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Umhla *Date:* *Datum*	**22 MAY 2025**	*Ifoni* *Telephone:* *Telefoon*	**0837372013**
Ireferensi **Ref No:** **Verwysings**	**COMMENTS ON DRAFT BUDGET FUNDING ASSESSMENT 2024/25**	**Ifaxi** **Facsimile** **Faksimile:**	
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THE MUNICIPAL MANAGER

KOUGA LOCAL MUNICIPLITY

P.O BOX 21

JEFFREYS BAY

6330

Dear Mr. C. Du Plessis

FEEDBACK ON FUNDING ASSESSMENT ON SUBMITTED 2025/26 MTREF DRAFT BUDGET

1. In terms of the requirements of the Municipal Finance Management Act and as part of its oversight role over local government finances, the Provincial Treasury is responsible for reviewing and commenting on the tabled draft budgets of all delegated municipalities prior to their adoption by the respective municipal councils.
2. The tabled budgets of these municipalities were rigorously assessed in terms of quality and compliance with the prescripts of the MFMA and the Municipal Budget and Reporting Regulations.
3. In terms of the change to GRAP accounting formats, it is imperative to undertake a detailed assessment of the municipality's Statement of Financial Performance (Income Statement); Budgeted Statement of Financial Position (Balance Sheet) and Budgeted Statement of Cash Flows in order to establish the level of funding, the effectiveness of financial management and sustainability (this requires application of Circular 42's budget funding guideline and self-assessment tool).
4. The analysis provided in this report is based on the 2025/26 MTREF A1 – Schedules and data strings of Kouga Local Municipality. The municipal budget assessment encompasses three distinct criteria namely, credibility; relevance and sustainability as explained in the MBRR.
5. It is against this background that the Provincial Treasury has assessed the 2024/25 Main Adjustment Budget (ADJB) data strings of your municipality to ascertain if:

- The data strings align with the adopted B- Schedule.
- The adjustment budget is funded.

6. The following table is a summary of the funding status of the submitted 2024/25 Main Adjustment Budget (ADJB) data strings:

FUNDING MEASUREMENT TABLE A8

EC108 - Kouga	CURRENT YEAR		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description R thousand	2024/25 Adjusted Budget	2024/25 Treasury Calculation	2025/26 Budget Year +0	2025/26 Treasury Calculation	2026/27 Budget Year +1	2026/27 Treasury Calculation	2027/28 Budget Year +2	2027/28 Treasury Calculation
Cash and investments available								
Cash/cash equivalents at the year end	170 463	167 810	145 295	158 010	161 352	154 276	188 618	161 531
Other current investments > 90 days	–	38 791	–	38 791	–	38 791	–	38 791
Non current assets - Investments	–	–	–	–	–	–	–	–
Cash and investments available:	**170 463**	**206 601**	**145 295**	**196 801**	**161 352**	**193 067**	**188 618**	**200 322**
Application of cash and investments								
Unspent conditional transfers	0	–	–	–	–	–	–	–
Unspent borrowing	–	50 000	–	–	–	–	–	–
	1 917	**5 990**	1 917	14 374	1 917	23 159	1 917	32 422
Other working capital requirements	46 067	76 323	46 553	84 653	48 846	89 657	49 221	95 971
Other provisions	54 868	**54 427**	64 451	54 427	73 936	54 427	82 980	54 427
Long term investments committed	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	14 500	14 500	14 500	14 500	14 500	14 500
Total Application of cash and investments:	**102 852**	**186 740**	**127 421**	**167 954**	**139 199**	**181 743**	**148 618**	**197 320**
Surplus(shortfall) - Excl Non-Current Creditors Trf to Debt Relief B	**67 611**	**19 860**	**17 874**	**28 848**	**22 153**	**11 324**	**40 000**	**3 002**
Creditors transferred to Debt Relief - Non-Current portion	–	–	–	–	–	–	–	–
Surplus(shortfall) - Incl Non-Current Creditors Trf to De	**67 611**	**19 860**	**17 874**	**28 848**	**22 153**	**11 324**	**40 000**	**3 002**

The above table aims to answer three questions:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What are the net funds available or funding shortfall?

7. A surplus would indicate the cash-backed accumulated surplus that was available. A shortfall is indicative of non-compliance with the MFMA requirements that the municipality's budget be 'unfunded'.

8. The surplus of R28.848 million as per Provincial Treasury re-calculation indicates that the municipality's 2025/26 Draft budget is funded.

9. The cost of employment is at 33% of the total operating expenditure, which is within the norm of between 25%- 40% as prescribed by National Treasury

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The Kouga Municipality is cautioned of the following leading to the final Budget:

10. The municipality's YTD average debtor's collection rate is reported at 90.1%, against the approved budget of 95%. The municipality is urged to closely monitor the collection rate, as their funding is also based on the average collection rate.
11. The KLM is also cautioned of Fines and Penalties which seem high as per submitted assumption of 69% whereas, they only collected 54.1% during the last audit year.
12. The municipality's budgeting for an operating deficit for 2025/26 amounts to R37.9 million.
13. An upward trend is also noted in the last three financial years' Creditors Payment Period. The municipality should pay careful attention to the regression of these periods, as late payments will incur interest which results to fruitless expenditure.
14. The alignment of IDP and Budget schedules and draft budget compliance documents should be populated and submitted with the final budget
15. The Kouga Local Municipality is commended for the engagements and fruitful follow-up meetings with the Provincial Treasury in continuing to be in the same page of understanding.
16. National Treasury MFMA Budget Circular No. 98 of 2019/20 requires that municipalities ensure the Budget Schedule A- Schedule and the data strings, both to be produced directly from the financial system to eliminate the possibility of any differences and/ or misalignments. The municipality's draft budget figures (A1- Schedule) as reflected in the 2025/26 Draft Budget document to Council, align to the figures reflected in the Draft Budget mSCOA data strings (tabled -Schedule), which were downloaded from the LG Database by PT. Please see the attached tables as Annexures.

For any additional enquiries and/ or clarity, please do not hesitate to contact our office.

Ikwezi Lomso Greetings; serving with honesty, humility and integrity.

THEMBA GWIJA **DATE: 22 MAY 2025**
DIRECTOR: MFG - SARAH BAARTMAN DISTRICT

CC : EXECUTIVE MAYOR
: CHIEF FINANCIAL OFFICER

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ANNEXURE 'A'

EC108 - Kouga	CURRENT YEAR		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK						SSUMPTIONS & CALCULATION		
Description	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2027/28	2025/26	2026/27	2027/28
R thousand	Adjusted Budget	Treasury Calculation	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation	% Change	% Change	% Change
Revenue											
Exchange Revenue											
Service charges - Electricity	425 559	425 559	479 524	479 524	505 275	505 275	536 566	536 566	12.7%	5.4%	6.2%
Service charges - Water	138 057	138 057	147 583	147 583	157 766	157 766	168 652	168 652	6.9%	6.9%	6.9%
Service charges - Waste Water Management	76 014	76 014	81 259	81 259	86 866	86 866	92 860	92 860	6.9%	6.9%	6.9%
Service charges - Waste Management	62 146	62 146	66 186	66 186	70 488	70 488	75 069	75 069	6.5%	6.5%	6.5%
Sale of Goods and Rendering of Services	9 533	9 533	10 044	10 044	10 586	10 586	11 159	11 159	5.4%	5.4%	5.4%
Agency services	4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	0.0%	0.0%	0.0%
Interest	–	–	–	–	–	–	–	–	-	-	-
Interest earned from Receivables	32 335	32 335	34 661	34 661	37 024	37 024	39 560	39 560	7.2%	6.8%	6.8%
Interest earned from Current and Non Current Assets	15 498	15 498	16 273	16 273	17 086	17 086	17 941	17 941	5.0%	5.0%	5.0%
Dividends	–	–	–	–	–	–	–	–	-	-	-
Rent on Land	–	–	–	–	–	–	–	–	-	-	-
Rental from Fixed Assets	3 187	3 187	3 322	3 322	3 465	3 465	3 614	3 614	4.3%	4.3%	4.3%
Licence and permits	2 851	2 851	2 856	2 856	2 860	2 860	2 865	2 865	0.2%	0.2%	0.2%
Special rating levies	–	–	–	–	–	–	–	–	-	-	-
Operational Revenue	1 955	1 955	1 955	1 955	1 955	1 955	1 955	1 955	0.0%	0.0%	0.0%
Non-Exchange Revenue											
Property rates	298 309	298 309	319 920	319 920	339 115	339 115	359 462	359 462	7.2%	6.0%	6.0%
Surcharges and Taxes	–	–	–	–	–	–	–	–	-	-	-
Fines, penalties and forfeits	43 859	43 859	45 795	45 795	47 861	47 861	50 021	50 021	4.4%	4.5%	4.5%
Licences or permits	11 772	11 772	12 545	12 545	13 371	13 371	14 255	14 255	6.6%	6.6%	6.6%
Transfer and subsidies - Operational	210 105	210 105	214 394	214 394	224 359	224 359	222 295	222 295	2.0%	4.6%	-0.9%
Interest	5 510	5 510	5 841	5 841	6 192	6 192	6 563	6 563	6.0%	6.0%	6.0%
Fuel Levy	–	–	–	–	–	–	–	–	-	-	-
Operational Revenue	19 658	19 658	21 605	21 605	22 920	22 920	24 417	24 417	9.9%	6.1%	6.5%
Gains on disposal of Assets	–	–	–	–	–	–	–	–	-	-	-
Other Gains	–	–	–	–	–	–	–	–	-	-	-
Discontinued Operations	–	–	–	–	–	–	–	–	-	-	-
Total Revenue (excluding capital transfers and contributions)	**1 360 902**	**1 360 902**	**1 468 315**	**1 468 315**	**1 551 743**	**1 551 743**	**1 631 809**	**1 631 809**	7.9%	5.7%	5.2%
Expenditure											
Employee related costs	482 971	482 971	524 567	524 567	552 513	552 513	580 264	580 264	8.6%	5.3%	5.0%
Remuneration of councillors	15 594	15 594	15 988	15 988	16 387	16 387	16 797	16 797	2.5%	2.5%	2.5%
Bulk purchases - electricity	413 349	413 349	466 010	466 010	490 988	490 988	521 380	521 380	12.7%	5.4%	6.2%
Inventory consumed	104 695	104 695	114 422	114 422	120 715	120 715	125 352	125 352	9.3%	5.5%	3.8%
Debt impairment	59 136	86 287	65 115	93 495	68 669	98 811	72 553	104 713	10.1%	5.5%	5.7%
Depreciation and amortisation	117 798	117 798	142 422	142 422	146 083	146 083	141 974	141 974	20.9%	2.6%	-2.8%
Interest	13 002	13 002	20 106	20 106	25 695	25 695	21 945	21 945	54.6%	27.8%	-14.6%
Contracted services	145 759	145 759	142 440	142 440	132 241	132 241	130 512	130 512	-2.3%	-7.2%	-1.3%
Transfers and subsidies	400	400	950	950	950	950	950	950	137.5%	0.0%	0.0%
Irrecoverable debts written off	10 078	10 078	11 487	11 487	12 180	12 180	12 952	12 952	14.0%	6.0%	6.3%
Operational costs	98 211	98 211	101 508	101 508	102 803	102 803	103 801	103 801	3.4%	1.3%	1.0%
Losses on disposal of Assets	–	–	–	–	–	–	–	–	-	-	-
Other Losses	–	–	–	–	–	–	–	–	-	-	-
Total Expenditure	**1 460 993**	**1 488 144**	**1 605 015**	**1 633 395**	**1 669 224**	**1 699 366**	**1 728 480**	**1 760 641**	9.9%	4.0%	3.5%
Surplus/(Deficit)	**(100 091)**	**(127 242)**	**(136 700)**	**(165 080)**	**(117 481)**	**(147 623)**	**(96 671)**	**(128 832)**	36.6%	-14.1%	-17.7%
Transfers and subsidies - capital (monetary allocations)	179 527	179 527	127 188	127 188	57 374	57 374	1 600	1 600	-29.2%	-54.9%	-97.2%
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	-	-	-
Surplus/(Deficit) after capital transfers and	**79 436**	**52 286**	**(9 512)**	**(37 892)**	**(60 107)**	**(90 249)**	**(95 071)**	**(127 232)**	-112.0%	531.9%	58.2%
Income Tax	–	–	–	–	–	–	–	–	-	-	-
Surplus/(Deficit) after income tax	**79 436**	**52 286**	**(9 512)**	**(37 892)**	**(60 107)**	**(90 249)**	**(95 071)**	**(127 232)**	-112.0%	531.9%	58.2%
Share of Surplus/Deficit attributable to Joint Venture	–	–	–	–	–	–	–	–	-	-	-
Share of Surplus/Deficit attributable to Minorities	–	–	–	–	–	–	–	–	-	-	-
Surplus/(Deficit) attributable to municipality	**79 436**	**52 286**	**(9 512)**	**(37 892)**	**(60 107)**	**(90 249)**	**(95 071)**	**(127 232)**	-112.0%	531.9%	58.2%
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	-	-	-
Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–	–	-	-	-
Surplus/(Deficit) for the year	**79 436**	**52 286**	**(9 512)**	**(37 892)**	**(60 107)**	**(90 249)**	**(95 071)**	**(127 232)**	-112.0%	531.9%	58.2%



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EC108 - Kouga	CURRENT YEAR		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2027/28
R thousand	Adjusted Budget	Treasury Calculation	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation
Capital Expenditure - Functional								
Municipal governance and administration	**54 101**	**54 101**	**2 621**	**2 621**	**2 500**	**2 500**	**2 000**	**2 000**
Executive and council	300	300	–	–	–	–	–	–
Finance and administration	53 773	53 773	2 621	2 621	2 500	2 500	2 000	2 000
Internal audit	28	28	–	–	–	–	–	–
Community and public safety	**21 947**	**21 947**	**2 441**	**2 441**	**1 391**	**1 391**	**1 391**	**1 391**
Community and social services	–	–	50	50	–	–	–	–
Sport and recreation	–	–	–	–	–	–	–	–
Public safety	1 391	1 391	2 391	2 391	1 391	1 391	1 391	1 391
Housing	20 556	20 556	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–
Economic and environmental services	**66 646**	**66 646**	**150 839**	**150 839**	**21 101**	**21 101**	**–**	**–**
Planning and development	3 497	3 497	6 926	6 926	10 764	10 764	–	–
Road transport	63 149	63 149	143 913	143 913	10 337	10 337	–	–
Environmental protection	–	–	–	–	–	–	–	–
Trading services	**140 200**	**140 200**	**104 303**	**104 303**	**40 678**	**40 678**	**11 556**	**11 556**
Energy sources	37 829	37 829	18 400	18 400	20 920	20 920	10 000	10 000
Water management	53 770	53 770	59 549	59 549	2 066	2 066	56	56
Waste water management	48 600	48 600	24 854	24 854	16 192	16 192	1 500	1 500
Waste management	–	–	1 500	1 500	1 500	1 500	–	–
Other	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	**282 894**	**282 894**	**260 204**	**260 204**	**65 670**	**65 670**	**14 947**	**14 947**
Funded by								
National Government	72 328	72 328	43 963	43 963	48 499	48 499	–	–
Provincial Government	85 073	85 073	65 243	65 243	–	–	–	–
District Municipality	1 391	1 391	1 391	1 391	1 391	1 391	1 391	1 391
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–
Transfers recognised - capital	**158 792**	**158 792**	**110 598**	**110 598**	**49 890**	**49 890**	**1 391**	**1 391**
Borrowing	94 484	94 484	130 435	130 435	–	–	–	–
Internally generated funds	29 618	29 618	19 172	19 172	15 780	15 780	13 556	13 556
Total Capital Funding	**282 894**	**282 894**	**260 204**	**260 204**	**65 670**	**65 670**	**14 947**	**14 947**

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EC108 - Kouga	Table A6 Budgeted Financial Position		CURRENT YEAR			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2023/24	2023/24	2024/25	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2027/28
R thousand	Audited Outcome	AFS Totals	Original Budget	Adjusted Budget	Treasury Calculation	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation
ASSETS											
Current assets											
Cash and cash equivalents	143 659	143 659	43 640	170 463	206 601	145 295	196 801	161 352	193 067	188 618	200 322
Trade and other receivables from exchange transaction	58 750	59 899	77 030	59 899	68 023	59 899	69 070	59 899	69 505	59 899	70 011
Receivables from non-exchange transactions	26 651	26 651	29 014	26 651	23 882	26 651	20 547	26 651	16 995	26 651	13 233
Current portion of non-current receivables	–	–	–	–	–	–	–	–	–	–	–
Inventory	22 450	22 450	18 598	22 450	19 366	22 450	19 366	22 450	19 366	22 450	19 366
VAT	12 790	–	45 445	12 790	9 442	12 790	10 258	12 790	10 537	6 733	10 969
Other current assets	2 149	999	109	999	999	999	999	999	999	999	999
Total current assets	**266 448**	**253 658**	**213 837**	**293 252**	**328 312**	**268 084**	**317 041**	**284 141**	**310 469**	**305 350**	**314 900**
Non current assets											
Investments	–	–	–	–	–	–	–	–	–	–	–
Investment property	250 794	250 794	262 608	250 794	250 794	250 794	250 794	250 794	250 794	250 794	250 794
Property, plant and equipment	2 061 616	2 061 616	2 106 737	2 226 712	2 227 298	2 344 495	2 345 667	2 264 082	2 265 841	2 137 055	2 139 401
Biological assets	–	–	–	–	–	–	–	–	–	–	–
Living and non-living resources	–	–	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–	–	–
Intangible assets	419	419	603	419	(168)	419	(754)	419	(1 341)	419	(1 927)
Trade and other receivables from exchange transaction	–	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactio	–	–	–	–	–	–	–	–	–	–	–
Other non-current assets	–	–	–	–	–	–	–	–	–	–	–
Total non current assets	**2 312 828**	**2 312 828**	**2 369 948**	**2 477 924**	**2 477 924**	**2 595 707**	**2 595 707**	**2 515 294**	**2 515 294**	**2 388 267**	**2 388 267**
TOTAL ASSETS	**2 579 276**	**2 566 486**	**2 583 785**	**2 771 176**	**2 806 236**	**2 863 791**	**2 912 748**	**2 799 435**	**2 825 763**	**2 693 618**	**2 703 167**
LIABILITIES											
Current liabilities											
Bank overdraft	–	–	–	–	–	–	–	–	–	–	–
Financial liabilities	11 144	11 144	23 564	38 274	23 391	31 944	31 416	31 944	31 416	17 424	199 765
Consumer deposits	31 660	31 660	29 060	31 660	31 660	31 660	31 660	31 660	31 660	31 660	31 660
Trade and other payables from exchange transactions	143 222	143 222	124 413	143 222	165 442	143 222	171 782	143 222	173 778	143 222	176 957
Trade and other payable from non-exchange transactio	38 791	38 791	–	0	40 403	–	40 321	–	40 459	–	40 596
Provision	54 427	54 427	48 355	54 868	54 427	64 451	54 427	73 936	54 427	82 980	54 427
VAT	14 707	1 917	(0)	14 707	15 432	14 707	24 632	14 707	33 696	8 650	43 391
Other current liabilities	–	–	–	–	–	–	–	–	–	–	–
Total current liabilities	**293 952**	**281 162**	**225 392**	**282 732**	**330 755**	**285 984**	**354 238**	**295 469**	**365 436**	**283 937**	**546 796**
Non current liabilities											
Financial liabilities	12 231	12 231	11 333	120 843	132 163	203 183	231 181	171 239	199 765	153 815	–
Provision	133 995	231 060	140 468	137 347	249 000	139 560	270 903	139 560	294 386	139 560	317 427
Long term portion of trade payables	–	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	97 065	–	119 151	108 785	–	123 106	–	141 317	–	159 527	–
Total non current liabilities	**243 291**	**243 291**	**270 953**	**366 975**	**381 162**	**465 849**	**502 085**	**452 116**	**494 150**	**452 902**	**317 427**
TOTAL LIABILITIES	**537 243**	**524 453**	**496 345**	**649 707**	**711 918**	**751 834**	**856 322**	**747 585**	**859 587**	**736 839**	**864 223**
NET ASSETS	**2 042 032**	**2 042 032**	**2 087 440**	**2 121 469**	**2 094 318**	**2 111 957**	**2 056 426**	**2 051 850**	**1 966 177**	**1 956 779**	**1 838 945**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	2 036 273	2 036 273	2 087 440	2 121 469	2 094 318	2 097 457	2 041 926	2 037 350	1 951 677	1 942 279	1 824 445
Reserves and funds	5 759	5 759	–	–	–	14 500	14 500	14 500	14 500	14 500	14 500
Other	–	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 042 032**	**2 042 032**	**2 087 440**	**2 121 469**	**2 094 318**	**2 111 957**	**2 056 426**	**2 051 850**	**1 966 177**	**1 956 779**	**1 838 945**

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EC108 - Kouga	CURRENT YEAR		MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
Description	2024/25	2024/25	2025/26	2025/26	2026/27	2026/27	2027/28	2027/28
R thousand	Adjusted Budget	Treasury Calculation	Budget Year +0	Treasury Calculation	Budget Year +1	Treasury Calculation	Budget Year +2	Treasury Calculation
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	288 628	284 071	309 473	304 586	328 041	322 861	347 723	342 233
Service charges	823 774	686 394	908 343	756 614	962 412	801 687	1 024 456	853 381
Other revenue	115 947	**225 298**	115 585	244 758	87 427	223 456	85 178	225 212
Transfers and Subsidies - Operational	210 105	210 105	214 394	214 394	224 359	224 359	222 295	222 295
Transfers and Subsidies - Capital	140 736	140 736	127 188	127 188	57 374	57 374	1 600	1 600
Interest	15 498	15 498	16 273	16 273	17 086	17 086	17 941	17 941
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(1 409 235)	**(1 377 186)**	(1 512 012)	(1 502 748)	(1 536 385)	(1 530 179)	(1 602 705)	(1 589 501)
Finance charges	(11 097)	(9 649)	(19 267)	(16 754)	(25 693)	(22 342)	(21 381)	(18 592)
Transfers and Grants	(400)	(400)	(950)	(950)	(950)	(950)	(950)	(950)
NET CASH FROM/(USED) OPERATING ACTIVITI	**173 957**	**174 867**	**159 026**	**143 361**	**113 671**	**93 353**	**74 157**	**53 618**
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–
Payments								
Capital assets	(231 888)	(231 888)	(260 204)	(229 769)	(65 670)	(65 670)	(14 947)	(14 947)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(231 888)**	**(231 888)**	**(260 204)**	**(229 769)**	**(65 670)**	**(65 670)**	**(14 947)**	**(14 947)**
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	100 000	100 000	100 000	100 000	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–
Payments								
Repayment of borrowing	(15 264)	(18 827)	(23 990)	(23 391)	(31 944)	(31 416)	(31 944)	(31 416)
NET CASH FROM/(USED) FINANCING ACTIVITIE	**84 736**	**81 173**	**76 010**	**76 609**	**(31 944)**	**(31 416)**	**(31 944)**	**(31 416)**
NET INCREASE/ (DECREASE) IN CASH HELD	**26 804**	**24 151**	**(25 168)**	**(9 799)**	**16 057**	**(3 734)**	**27 266**	**7 255**
Cash/cash equivalents at the year begin:	143 659	**143 659**	**170 463**	**167 810**	**145 295**	**158 010**	**161 352**	**154 276**
Cash/cash equivalents at the year end:	**170 463**	**167 810**	**145 295**	**158 010**	**161 352**	**154 276**	**188 618**	**161 531**