business Operational Plan.	Facilitated Task Team meeting. Audit was done, reporting outstanding financial difficulty. The station was off air since 19	Monitor and evaluate implementation of Sustainability Strategy and Business Operational Plan.	Monitor and evaluate implementation of Sustainability Strategy and Business Operational Plan. Compile monthly and quarterly reports.	Facilitated payment of rent and salaries with funding from GTM. Provided administrative support. Monthly and quarterly reports compiled.	Facilitated payment of rent and salaries with funding from GTM. Provided administrative support. Monthly and quarterly reports compiled.	Finance services to ensure smooth operations. Facilitated a site visit to Kuvhanganyani in Venda to learn best practices. Monthly and quarterly reports compiled.	Outstanding rent and salaries. Inactive board for oversight provision.
									with NACFISA. Supported farming cooperative by the name of Phuthaditshaba Difokeng Cooperative situated at Thabane, MOU signed. Internet Cafe - Identified Telkom Mobile as a technical Sponsor and Sustainability Strategy not fully implemented due to resignations of key staff members of the Internet Cafe. Monthly and quarterly reports compiled.	registered and will start trading. Internet Cafe (Runnymede) - Facilitated a meeting with the Ward Councillor and the Community Development Facilitator to discuss possible reactivation of the internet café. A volunteer was identified. Monthly and quarterly reports compiled.	Facilitated administrative support to ensure smooth running of the station. Facilitated payment of R60 000 claim by Mr. Matlala and	Monitor and evaluate implementation of Sustainability Strategy and Business Operational Plan. Compile monthly and quarterly reports.	Facilitated payment of rent and salaries with funding from GTM. Provided administrative support. Monthly and quarterly reports compiled.	Finance services to ensure smooth operations. Facilitated a site visit to Kuvhanganyani in Venda to learn best practices. Monthly and quarterly reports compiled.	Outstanding rent and salaries. Inactive board for oversight provision.

						<p>finalised and Business Operational plan not developed. Compiled monthly reports.</p>	<p>Compile monthly and quarterly reports.</p>	<p>December 2014 to date. A formal request for financial assistance has been submitted to GTM. Monthly and quarterly reports. Compiled.</p>	<p>Finalise Project Implementation Plan by 30 January. Report on progress with implementation on a monthly basis</p>	<p>Facilitated the upgrading of the blog, full operation will be realised in July 2015. Monthly and quarterly reports compiled.</p>	<p>Report on progress with implementation on a monthly basis</p>	<p>Stage one of the upgrading of the blog process has been concluded/completed. Monthly and quarterly reports compiled.</p>	<p>None</p>
LED	Increased investment in the GTM economy	Enterprise Development	Ideas Hub	30/06/2015	R 200,000	<p>Appointment of a service provider for the drafting of a Concept Plan. Report progress on a monthly basis.</p>	<p>Facilitated the setting up of a blog on the GTEDA website. Concept plan under review. Compiled monthly reports.</p>	<p>Commence with the drafting of the Concept Plan. Finalise Concept Plan and submit to the Board for approval</p>	<p>Tours Dam - the procurement process was suspended Tzaneen Dam - LTP was engaged, currently engaging</p>	<p>Monitor the finalisation of the EIA for Tours Dam and present to the Board. Monitor Stakeholder</p>	<p>Tours Dam - No progress, project on hold. Tzaneen dam- Facilitated a progress update meeting with Department of Water and Sanitation. Planned site visit to Tlokwe Municipality in July 2014)</p>	<p>Tours dam experienced community disputes Tzaneen Dam Plans put on hold until the Resource management plan by Engineerex (company appointed by Department of Water and Sanitation) has been concluded</p>	
LED	Increased investment in the GTM economy	Tourism Development	Tourism Development (Tours & Tzaneen Dam)	30/06/2015	R 80,000	<p>Social facilitation and appoint a service provider to conduct an EIA for Tours Dam. Revisit Tzaneen Dam feasibility study and identify initiatives to support in</p>	<p>Tours Dam - reviewed TOR for conducting EIA. Tzaneen Dam - Supported development of a Resource Management Plan(RMP) by Engineerex Pty Ltd.</p>	<p>Monitor the EIA process for Tours. Develop concept document for Tzaneen Dam initiatives identified.</p>	<p>Tours Dam - EIA was put on hold by board due to disputes. Lekgotla resolved that negotiations should be resuscitated through the Traditional</p>	<p>Monitor resource mobilisation to implement Tours Dam initiatives. Monitor Stakeholders engagements for resource mobilisation for Tzaneen</p>	<p>Tours dam experienced community disputes Tzaneen Dam Plans put on hold until the Resource management plan by Engineerex (company appointed by Department of Water and Sanitation) has been concluded</p>		

						partnership with local business. Report progress on a monthly basis.	Compiled monthly report	Submit concept document to the Board for approval. Report progress on a monthly basis.	with Enginereex, service provider appointed by the Department of Water and Sanitation for development of a Resource Management Plan for Tzaneen Dam. Monthly and quarterly reports. Compiled.	ders engagements for resource mobilisation for Tzaneen Dam. Report progress on a monthly basis	Representative in GTM Council, this process is underway. Tzaneen Dam Engaged GTM, Department of Water Affairs and Sanitation and Enginereex to outline GTEDA's involvement in the project. Monthly and quarterly reports compiled.	Dam. Report progress on a monthly basis		
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PART 6: AUDIT AND RISK COMMITTEE REPORT

For the year end 30th June 2015

1. INTRODUCTION

I am pleased to present the report on the activities of the Audit and Risk Committee for the Year ended 30th June 2015. Set out below is a summary of the work carried out by the Committee.

2. AUDIT AND RISK COMMITTEE MEMBERSHIP

The terms of reference adopted by GTEDA's Board of Directors, which we adopted in line with regulations and good corporate governance principles, require that the Audit and Risk Committee consists of three (3) members with appropriate experience, majority may not be in the employ of the municipality or municipal entity. The chairman must be appointed from one of the members, who is not in the employ of the council or municipal entity and that no councillor may be a member of an Audit and Risk Committee.

3. COMMITTEE MEMBERS AND ATTENDANCE

The meeting schedule for current financial year was affected by GTM's decision for GTEDA to participate in its shared Audit Committee which never materialised. As a result, only two (2) out of four (4) compulsory meetings were held in the current financial year. The table below shows the committee members during the current financial year and their attendance at Committee meetings:

NAME OF MEMBER	POSSITION IN COMMITTEE	NUMBER OF MEETINGS ATTENDED	PERCENTAGE OF ATTENDANCE
Msimanga, MC	Chairperson	2 of 4	50%
Nel, S	Member	1 of 4	25%
Baloyi, VJG	Member	2 of 4	50%

In all Audit and Risk Committee meetings, the following portfolios have been invited and did attend meetings as may be convenient – the GTEDA's Chief Executive Officer and the Finance and Administration Officer attendance is compulsory and they did provide management guidance and address queries raised by the committee and attendees, our Internal Auditors PricewaterhouseCoopers Incorporated provided regular updates and progress on matters of prime importance, The GTM Internal Audit Unit also provided valuable input especially on matters related to current trends and regulation requirements. The Auditor General of South Africa (AGSA) did attend meetings where possible to provide oversight and guidance.

4. REPORTING ARRANGEMENTS

The Audit and Risk Committee is a sub-committee of GTEDA Board, the Chair formally reports in writing to the Board meetings which are held on a quarterly basis. The committee present their report with all summarised conclusion and recommended actions based on the work it has done during the year.

5. AUDIT AND RISK COMMITTEE ROLE AND RESPONSIBILITY

The role of the Risk and Audit Committee is to assist the Board in discharging its responsibilities for monitoring the integrity of the financial statements, assessing the effectiveness of the agency's system of internal controls and monitoring the effectiveness, independence and objectivity of the internal and external auditors.

The Audit and Risk Committee's responsibilities arise from the Municipal Finance Management Act, No 56 of 2003 section 166. The regulation has been included in the GTM-GTEDA Service Level Agreement (SLA) section 49 and the Audit Charter.

Over and above the aforesaid responsibilities, the previous financial year's Strategic Session goals and objectives of the Audit and Risk Committee, still serves as a guiding tool in executing our role.

6. AUDIT AND RISK COMMITTEE ASSESSMENT

GTEDA has an approved 360° assessment tool and the committee has been duly assessed. The assessment concluded that overall the committee was effective in carrying its duties. As a municipal entity, GTEDA must be audited by the Auditor General of South Africa. For the period under review GTEDA is being audited by AGSA and this, once more, will demonstrate the ability of the Audit and Risk Committee to manage financial performance efficiently.

4.1. Evaluation of annual financial statements

To fulfil this remit, the Audit and Risk Committee has duly reviewed and adopted these unaudited Annual Financial Statements for the year 30 June 2015 in the Board meeting of the 13th August 2015 and were further adopted by the GTM's Audit committee in the meeting held on the 26th August 2015. An UNQUALIFIED AUDIT OPINION as in previous financial years, is expected.

4.2. Quality of in year management, monthly and quarterly reports

In our periodic and annual meetings, we have satisfied ourselves of the contents and quality of periodic reports sent for review and scrutiny by the GTEDA's Management for the period under review.

4.3. Matters of governance

GTEDA continues to comply with the applicable laws and implement best corporate governance standards over and above upholding the principles of transparency, accountability and business integrity in all its dealings with stakeholders.

It is for the latter reason that our Audit Charter is continuously reviewed to ensure that it is in line with regulations.

4.4. Internal audit

PricewaterhouseCoopers Inc. (PWC) continues to provide the Internal Audit service in line with applicable legislation. They are on a three (3) year performance based contract, renewable annually from the 2013/2014 to 2014/2015 financial years. The scope of audit work generally focuses on the internal management control and risk procedures that are operating within the Agency and the internal reports are submitted to the Board primarily via the Audit and Risk Committee.

4.5. Effectiveness of internal controls

The Committee is working closely with the Internal Audit team in its overall review of the agency's systems of risk management and internal controls. In the latter, the Committee encourages continuous improvement-s in the effectiveness of internal controls where fitting.

7. RISK ASSESSMENT AND MANAGEMENT

Risk Management Register report serves in all quarterly meetings of the Audit and Risk Committee for detailed scrutiny and review. At each quarterly GTEDA's Board of Directors meeting, the Audit and Risk Committee Chairperson provides guidance and leadership during review and ensures that concerns and recommendations are carried out by GTEDA's Management.

a. Fraud prevention and related policies

A policy has been developed and it is continuously reviewed to check robustness and adaptability to recent trends and best practises.

b. Performance management

Our external auditors will be reviewing and auditing performance reports, which include: this report, the CEOs annual performance report, the Board of Director's Chairperson's report, the Company's Secretary report on good governance as well the GTEDA's 360° evaluation report.

8. CONCLUSION

I am grateful for the assistance and support provided by the Audit and Risk Committee members, for their consistent and constructive input throughout the year. Their fulltime involvement has made a complex and challenging task run smoothly.

Finally, I would like to thank GTEDA's Management team and staff for their hard work and dedication over the year under review. Furthermore my humble appreciation goes to our major stakeholders GTM and IDC for their unwavering valuable support.

Mushwana, MF
Finance and Risk Committee Chairperson
Officer

Mulaudzi, MV
Acting Chief Executive

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PART 7: FINANCIAL STATEMENTS



**GREATER TZANEEN ECONOMIC DEVELOPMENT
AGENCY (PTY) LTD
(Registration No. 2007/008144/07)**

**AUDITED
ANNUAL FINANCIAL STATEMENTS
30 JUNE 2015**

ANNUAL FINANCIAL STATEMENTS 30 JUNE 2015

The following reports and statements are presented to the shareholders:

Index	Pages
Accounting Authority's Responsibility Statement	2
Independent Auditor's Report	3 - 4
Accounting Authority's Report	5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Assets	8
Cash Flow Statement	9
Statement of Comparison of Budget and Actual	10
Notes to the Annual Financial Statements	11 - 29
The supporting schedules do not form part of the statutory components of the annual financial statements and are presented solely for the information of management.	
Detailed Statement of Financial Performance	30 - 31

ACCOUNTING AUTHORITY'S RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

The members are required by the Municipal Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with South African Statements of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members have reviewed the entity's cash flow forecast for the year to 30 June 2015 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.


The entity is wholly dependent on the Greater Tzaneen Municipality and the Industrial Development Corporation for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the Greater Tzaneen Municipality has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The Board is responsible for the financial affairs of the entity.

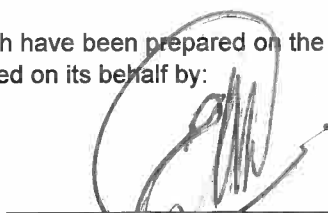
The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements.

Approval of the annual financial statements

The annual financial statements set out on pages 2 to 29, which have been prepared on the going concern basis, were approved by the Board on 2015 and were signed on its behalf by:



Chief Executive Officer



Chairperson of the Board

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

ACCOUNTING AUTHORITY'S REPORT FOR THE YEAR ENDED 30 JUNE 2015

The accounting authority which comprises of the Board of Directors have pleasure in submitting their report together with the audited annual financial statements for the year ended 30 June 2015.

General review

Greater Tzaneen Economic Development Agency (Pty) Ltd is a municipal entity incorporated in the Republic of South Africa established in terms of the Companies Act by the Greater Tzaneen Municipality (GTM) with the assistance of Industrial Development Corporation (IDC) in order to project manage urban and rural regeneration of the GTM's territory with a view to promoting economic and tourism development.

Financial results

The results of the company for the year under review are fully set out in the attached financial statements and require no further comment.

Post balance sheet events

The new Board of directors has been appointed with effect from 01 July 2015.

No other material fact or circumstance, which requires comment, has occurred between the reporting date and the date of this report.

Going Concern

The entity incurred a net loss of R 791 507 during the year ended 30 June 2015 and, as of that date; the entity's current liabilities exceeded its total assets by R 972 810. These conditions, along with other matters as set forth in the accounting officer's report indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to operate as a going concern.

However a subordination agreement was obtained from Greater Tzaneen Municipality to enable the entity to continue operations.

Share capital

There were no changes in the authorised and issued share capital of the company during the year under review.

Directors and Company Secretary

The accounting authority of the company during the accounting period and up to the date of this report were as follows:

VJG Baloyi	(Company Secretary)
MV Gardner	
KM Motshekga	(Resigned 25 June 2014)
MC Msimanga	
MF Mushwana	(Chairperson)

The name and address of the Company Secretary is as follows:

VJG Baloyi
PO Box 2420
Tzaneen
0850

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2015

	Notes	2015 R	2014 R
ASSETS			
Current Assets			
		430,523	559,333
Receivables from exchange transactions	6	3,386	3,386
Cash and cash equivalents	7	427,138	555,947
Non-Current Assets			
		141,136	226,401
Property, plant and equipment	5.1.1	99,961	163,040
Intangible assets	5.1.2	41,175	63,362
Total Assets		<u>571,659</u>	<u>785,734</u>
LIABILITIES			
Current Liabilities			
		1,544,469	967,037
Payables from exchange transactions	9	1,544,469	967,037
Net Liabilities			
		(972,810)	(181,303)
Contributions from owner	8	100	100
Accumulated surplus		(972,910)	(181,403)
Total Liabilities		<u>571,659</u>	<u>785,734</u>

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 R	2014 R
Revenue			
Revenue from non-exchange transactions	10	4,824,561	4,714,912
Revenue from exchange transactions	19	34,415	117,644
Total revenue		4,858,976	4,832,556
Expenses			
Operating expenses	23	5,183,894	5,049,722
Administrative expenses	24	466,589	762,946
Total Expenses		5,650,483	5,812,668
Net deficit for the period		(791,507)	(980,112)
Taxation	14	-	-
Net deficit from operations		(791,507)	(980,112)

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2015

		Contributions from owner R	Accumulated surplus R	Total R
Balance at 01 July 2013		100	477,372	477,472
Adjustments				
Correction of errors	25	-	(658,775)	(658,775)
Balance at 30 June 2014 (Restated)		100	(181,403)	(181,303)
Net deficit for the period			(791,507)	(791,507)
Balance at 30 June 2015		100	(972,910)	(972,810)
Note		7		

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 R	2014 R
Net cash utilised in operating activities		(126,829)	(311,493)
Cash receipts from government grants and others		4,858,977	5,491,635
Cash paid to suppliers and employees		(4,946,686)	(5,764,166)
Cash generated utilised from operating activities	15.1	(87,710)	(272,531)
Investment income			
Interest and penalties		(39,119)	(38,962)
Cash flows from investing activities		(1,980)	(65,366)
Purchase of Property, plant and equipment		(1,980)	(16,679)
Intangible assets		-	(48,687)
Net decrease in cash and cash equivalents		(128,809)	(376,859)
Cash and cash equivalents at beginning of period		555,947	932,806
Cash and cash equivalents at end of period		427,138	555,947

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED
30 JUNE 2015

	Approved budget	Actual	*Variance: Approved budget and actual	Comments
	R 2015	R 2015	R 2015	R 2015
Revenue				
Revenue from non-exchange transactions	5,500,000	4,824,561	675,439	Provision for VAT Output
Revenue from exchange transactions	-	34,415	(34,415)	Interest received and Refund from SETA and facilitation fees
Total revenue	5,500,000	4,858,976	641,024	
Expenses				
Personnel cost	3,296,453	3,231,469	64,984	
Operating expenses	1,750,435	1,865,180	(114,745)	Project delay due to late receipt of grant funds
Administrative expenses	385,112	466,589	(81,478)	Project delay due to late receipt of grant funds
Non-cash items	68,000	87,245	(19,245)	Revaluation of useful lives
Net deficit for the period	(0)	(791,507)	791,507	
Note	13			

1. General Information

Greater Tzaneen Economic Development Agency (GTEDA) is a municipality entity (registered as a (PTY) LTD company) with the Greater Tzaneen Municipality (GTM) as its Parent municipality. GTEDA's registered address is Cascades Building, Tzaneen, Limpopo Province. GTEDA has been established by the GTM with the assistance of the Industrial Development Corporation (IDC) to project manage urban and rural regeneration of the GTM's territory with a view to promoting economic and tourism development.

2. Basis of preparation and accounting policies

Presentation of annual financial statements

The financial statements are presented in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), and including any interpretations, guidelines and directives issued by the Accounting Standards Board, as well as the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and the Companies Act of South Africa.

The preparation of financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the relevant notes.

The financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise. These financial statements are presented in South African Rands. The following are the principal accounting policies used by the entity which are consistent with those of the previous year.

2.1 Property, plant and equipment

Property, plant and equipment are tangible assets that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period.

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

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

Items of property plant and equipment are initially recognised at cost, being the cash price equivalent at the recognition date.

Expenditure on additions and improvements to property, plant and equipment is capitalised as the expenditure is incurred.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire an item of property, plant and equipment and costs incurred subsequently to add to, or to replace a part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Subsequent to initial measurement property, plant and equipment are depreciated on a straight-line basis over their expected useful lives to one South African Rand values if they are still in use.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

2. Basis of preparation and accounting policies (Continued)

Depreciation is charged to profit or loss so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

	Years
Computer equipment	3
Office equipment	3
Furniture and fittings	7

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting date. If these expectations differ from previous estimates, the change is accounted for as a change in accounting estimates.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Gains or losses on disposal are calculated by deducting the carrying value from the proceeds on the date of disposal and are included in surplus/deficit.

Where an asset is acquired through a non-exchange transaction, its cost is the fair value as at date of acquisition.

2.2 Intangible asset

An intangible asset is recognised when:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- (b) the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible arising from development is recognised when:

- (a) there is an intention to complete and use it;
- (b) it will generate probable future economic benefits;
- (c) the cost of the asset can be measured reliably; and
- (d) the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets amortisation is provided on a straight-line basis over their expected useful lives to their estimated residual value. The amortisation period, residual value, and the amortisation method of intangible assets are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting policy. The useful lives of intangible assets have been assessed as follows:

	Years
Website development	5

Intangible assets are de-recognised on disposal, or when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, and the carrying amount of the intangible asset. Such difference is recognised in surplus/deficit when the intangible asset is derecognised.

2.3 Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability.

2. Basis of preparation and accounting policies (Continued)

2.4 Revenue from non-exchange transaction

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Recognition

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

Revenue from grant contributions/ non-exchange transactions are recognised when economic benefits or service potential associated with the transaction will flow to the entity, the grant or revenue can be measured reliably and all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment when such items of property, plant and equipment is brought into use. Where grant contributions have been received but the Agency has not met the condition, a liability is recognised.

Measurement

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Bequests

Bequests that satisfy the definition of an asset are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality, and the fair value of the assets can be measured reliably.

Gifts and donations, including goods in kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

2. Basis of preparation and accounting policies (Continued)

2.5 Revenue from exchange transaction

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- (a) It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- (b) The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

2. Basis of preparation and accounting policies (Continued)

2.6 Investment income

Investment Income is recognised on a time-proportion basis using the effective interest method.

2.7 Financial instruments

Financial instruments as stated on the statement of financial position include cash and bank balances, investments, receivables, trade creditors.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in notes thereto:

- (a) Trade and other receivables (Financial asset measured at amortised cost); and
- (b) Cash and cash equivalents (Financial asset measured at amortised cost).

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in notes thereto:

- (a) Trade and other payables (Financial liability measured at amortised cost); and

Initial recognition

The entity recognises a financial asset or financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement

The entity measures a financial assets and financial liabilities at amortised cost initially at its fair value, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement

The entity measures all financial asset and financial liability after initial recognition using the following category:

- (a) Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount or maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

2. Basis of preparation and accounting policies (Continued)

2.8 Cash flows

The cash flow statements can only be prepared in accordance with the direct method.

For the purposes of the cash flow statement, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts.

2.9 Income tax

Current taxes

Current taxes are measured at the amount expected to be paid to South African Revenue Service, using the tax rate and tax laws that have been enacted by the reporting date. An entity will recognise an asset in respect of taxes when the taxable event occurs and the asset recognition criteria have been met.

Deferred taxes

Deferred taxes is accounted for under the statement of financial position using the liability method, in terms of which:

Deferred tax is measured using the tax rate that is expected to apply to the period when the liability is settled (or the asset is recovered), based on the tax rate and tax laws that have been enacted or substantively enacted by reporting date. In addition, the measurement of deferred tax reflects the tax consequences that would follow from the expected manner of recovery or settlement of the relevant assets and liabilities.

Deferred tax assets

Deferred tax assets are recognised only when it is probable that sufficient taxable income will be available in future against which the asset can be recovered; and are reviewed at each reporting date, and, if necessary, impairment write-downs or reversals are recognised.

2.10 Value added tax

The entity accounts for Value Added Tax on the invoice basis.

2.11 Provisions and contingencies

Provisions

A provision is recognised if, as a result of a past event, the entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate or the expenditure required to settle the obligation. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

Contingencies

A contingent assets and contingent liabilities are not recognised. A contingent asset is disclosed where an inflow of economic benefits or service potential is probable, whereas a contingent liability are disclosed when economic benefit or service potential is to be rendered by an external goods or service provider.

2. Basis of preparation and accounting policies (Continued)

2.12 Impairment of assets

The entity assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Recognition and measurement

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired. The recoverable amount or an asset is the higher of its fair value less cost to sell and the value in use.

Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Recognition and measurement

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired. Recoverable service amount is the higher of a non-cash generating asset's fair value less cash to sell and its value in use.

The present value of the remaining service potential of a non-cash-generating asset is determined using one of the following approaches:

- (a) Depreciation replacement approach
- (b) Restoration cost approach
- (c) Service units approach

2.13 Employee benefits

Short term employee benefits

The cost of all short term employee benefits is recognised in the statement of financial performance during the period in which the employee renders the related service.

The provisions for employee entitlements to wages, salaries, annual and sick leave represent the amount which the entity has a present obligation to pay as a result of the employee's services.

2.14 Related Parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Key management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Key stakeholders/ customers of the entity are considered to be those stakeholders who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

2. Basis of preparation and accounting policies (Continued)

2.15 Budget Information

The entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by the entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The annual financial statements and the budget are not on the same basis of accounting. The actual financial statement information is therefore presented on a comparable basis to the budget information. The comparison and the reconciliation between the statement of financial performance and the budget for the reporting period have been included in the Statement of comparison of budget and actual amounts.

2.16 Going concern assumption

The financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

2.17 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of an municipality after deducting all of its liabilities.

2.18 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- (a) Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- (b) Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

2.19 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

2.20 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

2.21 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

2. Basis of preparation and accounting policies (Continued)

2.22 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. The liability is transferred to revenue as and when the conditions attached to the grants are met. Grants without any conditions attached are recognised as revenue when the assets recognised.

3. Significant management judgements in applying the accounting policies

In the process of applying the entity's accounting policies management has made the following judgements which have significantly affected the amounts recognised in the financial statements:

(a) Depreciation

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

Trade and other receivables

The entity assesses the trade receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including production estimates, supply demand, together with economic factors such as inflation interest and economic conditions.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 19 - Provisions.

Effective interest rate

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

Allowance for doubtful debts

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

4. New standard and interpretations

Standard and interpretations issued

The entity has adopted all the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning 01 July 2014 or later periods:

Standard/ Interpretation:	Effective date	Expected impact
GRAP 1: Presentation of Financial Statements	01 April 2015	Impact material
GRAP 3: Accounting Policies, Change in Accounting Estimates and Errors	01 April 2015	Impact material
GRAP 9: Revenue from Exchange Transactions	01 April 2015	Impact material
GRAP 12: Inventories	01 April 2015	Impact not material
GRAP 13: Leases	01 April 2015	Impact material
GRAP 16: Investment Property	01 April 2015	Impact not material
GRAP 17: Property, Plant and Equipment	01 April 2015	Impact material
GRAP 18: Segment Reporting	01 April 2015	Impact not material
GRAP 20: Related Parties	01 April 2015	Impact not material
GRAP 25: Employee benefits.	01 April 2015	Impact material
GRAP 31: Intangible Assets (Replaces GRAP 102)	01 April 2015	Impact not material
GRAP 106: Transfers of Functions Between Entities Not Under Common Control	01 April 2015	Impact not material
GRAP 107: Mergers	01 April 2015	Impact not material
IGRAP1: Applying the probability test on initial recognition of revenue	01 April 2015	Impact not material
IGRAP 16: Intangible Assets - Website Costs	01 April 2015	Impact not material

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

5.1. Non -Current Assets

5.1.1 Property, plant and equipment

	2015			2014		
	Cost / valuation	Accumulated depreciation / impairment	Carrying value	Cost / valuation	Accumulated depreciation / impairment	Carrying value
	R	R	R	R	R	R
Computer equipment	142,191	(136,380)	5,811	140,211	(103,868)	36,343
Office equipment	40,108	(32,166)	7,942	40,108	(24,154)	15,954
Furniture & fittings	171,732	(85,524)	86,209	171,733	(60,991)	110,742
	<u>354,031</u>	<u>(254,070)</u>	<u>99,961</u>	<u>352,051</u>	<u>(189,012)</u>	<u>163,040</u>

The carrying amounts for 2015 can be reconciled as follows:

	Carrying value at beginning of year	Additions	Revaluations	Disposals	Depreciation / impairment	Carrying value at end of year
	R	R	R	R	R	R
Computer equipment	36,343	1,980	-		(32,513)	5,811
Office equipment	15,954	-			(8,012)	7,942
Furniture & fittings	110,742	-0	-		(24,533)	86,209
	<u>163,040</u>	<u>1,980</u>	<u>-</u>	<u>-</u>	<u>(65,058)</u>	<u>99,961</u>

The gross carrying value amount of full depreciated property, plant and equipment that are still in use at year end.

No property, plant and equipment was pledged as security.

5.1.2 Intangible assets

	2015			2014		
	Cost / valuation	Amortization / impairment	Carrying value	Cost / valuation	Amortization / impairment	Carrying value
	R	R	R	R	R	R
Website	45,051	(38,293)	6,758	45,051	(29,283)	15,768
Computer Software	48,687	(14,270)	34,417	48,687	(1,093)	47,594
	<u>93,738</u>	<u>(52,563)</u>	<u>41,175</u>	<u>93,738</u>	<u>(30,376)</u>	<u>63,362</u>

The carrying amounts for 2015 can be reconciled as follows:

	Carrying value at beginning of year	Additions	Revaluations	Disposals	Amortization / impairment	Carrying value at end of year
	R	R	R	R	R	R
Website	15,768	-			(9,010)	6,758
Computer Software	47,594	-			(13,177)	34,417
	<u>63,362</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,187)</u>	<u>41,175</u>

The gross carrying value amount of full depreciated intangible assets that are still in use at year end.

	2015 R	2014 R
6. Receivables from exchange transactions		
Rental deposits	3,386	3,386
	<u>3,386</u>	<u>3,386</u>

The ageing analysis of trade receivables are as follows:

Up to 3 months	-	-
3 months and older	3,386	3,386
	<u>3,386</u>	<u>3,386</u>

7. Cash and cash equivalents

Bank and cash balances at year end comprise:

Petty cash	7,085	8,894
Bank balances	184,318	203,495
Short term investments	235,735	343,558
	<u>427,138</u>	<u>555,947</u>

The business cheque account and the short term investments accounts are all held with ABSA bank:

	O/B date	O/B amount	C/B date	C/B amount
Cheque account number - 40 7166 4582	01/07/2014	203,494	30/06/2015	184,318
32 day notice account number - 92 2181 3770	01/07/2014	317	30/06/2015	323
Depositor plus accounts number - 92 8795 3029	01/07/2014	343,241	30/06/2015	235,412

8. Share capital

Share capital

Authorised

1000 Ordinary shares of R1 each	<u>1,000</u>	<u>1,000</u>
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Issued

100 Ordinary shares of R1 each at end of year	100	100
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9. Payables from exchange transactions

Leave pay accrual	171,654	142,960
VAT payables	1,132,349	609,190
Other payables	240,466	214,887
	<u>1,544,469</u>	<u>967,037</u>

10. Revenue from non-exchange transactions

Greater Tzaneen Municipality	2,192,982	2,083,333
Industrial Development Corporation Limited	2,631,579	2,631,579
	<u>4,824,561</u>	<u>4,714,912</u>

11. Contingent liability

11.1. Mr A. Mushwana was suspended with pay, thereafter dismissed with effect from 18 May 2015 as imposed by the presiding officer after having followed due disciplinary hearing processes; and the appeal hearing is in progress.

No provision has been made based on the substantive evidence at hand, the probability of the case being in GTEDA's favour is high.

11.2. Provision for VAT payable has been made, as a result of the entity not declaring output VAT on grants received from its funders i.e. the Greater Tzaneen municipality (GTM) and Industrial Development Corporation (IDC).

Penalties and Interest might be payable to SARS as a result of resubmission of VAT returns; however no provision has been made based on the fact that GTEDA is still in negotiations with SARS and this cannot be measured reliably.

	2015 R	2014 R
12. Operating lease commitments		
Property		
Payable in one year	263,796	244,710
Payable in 2 - 5 years	527,592	778,176
	<u>791,388</u>	<u>1,022,886</u>
Equipment		
Payable in one year	36,422	36,422
Payable in 2 - 5 years	72,844	145,688
	<u>109,266</u>	<u>182,110</u>
13. Deficit from operations		
Deficit from operations is arrived at after taking into account the following:		
Revenue		
Revenue from:		
- Non-exchange transactions/ grants	4,824,561	4,714,912
- Exchange transactions/ services rendered	34,415	117,644
	4,858,976	4,832,556
Expenses		
Auditor's remuneration	238,263	199,500
- Audit fees	238,263	199,500
- Other services	-	-
Depreciation of property, plant and equipment	87,245	60,531
Directors' fees	416,446	599,688
- Fees for services	267,628	340,251
- Other expenses	148,818	259,438
Operating lease charges	265,981	333,235
- Property rentals	233,626	197,543
- Office equipment	32,355	135,692
Employee costs	3,270,709	3,205,765
- Salaries and wages	3,059,815	2,996,351
- Leave payout	171,654	201,609
- Training costs	39,240	7,805
Average number of employees	9	10

	2015 R	2014 R
14. Taxation		
Major component of the tax expense:		
Prior Period	-	-
Current Period	-	-
	<u>-</u>	<u>-</u>
 Tax Rate Reconciliation:		
	2015	2014
Standard rate of company taxation	28.00%	28.00%
<i>Increase/ (reduction) in effective rate as a result of:</i>		
- Exempt income and expenditure	-28.00%	-28.00%
Effective rate of taxation for the year	<u>0.00%</u>	<u>0.00%</u>

Greater Tzaneen Economic Development Agency receives the majority of its income from grants which are exempt from income tax, the entity has applied for a tax exemption certificate from SARS. The entity provided for tax on the income that is not considered by management to be exempt.

	2015 R	2014 R
15. Notes to the cash flow statement		
15.1 Reconciliation of net deficit before taxation to cashflows from operations		
Deficit before taxation	(791,507)	(980,112)
Adjustments for :		
Depreciation	87,245	60,531
Penalties and Interest	39,119	38,962
Operating profit before working capital changes	<u>(665,143)</u>	<u>(880,619)</u>
Working capital changes		
Decrease in receivables from exchange trasactions	0	(1,009)
Increase in payables from exchange transactions	577,433	609,097
Cash generated from operations	<u><u>(87,710)</u></u>	<u><u>(272,531)</u></u>

16. Related Parties**16.1 Identity of related parties**

The parent shareholder is Greater Tzaneen Municipality(GTM) and the ultimate controlling party is Greater Tzaneen Municipality(GTM).

The funder is Industrial Development Corporation (IDC) which is the major funder.

The major stakeholder is Limpopo Economic Development Agency (LEDA), the former Limpopo Agri-Business Development Corporation (LADC) and a strategic partner in the Makgoba Tea Estates.

The Board of Directors comprises of directors as listed in the directors report and its committees, namely the Audit and Risk committee, HR committee and Bid committee.
There are no entities that are related to the directors of the Board.

16.2 Transactions with the related parties were as follows:

Grant received: IDC	<u>3,000,000</u>	<u>3,000,000</u>
Grant received: GTM	<u>2,500,000</u>	<u>2,475,000</u>

16.3 Compensation paid to the Executive Director

Name	2015			2014		
	Remuneration R	Emolument R	Total R	Remuneration R	Emoluments R	Total R
KJ Maphoto (CEO)	775,136	115,963	891,099	635,084	134,968	770,052

16.4 Compensation paid to the Board of Directors

Name	2015			2014		
	Remuneration R	Emoluments R	Total R	Remuneration R	Emoluments R	Total R
VJG Baloyi (Co. Secretary)	93,375	83,518	176,893	85,500	76,655	162,155
MV Gardner	34,700	6,294	40,994	37,125	18,456	55,581
KM Motshenga	3,500	4,321	7,821	21,525	32,066	53,591
MC Msimanga	63,500	75,905	139,405	106,100	101,690	207,790
MF Mushwana (Chair)	74,750	10,693	85,443	90,000	30,571	120,571
	<u>269,825</u>	<u>180,731</u>	<u>450,556</u>	<u>340,250</u>	<u>259,438</u>	<u>599,688</u>

	2015 R	2014 R
17. Commitments		
17.1 Authorised capital and operating expenditure		
Internal Audit	77,500	113,085
Annual report development	36,000	42,408
IT Support	13,090	-
Security Services	4,560	-
Cell phone contract	62,000	-
	<u>193,150</u>	<u>155,493</u>

IT Support:

Bohlabelo Computers, this is an IT support contract at R 1870.00 p.m. appointed for a period of twenty four (24) months from 01/02/2014 to 31/01/2016.

Security Systes:

Letaba Alarms, this is an contract for security systems at R 380.00 p.m. appointed for a period longer than five (5) years from 01/04/2012 to until GTEDA cancels the contract.

Cell phone Contract:

Vodacom contracts for the following officials, this is cell phone contracts at R 3998.00 p.m. appointed for a period of twenty four (24) months:

Chief Executive Officer	22/09/2014 to 21/09/2016	R	48,000
Project Manager	01/11/2014 to 31/10/2016	R	48,000

18. Financial risk management

Trade and other receivables at the reporting date comprise of VAT receivables and other prepayments.

The accounting authority consider that the carrying amount of trade and other receivables approximates their fair value.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables and investments, which represent the company's maximum exposure to credit risk in relation to financial assets.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds and non-derivative financial instruments is limited because the counterparties are banks with high credit ratings.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Credit risk**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Cash and cash equivalents	427,138	555,947
	<u>427,138</u>	<u>555,947</u>

The maximum exposure to credit risk for trade and other receivables at the reporting date by type of customers was:

	2015 R	2014 R
18. Financial risk management (Continued)		
Rental deposits	3,386	3,386
	<u>3,386</u>	<u>3,386</u>

Impairment losses

At the reporting date, none of the receivables from exchange transactions were past due. No impairment loss was recognised in the current period under review.

Liquidity risk

The entity manages liquidity risk through proper management of working capital, capital expenditure and actual forecasted cash flows and its cash management policy. Adequate reserves and liquid resources are also maintained.

The carrying amounts of the financial liabilities represents the liquidity exposure. The maximum exposure to liquidity exposure at the reporting date was:

Payables from exchange transactions (2 - 5 years)	1,544,469	967,037
	<u>1,544,469</u>	<u>967,037</u>

The maximum exposure to liquidity exposure for trade and other payables at the reporting date by type of creditor was:

Employees leave pay (2 - 5years)	171,654	142,960
	<u>171,654</u>	<u>142,960</u>

Currency risk**Exposure to currency risk**

The company did not have any exposure to foreign currency risk for the period under review.

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

19. Other Income

Interest received	33,121	16,811
Facilitation fees	-	100,000
Sundry income	1,294	833
	<u>34,415</u>	<u>117,644</u>

Interest received relates to income received from third party as a result of grant funding held in an investment account.

20. Employee related costs**CEO's costs**

CEO's Remuneration/salary	731,273	635,084
Performance bonus	43,862	47,664
Other expenses	115,963	134,968
	<u>891,098</u>	<u>817,716</u>

Staff costs

Basic (Salaries and Wages)	1,378,135	1,308,558
Performance bonus	-	61,988
Statutory payments (PAYE, UIF and SDL)	755,012	792,538
Leave pay	171,654	201,609
Overtime	41,687	50,032
13th cheque	109,845	100,438
	<u>2,456,334</u>	<u>2,515,162</u>

	2015 R	2014 R
21. Directors Fees		
Board fees	168,778	340,251
Board travel	74,378	98,996
Board meals	16,620	16,282
Board accomodation	34,195	40,335
Statutory payments (25% tax deductible)	98,850	103,825
Secretariat Support	23,625	-
	<u>416,446</u>	<u>599,689</u>
22. Fruitless and wasteful expenditure		
Opening balance	111,217	72,255
Fruitless and wasteful expenditure	39,119	38,962
Fruitless and wasteful expenditure awaiting condonement	<u>150,336</u>	<u>111,217</u>
Penalties and interest due to late payment of statutory payments.		
23. Operating expenses		
Accommodation	12,119	50,839
Cellphone expenses	68,604	49,806
Personnel cost	3,231,469	3,197,960
Bursaries	30,930	82,500
Cleaning	198	22,621
Consulting fees	62,587	23,770
Copier rental	32,355	22,062
Courier and postage	531	427
Depreciation	87,245	60,531
Entertainment expenses	12,183	27,533
External audit	238,263	199,500
Internal audit	169,181	151,281
Insurance	12,046	10,262
Marketing and promotions	53,175	112,850
Office refreshments	1,824	6,547
Office rental	233,626	197,543
Penalties and interest	39,119	38,962
Printing and stationary	11,142	6,809
Projects cost	454,822	369,174
Repairs and maintenance	122,119	139,504
Security	6,814	3,684
Seminars and workshops	4,340	7,805
Staff Training	34,900	-
Recruitment cost	60,724	34,624
Subscriptions (IoD, LED & Local)	27,190	18,124
Subsistance	9,275	2,500
Team building	-	857
Telephone and Fax	76,903	85,170
Local Travel - Land	90,211	126,476
	<u>5,183,894</u>	<u>5,049,722</u>

	2015 R	2014 R
24. Administration Expenses		
Bank charges	7,722	11,668
Annual report development	37,200	74,670
Organisational design and policy review	-	-
Directors fees and expenses	416,446	599,688
Scorecard development	-	6,510
Social inclusion	5,221	25,217
Strategic session	-	45,193
	<u>466,589</u>	<u>762,946</u>

25. Prior year errors

During 2015, the entity discovered that VAT output had to be accounted for on the money recieved from Greater Tzaneen Municipality and IDC. VAT Output of R672 368.00 that should have been recognised in 2014 were incorrectly omitted from 2014.

During 2015, the entity discovered that the depreciation calculation on Property, Plant and Equipment was calculated incorrectly. Depreciation had to be reduced by an amount of R13 594.00 for 2014.

In 2014, the entity reported:

Revenue from non-exchange transactions	5,375,000
VAT Receivable	63,179
Operating Expenses	5,063,316
Property, Plant and Equipment	149,446
Accumulated Surplus	477,372

Entity - Statement of Financial Position Extract

	2015	2014 Restated
VAT Receivable/ (Payable)	(1,132,349)	(609,189)
Property, plant and equipment	99,961	163,040

Entity - Statement of Financial Performance Extract

	2015	2014 Restated
Revenue from non-exchange transactions	4,824,561	4,714,912
Operating Expenses	5,183,894	5,049,722

Entity - Statement of Changes in net assets

	2015	2014 Restated
Opening accumulated surpluses as previously reported	477,372	799,616
Correction of error	(658,774)	11,373
Opening accumulated surpluses	(181,403)	810,989
Surplus/ (Deficit)	(791,507)	(980,112)
Closing accumulated surpluses	<u>(972,910)</u>	<u>(169,123)</u>

26. Going Concern

The entity incurred a net loss of R 791 507 during the year ended 30 June 2015 and, as of that date; the entity's current liabilities exceeded its total assets by R 972 810. These conditions, along with other matters as set forth in the accounting officer's report indicate the existence of a material uncertainty that may cast significant doubt on the entity's ability to operate as a going concern.

However a subordination agreement was obtained from Greater Tzaneen Municipality to enable the entity to continue operations.

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

DETAILED STATEMENT OF FINANCIAL PERFORMANCE 30 JUNE 2015

		2015	2014
		R	R
Revenue		4,858,976	4,832,556
Tender sales		-	-
Grant contributions		4,824,561	4,714,912
Assets transferred		-	-
Facilitaion fees		-	100,000
Sundry Income (SETA)		1,294	833
Other Revenue - Investments Income	11	33,121	16,811
Total Income		4,858,976	4,832,556
Operating expenses		5,183,894	5,049,722
Accommodation		12,119	50,839
Cellphone expenses		68,604	49,806
Personnel cost		3,231,469	3,197,960
Bursaries		30,930	82,500
Cleaning		198	22,621
Consulting fees		62,587	23,770
Copier rental		32,355	22,062
Courier and postage		531	427
Depreciation		87,245	60,531
Entertainment expenses		12,183	27,533
External audit		238,263	199,500
Internal audit		169,181	151,281
Insurance		12,046	10,262
Marketing and promotions		53,175	112,850
Office refreshments		1,824	6,547
Office rental		233,626	197,543
Penalties and interest		39,119	38,962
Printing and stationary		11,142	6,809
Projects cost		454,822	369,174
Repairs and maintenance		122,119	139,504
Security		6,814	3,684
Seminars and workshops		4,340	7,805
Staff training		34,900	-
Recruitment cost		60,724	34,624
Subscriptions (IoD, LED & Local)		27,190	18,124
Subsistance		9,275	2,500
Team building		-	857
Telephone and Fax		76,903	85,170
Travel - Land		90,211	126,476

GREATER TZANEEN ECONOMIC DEVELOPMENT AGENCY (PTY) LTD

DETAILED STATEMENT OF FINANCIAL PERFORMANCE 30 JUNE 2015

	2015	2014
	R	R
Administration Expenses	466,589	762,946
Bank charges	7,722	11,668
Annual report development	37,200	74,670
Organisational design and policy review	-	-
Directors fees and expenses	416,446	599,688
Scorecard development	-	6,510
Social inclusion	5,221	25,217
Strategic session	-	45,193
Deficit before taxation	<u>(791,507)</u>	<u>(980,112)</u>
Taxation	-	-
Normal taxation	<u>-</u>	<u>-</u>
Net deficit for the period	<u><u>(791,507)</u></u>	<u><u>(980,112)</u></u>