

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010

2009  
(restated)

### 5. BIOLOGICAL ASSETS- BREEDING STOCK

	2010			2009		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Breeding stock	-	-	-	5,976	-	5,976

#### Reconciliation of biological assets- breeding stock - 2010

	Opening balance	Disposals	Transfers	Gains or losses arising from changes in fair value	Gains or losses arising from biological transformation	Total
Breeding stock	5,976	-	(5,976)	-	-	-

#### Reconciliation of biological assets- breeding stock - 2009

	Opening balance	Disposals	Transfers	Gains or losses arising from changes in fair value	Gains or losses arising from biological transformation	Total
Breeding stock	4,474	(1,116)	-	1,089	1,529	5,976

#### Non - Financial information

##### Quantities of each biological asset - breeding stock

Bulls	-	22
Breeding heifers	-	263
Cows	-	674
	-	<b>959</b>

#### Methods and assumptions used in determining fair value

The fair value of livestock is determined based on market prices of livestock of a similar age, breed, and genetic merit, sold on auction during that year. All activities relating to livestock have ceased in the 2010 financial year.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010

2009  
(restated)

### 6. BIOLOGICAL ASSETS - HELD FOR RESALE

	2010			2009		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Stock held for resale	-	-	-	3,400	-	3,400

#### Reconciliation of biological assets - held for resale - 2010

	Opening Balance	Decreases due to sales	Transfers	Gains or losses arising from changes in fair value	Gains or losses arising from biological transformation	Total
Stock held for resale	3,400	(13,671)	5,976	470	3,825	-

#### Reconciliation of biological assets - held for resale - 2009

	Opening Balance	Decreases due to sales	Transfers	Gains or losses arising from changes in fair value	Gains or losses arising from biological transformation	Total
Stock held for resale	3,434	(1,874)	-	(373)	2,213	3,400

### Non – Financial information

#### Quantities of each biological asset - Held for resale

Bulls	-	74
Calves	-	74
Weaners	-	568
	-	<b>716</b>

#### Methods and assumptions used in determining fair value

The fair value of livestock is determined based on market prices of livestock of a similar age, breed, and genetic merit, sold on auction during that year. All activities relating to livestock have ceased in the 2010 financial year.

### 7. INVENTORIES

Material, components and fuel	31,364	27,483
Water	6,562	5,988
Subtotal	37,926	33,471
Provision for impairment	(2,321)	(1,651)
	<b>35,605</b>	<b>31,820</b>

Inventory consists of spares and consumables which will be utilised by the company in its daily business operations, as well as stock of water. The stock of water is computed based on volumes at year end in the water network, water towers and reservoirs. Water stock expensed is included as part of cost of sales.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand 2010 2009  
(restated)

### 8. TRADE RECEIVABLES AND PAYABLES WITH GROUP COMPANIES

#### Fellow subsidiaries

City Power Johannesburg (Pty) Ltd	-	(232)
Johannesburg City Parks	(615)	(359)
Johannesburg Roads Agency (Pty) Ltd	(5,293)	(6,587)
Pikitup Johannesburg (Pty) Ltd	164	(181)
The Johannesburg Zoo	-	3
	<b>(5,744)</b>	<b>(7,356)</b>

The above loans are short term (30 - 60 days) , unsecured and interest free.

Current assets	164	3
Current liabilities	(5,908)	(7,359)
	<b>(5,744)</b>	<b>(7,356)</b>

#### Credit quality of trade receivables with group companies

The credit quality of trade receivables with group companies that are neither past due nor impaired are considered fair by the company taking into account the historical information available and due to the fact that there has been no default in the past.

#### Fair value of trade receivables and payables with group companies

Trade receivables and payables with group companies	(5,744)	(7,356)
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The trade receivables and payables with group companies are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method.

#### Trade receivables with group companies past due but not impaired

There are no trade receivables with group companies which are past due.

### 9. LOANS TO/FROM SHAREHOLDER

City of Johannesburg Metropolitan Municipality - Other loans	(10,886)	2,202
City of Johannesburg Metropolitan Municipality - Conduit mirror loans	(1,875,790)	(1,707,651)
City of Johannesburg Metropolitan Municipality - Other non-exchange loans	35,525	93,187
City of Johannesburg Metropolitan Municipality - Post retirement benefit	80,721	81,331
City of Johannesburg Metropolitan Municipality - Capex drawdown	44,834	62,372
City of Johannesburg Metropolitan Municipality - Sweeping account	248,843	160,337
City of Johannesburg Metropolitan Municipality - Shareholder loans	(519,934)	(584,928)
	<b>(1,996,687)</b>	<b>(1,893,150)</b>

Other loans and the Capex drawdown are short term (30 - 60 days), unsecured and interest free.

Current assets	409,923	399,429
Non-current liabilities	(2,067,228)	(2,014,117)
Current liabilities (including short term portion of long term loans)	(339,382)	(278,462)
	<b>(1,996,687)</b>	<b>(1,893,150)</b>

The terms of loans to shareholder have not been renegotiated in the current or prior period.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand 2010 2009  
(restated)

### 9. LOANS TO/FROM SHAREHOLDER (continued)

#### Fair value of loans to and from shareholder

Loans to shareholder	399,037	399,430
Loans from shareholder	(2,164,545)	(1,998,947)

#### Loans to shareholder past due but not impaired

Loans to shareholder which are less than 3 months past due are not considered to be impaired. At 30 June 2010, R3 (2009: R 733) were past due but not impaired.

The aging of the amounts past due but not impaired is as follows:

30 days past due	3	733
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#### 9.1. City of Johannesburg Metropolitan Municipality - Conduit mirror loans

Loans at the beginning of the year	(1,707,651)	(1,367,505)
New loans	(402,890)	(523,029)
Repayments	234,751	182,883
<b>Balance at end of year</b>	<b>(1,875,790)</b>	<b>(1,707,651)</b>

These unsecured loans bear interest at a nominal annual rate of 6,35% to 14,33% (2009: 8,45% to 14,33%) compounded monthly and are repayable in equal quarterly installments over a period of ten years. The commencement date of the capital repayments vary from 2001 to 2010.

#### 9.2. City of Johannesburg Metropolitan Municipality - Shareholder loans

Shareholder loans at beginning of the year	(584,928)	(649,923)
Repayments	64,995	64,995
<b>Balance at the end of the year</b>	<b>(519,933)</b>	<b>(584,928)</b>

The unsecured loans bear interest at a nominal annual rate of 14,5% to 15% (2009: 14,5% to 15%) compounded monthly and are repayable in equal quarterly installments over a period of 10 years. The quarterly capital repayments commenced in 2009.

#### 9.3. City of Johannesburg Metropolitan Municipality - Sweeping account

Bank Sweeping Account	248,843	160,337
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The bank sweeping account is an unsecured interest bearing loan to the shareholder with no fixed repayment terms. The loan earns interest at a variable rate which was 6,28% (2009: 7,13%) at the reporting date.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

	2010	2009 (restated)
--	------	--------------------

### 10. OTHER RECEIVABLES

Sundry debtor	12,621	13,208
Allowance for debt impairment	(2,995)	(2,531)
<b>Total other receivables</b>	<b>9,626</b>	<b>10,677</b>

Other receivables consists of the billing and recovery of sundry services which include farming income, laboratory fees and penalty charges to sewer effluent transgressors.

#### Credit quality of other receivables

Other receivables comprise of the recovery of sundry services. Management evaluates credit risk relating to these customers on an ongoing basis. The credit quality of other receivables that are neither past due nor impaired are considered fair by the company taking into account the historical information available.

#### Other receivables past due but not impaired

Other receivables which are less than 6 months past due are not considered to be impaired. At 30 June 2010, R 1,313 (2009 : R 29 ) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

60 days past due	1,313	28
90 days past due	-	1

#### Other receivables impaired

As of 30 June 2010, other receivables of R 12,621 (2009: R 13,208) were considered for impairment testing. The allowance for impairment losses was R 2,995 as of 30 June 2010 (2009: R 2,531).

The classification and respective ageing categories considered by management during the testing for impairment are as follows:

Current (0 - 30 days)	8,313	10,648
31 - 60 days	-	-
61 - 90 days	1,313	28
91 - 120 days	-	1
121 - 365 days	2,995	2,531
> 365 days	-	-
<b>Total other receivables</b>	<b>12,621</b>	<b>13,208</b>

#### Reconciliation of allowance for debt impairment of other receivables

Opening balance	2,531	19
Allowance for impairment losses	464	2,512
	<b>2,995</b>	<b>2,531</b>

The creation and release of the allowance for debt impairment of other receivables have been included in operating expenses in the Statement of Financial Performance (note 24). Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

	2010	2009 (restated)
--	------	--------------------

### 11. CONSUMER DEBTORS: EXCHANGE TRANSACTIONS

Trade receivables	4,136,126	3,633,226
Allowance for debt impairment	(3,255,885)	(2,777,729)
	<b>880,241</b>	<b>855,497</b>

A debt impairment is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. Accordingly, an impairment loss is recognised based on the ageing as well as the profile of debtors. The terms of the trade and other receivables have not been renegotiated during the current or prior period.

In terms of the prepayment metering project, consumers that met certain criteria with respect to the installation of prepaid meters, had their accumulated debt written off. The amount written off for these consumers amounted to R 282,106 (2009: R 121,343). Poor payment levels in deemed consumption areas are being addressed as part of the company's prepayment meter roll out programme.

Extensive investigative work performed prior to 2004 in order to inform the direction of the company turnaround strategy identified that the deemed consumption areas were largely responsible not only for the high outstanding debtors, but also the higher than benchmark unaccounted for water level. Although the level of unaccounted for water for the year under review is 36.6% (2009: 36.6%), the level in metered areas is approximately 18.4% (2009: 21.2%), which is well within accepted norms. The level for deemed consumption areas however, exceeds 84% (2009: 83%) The focus point of the initiative referred to as prepayment metering project is expected to address the water loss issue in deemed consumption areas. The project was suspended in May 2008 due to a court ruling preventing further rollout of the project. An appeal was lodged by the Company and a ruling was announced by the Constitutional Court on 8 October 2009 in favour of the Company. The project will resume in the 2011 financial year.

The historic flat rate billing for variable consumption in deemed consumption areas impacts significantly on the level of unaccounted for water. Adjusting for this impact the revised unaccounted for water level is reduced from 36.6% to 24.9% (2009: reduced from 36.6% to 24.4%).

#### Credit quality of consumer debtors

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. The credit quality of trade receivables that are neither past due nor impaired are considered fair by the company taking into account the historical information available.

#### Summary of consumer debtors by classification

##### Domestic consumers

Current (0 - 30 days)	277,746	202,524
31 - 60 days	113,996	148,814
61 - 90 days	123,948	104,581
91 - 120 days	120,046	92,429
121 - 365 days	519,593	541,543
> 365 days	1,501,746	1,622,938
	2,657,075	2,712,829
Less: Allowance for debt impairment	(2,141,385)	(2,203,654)
	<b>515,690</b>	<b>509,175</b>

##### Domestic consumers - Past due and impaired

Current (0 - 30 days)	-	-
31 - 60 days	-	-
61 - 90 days	-	-
91 - 120 days	(120,046)	(90,248)
121 - 365 days	(519,593)	(528,764)
> 365 days	(1,501,746)	(1,584,642)
	<b>(2,141,385)</b>	<b>(2,203,654)</b>

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010  
2009  
(restated)

### 11. CONSUMER DEBTORS: EXCHANGE TRANSACTIONS (continued)

#### Domestic consumers - Past due and not impaired

Current (0 - 30 days)	277,746	202,524
31 - 60 days	113,996	148,814
61 - 90 days	123,948	104,581
91 - 120 days	-	2,181
121 - 365 days	-	12,779
> 365 days	-	38,296
	<b>515,690</b>	<b>509,175</b>

#### Commercial consumers

Current (0 - 30 days)	172,226	211,755
31 - 60 days	65,650	42,689
61 - 90 days	55,974	36,457
91 - 120 days	66,303	28,688
121 - 365 days	364,704	183,021
> 365 days	719,456	264,119
	1,444,313	766,729
Less: Allowance for debt impairment	(1,088,578)	(464,599)
	<b>355,735</b>	<b>302,130</b>

#### Commercial consumers - Past due and impaired

Current (0 - 30 days)	-	-
31 - 60 days	-	-
61 - 90 days	-	-
91 - 120 days	(45,122)	(28,011)
121 - 365 days	(324,000)	(178,702)
> 365 days	(719,456)	(257,886)
	<b>(1,088,578)</b>	<b>(464,599)</b>

#### Commercial consumers - Past due and not impaired

Current (0 - 30 days)	172,226	211,756
31 - 60 days	65,650	42,689
61 - 90 days	55,974	36,457
91 - 120 days	21,181	677
121 - 365 days	40,704	4,319
> 365 days	-	6,232
	<b>355,735</b>	<b>302,130</b>

#### National and provincial government

Current (0 - 30 days)	5,131	21,308
31 - 60 days	2,011	12,881
61 - 90 days	1,674	7,358
91 - 120 days	1,727	7,144
121 - 365 days	8,429	44,904
> 365 days	15,766	60,073
	34,738	153,668
Less: Allowance for debt impairment	(25,922)	(109,476)
	<b>8,816</b>	<b>44,192</b>

#### National and provincial government - Past due and impaired

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand	2010	2009 (restated)
<b>11. CONSUMER DEBTORS: EXCHANGE TRANSACTIONS (continued)</b>		
Current (0 - 30 days)	-	-
31 - 60 days	-	-
61 - 90 days	-	-
91 - 120 days	(1,727)	(6,976)
121 - 365 days	(8,429)	(43,844)
> 365 days	(15,766)	(58,656)
	<b>(25,922)</b>	<b>(109,476)</b>
<b>National and provincial government - Past due and not impaired</b>		
Current (0 - 30 days)	5,131	21,307
31 - 60 days	2,011	12,880
61 - 90 days	1,674	7,358
91 - 120 days	-	169
121 - 365 days	-	1,060
> 365 days	-	1,418
	<b>8,816</b>	<b>44,192</b>
<b>Total consumer debtors</b>		
Current (0 -30 days)	455,103	435,587
31 - 60 days	181,657	204,384
61 - 90 days	181,596	148,396
91 - 120 days	188,076	128,261
121 - 365 days	892,726	769,468
> 365 days	2,236,968	1,947,130
	<b>4,136,126</b>	<b>3,633,226</b>
Less: Allowance for debt impairment	(3,255,885)	(2,777,729)
	<b>880,241</b>	<b>855,497</b>
<b>Total consumer debtors - Past due and impaired</b>		
Current (0 - 30 days)	-	-
31 - 60 days	-	-
61 - 90 days	-	-
91 - 120 days	(166,895)	(125,235)
121 - 365 days	(852,022)	(751,310)
> 365 days	(2,236,968)	(1,901,184)
	<b>(3,255,885)</b>	<b>(2,777,729)</b>
<b>Total consumer debtors - Past due but not impaired</b>		
Current (0 - 30 days)	455,103	435,587
31 - 60 days	181,657	204,383
61 - 90 days	181,596	148,396
91 - 120 days	21,181	3,027
121 - 365 days	40,704	18,158
> 365 days	-	45,946
	<b>880,241</b>	<b>855,497</b>
<b>Reconciliation of allowance for debt impairment</b>		
Balance at beginning of the year	(2,777,729)	(3,767,509)
Contributions to allowance	(738,707)	(683,934)
Debt impairment written off against allowance	260,551	1,673,714
	<b>(3,255,885)</b>	<b>(2,777,729)</b>

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010

2009  
(restated)

### 12. FINANCIAL ASSETS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

#### 2010

	Loans and receivables	Non-financial assets	Total
Loans to shareholder	409,923	-	409,923
Consumer debtors: Exchange transactions	881,964	(1,723)	880,241
Other receivables	6,102	3,524	9,626
Cash and cash equivalents	24	-	24
Trade receivables with group companies	164	-	164
	<b>1,298,177</b>	<b>1,801</b>	<b>1,299,978</b>

#### 2009

	Loans and receivables	Non-financial assets	Total
Loans to shareholder	399,430	-	399,430
Consumer debtors: Exchange transactions	858,071	(2,574)	855,497
Other receivables	5,311	5,366	10,677
Cash and cash equivalents	27	-	27
Trade receivables with group companies	3	-	3
	<b>1,262,842</b>	<b>2,792</b>	<b>1,265,634</b>

### 13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	24	27
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The company has a sweeping arrangement with the City of Johannesburg Metropolitan Municipality whereby all cash is swept on a daily basis to the City of Johannesburg Metropolitan Municipality's bank account. Petty cash is reflected as being on hand. The cash owed to the company by the City of Johannesburg Metropolitan Municipality is reflected as an amount due from the shareholder. The amount due at 30 June 2010 is R248 million (2009: R160 million).

#### Bank account information

Absa bank: Expenditure account	Account no: 4054394786	-	-
Absa bank: Revenue account	Account no: 4054394809	-	-
Absa bank: Salaries account	Account no: 4054394817	-	-
		-	-

### 14. CONTRIBUTION FROM SHAREHOLDER

#### Authorised

1000 Ordinary shares of R1 each	1	1
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#### Issued

200 Ordinary shares of R1 each	1	1
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# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand 2010 2009  
(restated)

### 15. RETIREMENT BENEFIT OBLIGATION

The actuarial valuations were performed by Independent Actuarial Consultants, who are independent post retirement plan administrators. It was concluded that the plan was in a sound financial position, taking into account the loan receivable (note 9) from the City of Johannesburg Metropolitan Municipality, to cover the liability. In terms of the Sale of Business agreement, the City of Johannesburg Metropolitan Municipality is responsible for the liability for the post retirement benefit plans.

#### Post-retirement liability

Provision:Post-Retirement Medical Obligation	15.1	37,076	39,975
Provision:Post-Retirement Housing Subsidy obligation	15.2	48	63
Provision:Post-Retirement Gratuity Obligation	15.3	47,699	48,103
<b>Balance at end of year</b>		<b>84,823</b>	<b>88,141</b>

#### 15.1 Post retirement medical aid plan

The company has made provision for post retirement medical benefits covering 46 employees (2009: 76 employees), and 29 continuation members (2009: 31 continuation members). There are 2 medical schemes. Actuarial valuations are independently prepared annually using the projected unit funding method.

#### Reconciliation of post retirement medical aid plan

Opening balance	39,975	38,042
Benefits paid	(706)	(748)
Current service costs	798	798
Interest costs	3,357	3,197
Actuarial gain	(6,348)	(1,314)
<b>Balance at end of year</b>	<b>37,076</b>	<b>39,975</b>

#### Key assumptions used

Assumptions used on last valuation on 30 June 2010.

Discount rates used	9.00 %	8.40 %
Rates of increase in employer post retirement medical contribution	7.40 %	6.80 %
Expected increase in salaries	5.90 %	6.80 %

In determining the appropriate discount rate, the actuary considers the interest rates of government bonds, adjusted to reflect the margin on corporate bonds, that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related post retirement medical aid plan liability.

A sensitivity analysis with respect to a 1% change in the discount rate will have the following impact:

1% increase - R3,517 increase in overall liability

1% decrease - R4,265 decrease in overall liability

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand	2010	2009 (restated)
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### 15. RETIREMENT BENEFIT OBLIGATION (continued)

#### 15.2 Post retirement housing subsidy plan

The company has made provision for post retirement housing subsidies covering 3 employees (2009: 4 employees). Actuarial valuations are independently prepared annually using the projected unit funding method.

#### Reconciliation of post retirement housing subsidy plan

Opening balance	63	93
Current service costs	2	2
Interest costs	5	9
Actuarial gain	(22)	(41)
<b>Balance at end of year</b>	<b>48</b>	<b>63</b>

#### Key assumptions used

Assumptions used on last valuation on 30 June 2010.

Discount rates used	9.00 %	8.40 %
Expected increase in salaries	5.90 %	6.80 %

In determining the appropriate discount rate, the actuary considers the interest rates of government bonds, adjusted to reflect the margin on corporate bonds, that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related post retirement housing subsidy plan liability.

#### 15.3 Post retirement gratuity plan

The company has made provision for post retirement gratuity benefits covering 380 employees (2009: 417 employees). Actuarial valuations are independently prepared annually using the projected unit funding method.

#### Reconciliation of post retirement gratuity plan

Opening balance	48,103	49,913
Benefits paid	(5,928)	(5,626)
Interest Cost	4,041	4,475
Actuarial loss / (gain)	1,483	(659)
<b>Balance at end of year</b>	<b>47,699</b>	<b>48,103</b>

#### Key assumptions used

Assumptions used on last valuation on 30 June 2010.

Discount rates used	9.00 %	8.40 %
Expected increase in salaries	5.90 %	6.80 %

In determining the appropriate discount rate, the actuary considers the interest rates of government bonds, adjusted to reflect the margin on corporate bonds, that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related post retirement gratuity plan liability.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010  
2009  
(restated)

### 15. RETIREMENT BENEFIT OBLIGATION (continued)

#### 15.4 Net expense recognised in the statement of financial performance

Post retirement medical aid plan	15.1	2,899	1,933
Post retirement housing subsidy plan	15.2	15	30
Post retirement gratuity plan	15.3	404	1,810
		<b>3,318</b>	<b>3,773</b>

#### 15.5 Defined contribution plan

The company's liability is limited to its contributions to the plan.

The total company contribution to such schemes		43,714	41,610
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### 16. UNSPENT CONDITIONAL GRANTS

Unspent conditional grants comprise:

Government grants		7,538	13,483
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#### Government grants movement during the year

Balance at the beginning of the year		13,483	-
Received in current year		108,798	118,905
Utilised during the year		(114,743)	(105,422)
<b>Balance at the end of the year</b>		<b>7,538</b>	<b>13,483</b>

The unspent conditional grants have been contracted for. The projects were classified as work in progress at the reporting date resulting in partial fulfillment of the conditions attached to the funding.

### 17. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables		651,476	396,299
Payments received in advance		236,965	227,051
Accrued leave pay		30,081	28,300
Accrued bonus		28,992	26,908
Operating lease payables		8,666	7,481
Sundry Creditors		4,621	8,551
VAT		107,492	132,869
Consumer deposits		36,068	33,865
		<b>1,104,361</b>	<b>861,324</b>

The above are short term, unsecured and interest free.

#### 17.1 Trade payables

Gross trade payables		652,443	397,883
Effective interest rate adjustment		(965)	(1,582)
		<b>651,478</b>	<b>396,301</b>

#### 17.2 Section 197 - Staff migration provisions

Included in the provision for accrued leave pay is a provision totaling R2,766 for the migration of staff to the City of Johannesburg Metropolitan Municipality in respect of project Phakama.

# Johannesburg Water (Proprietary) Limited

(Registration number 2000/029271/07)

Annual Financial Statements for the year ended 30 June 2010

## Notes to the Annual Financial Statements

Figures in Rand thousand

2010  
2009  
(restated)

### 17. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS (continued)

Included in the provision for accrued bonus is a provision totaling R2,404 for the migration of staff to the City of Johannesburg Metropolitan Municipality in respect of project Phakama.

### 18. FINANCIAL LIABILITIES BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

#### 2010

	Financial liabilities	Non-financial liabilities	Total
Trade payables with group companies	5,908	-	5,908
Loans from shareholder	2,406,610	-	2,406,610
Trade and other payables from exchange transactions	753,974	350,388	1,104,362
	<b>3,166,492</b>	<b>350,388</b>	<b>3,516,880</b>

#### 2009

	Financial liabilities	Non-financial liabilities	Total
Trade payables with group companies	7,359	-	7,359
Loans from shareholder	2,292,579	-	2,292,579
Trade and other payables from exchange transactions	497,113	364,211	861,324
	<b>2,797,051</b>	<b>364,211</b>	<b>3,161,262</b>

### 19. REVENUE FROM EXCHANGE TRANSACTIONS

Sale of water	2,472,170	2,327,188
Rendering of sanitation services	1,488,582	1,337,774
	<b>3,960,752</b>	<b>3,664,962</b>

### 20. OTHER INCOME

Other income	16,947	7,761
Laboratory income	1,394	1,549
Farming income	4,993	5,242
Developer funded asset income	73,525	74,409
Profit on disposal of property, plant and equipment	184	134
Bulk service contributions released	31,814	19,617
	<b>128,857</b>	<b>108,712</b>

### 21. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Government grants released	114,743	105,422
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