

Ezulwini Town Council
Annual Financial Statements
for the year ended 31 March 2025



Kobla Quashie and Associates
CHARTERED ACCOUNTANTS (ES)

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Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile	Eswatini
Councillors	Cllr. Refiloe Mamogobo - Chairperson Cllr. Comfort Hlophe - Vice Chairperson Cllr. Bongile Mbingo - Member Cllr. Sandile Dlamini - Finance Chair Cllr. Zodwa Dlamini - Member Cllr. Darren Raw - Member Cllr. Edmund Mazibuko- Member Cllr. Jabulani Mathonsi - Member
Senior Management	Mathokoza Shongwe- Town Clerk Ntombizodwa Vilakati -Town Treasurer Xolile Maphanga - Public Health and Environment Manager Phutfuma Shongwe - Town Engineer Leonard Bennett - Corporate Services Manager Sihle Mkhathshwa - Town Planner
Business address	73 Mpumulanga Road Ezulwini
Postal address	P.O. Box 344 Ezulwini Eswatini
Bankers	Standard Bank (Eswatini) Limited First National Bank of Eswatini Limited Nedbank Swaziland Limited Swaziland Building Society African Alliance
Auditors	Kobla Quashie and Associates Chartered Accountants (Eswatini)



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

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Councillors' Responsibilities and Approval

The Councillors are required by Section 102(3) of the Urban Local Government Act, 1969 and Section 93 of the Urban Government Financial Reporting Regulations of 1969 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Section 102(3) of the Urban Local Government Act, 1969 and Section 93 of the Urban Government Financial Reporting Regulations Act of 1969.. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Section 102(3) of the Urban Local Government Act, 1969 and Section 93 of the Urban Government Financial Reporting Regulations Act of 1969, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

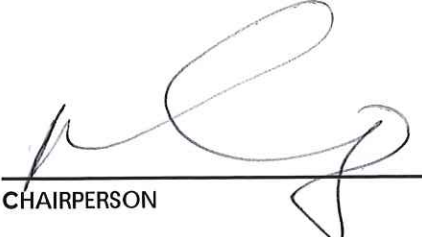
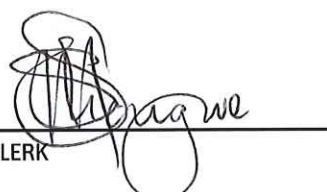

The Councillors acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the Councillors to meet these responsibilities, the council sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the 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 council and all employees are required to maintain the highest ethical standards in ensuring the council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the board is on identifying, assessing, managing and monitoring all known forms of risk across the council. While operating risk cannot be fully eliminated, the council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Councillors 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 loss.

The Councillors have reviewed the council's cash flow forecast for the year ending 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the council's annual financial statements. The annual financial statements have been examined by the council's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 6 to 21, which have been prepared on the going concern basis, were approved by the Councillors on 17 September 2025 and were signed on its behalf by:


CHAIRPERSON
TOWN CLERK
TOWN TREASURER



Independent Auditors' Report

To the members of Ezulwini Town Council

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ezulwini Town Council as set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2025, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Council as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SMEs), and in the manner required by Section 102(3) of the Urban Local Government Act, 1969 and section 93 of the Urban Government Financial Reporting Regulations Act of 1969.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Eswatini and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Councilors and Those Charged with Governance for the Financial Statements

The Councilors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and for such internal control as the councilors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the councilors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Councilors either intend to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Partners: Kobla Quashie (Chairman), Daniel Bediako (Managing), Farai Machakata

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Kobla Quashie and Associates
Chartered Accountants (Eswatini)
Manzini
Registered Auditor: Daniel Bediako

17 September, 2025



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position

Figures in Lilangeni	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	2	93,695,123	93,340,744
Current Assets			
Financial assets held at fair value	6	27,852,988	17,718,480
Trade and other receivables	3	28,800,361	38,600,798
Cash and cash equivalents	4	7,580,898	4,641,423
		64,234,247	60,960,701
Total Assets		157,929,370	154,301,445
Equity and Liabilities			
Revaluation reserve		56,039,059	56,039,059
Accumulated funds		98,944,593	93,757,751
		154,983,652	149,796,810
Liabilities			
Current Liabilities			
Trade and other payables	5	2,371,916	3,100,561
Provisions	11	573,802	1,404,074
		2,945,718	4,504,635
Total Equity and Liabilities		157,929,370	154,301,445



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Statement of Comprehensive Income

Figures in Lilangeni	Note(s)	2025	2024
Revenue		33,847,816	32,151,242
Cost of sales		(8,894,083)	(6,908,334)
Gross profit		24,953,733	25,242,908
Other income		2,256,311	4,346,488
Operating expenses		(24,884,601)	(20,120,030)
Operating surplus		2,325,443	9,469,366
Investment revenue		2,880,655	2,202,573
Profit for the year		5,206,098	11,671,939
Other comprehensive income		-	-
Total comprehensive income		5,206,098	11,671,939



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Equity

Figures in Lilangeni	Revaluation reserve	Accumulated funds	Total equity
Balance at 01 April 2023	56,039,059	82,085,812	138,124,871
Changes in equity			
Total comprehensive income for the year		11,671,939	11,671,939
Total changes		11,671,939	11,671,939
Balance at 01 April 2024	56,039,059	93,757,751	149,796,810
Changes in equity			
Total comprehensive income for the year		5,206,098	5,206,098
Other non cash items		(19,256)	(19,256)
Total changes		5,186,842	5,186,842
Balance at 31 March 2025	56,039,059	98,944,593	154,983,652
Note(s)	8		



Ezulwini Town Council

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Statement of Cash Flows

Figures in Lilangeni	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from operations	7	14,993,642	10,634,835
Interest income		2,880,655	2,202,573
Net cash from operating activities		17,874,297	12,837,408
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(4,623,870)	(10,942,541)
Disposal of property, plant and equipment	2	(176,438)	9,468
Purchase of financial assets		(10,134,508)	(1,536,085)
Net cash from investing activities		(14,934,816)	(12,469,158)
Total cash movement for the year		2,939,481	368,250
Cash at the beginning of the year		4,641,423	4,273,173
Total cash at end of the year	4	7,580,904	4,641,423



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and Section 102(3) of the Urban Local Government Act, 1969 and Section 93 of the Urban Government Financial Reporting Regulations Act of 1969.. The annual financial statements have been prepared on the historical cost basis as modified by the revaluation of land and buildings, and incorporate the principal accounting policies set out below. They are presented in Emalangeni.

1.1 Significant judgements

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

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 11 - Provisions.

1.2 Property, plant and equipment

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

- it is probable that future economic benefits associated with the item will flow to the town council; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace 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.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

Property, plant and equipment are depreciated on the diminishing balance method over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land and Buildings	0-4%
Plant and Machinery	20%
Furniture and fixtures	10%
Motor vehicles and Tractors	25%
Office equipment	10%
Car ports	5%
Computer equipment	33.33%



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.2 Property, plant and equipment (continued)

Roads	4%
Cellphones	33.33%
High mast lights	10%
Trailers	20%

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the council becomes a party to the contractual provisions of the instruments.

The council classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.



Ezulwini Town Council

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Accounting Policies

1.3 Financial instruments (continued)

Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the council has the positive intention and ability to hold to maturity are classified as held to maturity.

1.4 Impairment of assets

The council assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the council estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the council also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

1.5 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.5 Employee benefits (continued)

Pension obligation

The council currently operates a defined contribution plan. The council pays contribution to a privately administered pension plan on a mandatory, contractual or voluntary basis. Once the contribution have been paid, the board has no further payment obligation. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

1.6 Provisions and contingencies

Provisions are recognised when:

- the council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 9.

1.7 Government grants

Government grants are recognised when there is reasonable assurance that:

- the town council will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.7 Government grants (continued)

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the income statement (separately)..

1.8 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business.

Revenue is mainly derived from Government subventions, rates levied in terms of the Ratings Act 1995 and service charges. These are accounted for on an accrual basis.

Government Capital

Government grants for carrying capital projects are not charged against the cost of the capital projects but are accumulated in the capital gifts and grants account.

Government Subvention

Government rates revenue grants are netted off against the cost of the capital projects but are accumulated in the capital gifts and grants account.

Rates Income

Rates income is levied on all rateable properties of the Council based on values extracted from the valuation roll and amended when a supplementary valuation roll is prepared.

Interest Income

Interest is recognised on an accrual basis unless collectibility is in doubt.

1.9 Equity

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

1.10 Related parties

The major related party to the Council apart from its Councillors is the Government of Eswatini which exercises a significant influence over its financial and operating decisions.



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Lilangeni 2025 2024

2. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Computer equipment	1,668,778	(1,262,071)	406,707	1,652,808	(1,227,037)	425,771
Furniture and fixtures	1,715,003	(444,949)	1,270,054	841,450	(382,586)	458,864
Car ports	315,753	(126,945)	188,808	315,753	(117,008)	198,745
Land and buildings	17,754,503	(668,474)	17,086,029	17,722,479	(420,814)	17,301,665
Cell phones	57,093	(25,064)	32,029	44,595	(12,072)	32,523
High mast lights	2,786,312	(1,216,738)	1,569,574	2,786,312	(1,042,341)	1,743,971
Motor vehicles	6,897,747	(3,647,709)	3,250,038	5,717,775	(4,402,093)	1,315,682
Office equipment	1,305,576	(587,617)	717,959	1,242,649	(511,943)	730,706
Plant and machinery	677,771	(385,631)	292,140	600,286	(324,436)	275,850
Skip bins	966,551	(460,130)	506,421	1,062,344	(597,324)	465,020
Roads	95,833,596	(27,458,232)	68,375,364	95,009,787	(24,617,840)	70,391,947
Total	129,978,683	(36,283,560)	93,695,123	126,996,238	(33,655,494)	93,340,744

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	425,771	168,040	(2,198)	(184,906)	406,707
Furniture and fixtures	458,864	873,553	-	(62,363)	1,270,054
Car ports	198,745	-	-	(9,937)	188,808
Land and buildings	17,301,665	32,024	-	(247,660)	17,086,029
Cellphones	32,523	14,997	(2,361)	(13,130)	32,029
High mast lights	1,743,971	-	-	(174,397)	1,569,574
Motor vehicles	1,315,682	2,401,179	(71,926)	(394,897)	3,250,038
Office equipment	730,706	62,928	-	(75,675)	717,959
Plant and Machinery	275,850	77,485	-	(61,195)	292,140
Skip bins	465,020	169,855	(17,093)	(111,361)	506,421
Roads	70,391,947	823,809	-	(2,840,392)	68,375,364
	93,340,744	4,623,870	(93,578)	(4,175,913)	93,695,123



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Lilangeni	2025	2024			
2. Property, plant and equipment (continued)					
Reconciliation of property, plant and equipment - 2024					
	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	419,333	170,237	-	(163,799)	425,771
Furniture and fixtures	462,058	47,439	-	(50,633)	458,864
Car ports	209,205	-	-	(10,460)	198,745
Land and Buildings	17,559,041	-	-	(257,376)	17,301,665
Cell phones	28,680	24,696	(9,537)	(11,316)	32,523
High mast lights	315,804	1,589,774	-	(161,607)	1,743,971
Motor vehicles	1,754,243	-	-	(438,561)	1,315,682
Office equipment	587,771	206,573	-	(63,638)	730,706
Plant and machinery	264,429	77,168	-	(65,747)	275,850
Skip bins	341,198	200,229	-	(76,407)	465,020
Roads	64,488,844	8,626,425	-	(2,723,322)	70,391,947
	86,430,606	10,942,541	(9,537)	(4,022,866)	93,340,744

Details of properties

Land and buildings are situated on Lot 1, Mountain View, Ezulwini; Lot 2, Mountain View, Ezulwini and Portion 1 of Lot 3, Mountain View Ezulwini.

3. Trade and other receivables

Trade receivables	31,476,396	40,818,996
Provision for doubtful debts - rates	(2,858,396)	(2,293,949)
Prepayments	147,193	74,329
Staff loans	35,168	1,422
	28,800,361	38,600,798

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2,267	641
Bank balances	7,578,631	4,640,782
	7,580,898	4,641,423

Cash on hand	2,267	641
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Bank Balances

Standard Bank Eswatini (Limited) -Current Account	152,395	150,447
Swaziland Building Society	6,851,653	3,762,102
First National Bank - Current Account	456,323	474,577
Nedbank - Current Account	118,260	253,655
	7,578,631	4,640,781



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Lilangeni	2025	2024
5. Trade and other payables		
Trade payables	531,450	984,082
Unidentified deposits	84,966	80,106
Accrued audit fees	285,729	403,440
Other payables	1,469,771	1,632,933
	2,371,916	3,100,561
6. Financial assets held at fair value		
African Alliance Asset Management	27,852,988	17,718,480
Current assets		
Financial assets held at fair value	27,852,988	17,718,480
7. Cash generated from operations		
Profit before taxation	5,206,098	11,671,939
Adjustments for:		
Depreciation and amortisation	4,175,913	4,022,865
Gain on sale of assets	270,016	69
Interest received	(2,880,655)	(2,202,573)
Movements in provisions	(830,272)	326,850
Other non cash items	(19,256)	-
Changes in working capital:		
Trade and other receivables	9,800,443	(3,077,041)
Trade and other payables	(728,645)	(107,274)
	14,993,642	10,634,835
8. Reserves		
The Revaluation reserve arises from the revaluation of the road infrastructure by CEAS Consulting Engineers in August 2013 amounting to E32,214,851. The revaluation of land and buildings situated on Lot 1, Mountain View, Ezulwini by Fred Kunda under KF & J Property Consultants in May 2013.		
The Capital reserves on Eswatini Government and SLGP arises from assets bought by Ezulwini Town Council paid for out of capital grants received from the Government of Eswatini and the World Bank.		
Land and buildings - revaluation	1,158,553	1,158,553
Capital reserves - projects	22,665,655	22,665,655
Roads - revaluation	32,214,851	32,214,851
	56,039,059	56,039,059
9. Contingent liability		
The Council is currently having pending legal claims lodged by former employees. Legal counsel has confirmed that the matters are ongoing and that it is not possible at this stage to determine the likely outcomes. Management will continue to monitor the cases and update the disclosure as new information becomes available. No provision has been recognised in the financial statements as the outcome of the cases is uncertain.		



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Notes to the Annual Financial Statements

Figures in Lilangeni	2025	2024
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10. Comparative figures

Certain comparative figures have been reclassified to afford a proper comparison.

11. Provisions

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Total
Terminal benefits	1,404,074	340,863	(1,171,135)	573,802



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Detailed Statement of Financial Performance

Figures in Lilangeni	Note(s)	2025	2024
Revenue			
Rates		32,974,816	31,278,242
Eswatini Government Subvention		873,000	873,000
		33,847,816	32,151,242
Cost of sales			
Direct costs for the year		(8,894,083)	(6,908,334)
Gross profit		24,953,733	25,242,908
Other income			
Scrutiny income		63,267	69,997
Gains on disposal of assets		270,016	69
Interest received		2,880,655	2,202,573
Sundry income		380,278	2,835,668
Advertising		200,400	144,254
Skip collections		1,342,350	1,296,500
		5,136,966	6,549,061
Operating expenses			
Advertising and promotions		318,871	277,156
Annual report		38,567	39,500
Assessment rates & municipal charges		22,018	-
Asset disposal account		1,668	1,667
Audit Fees		172,500	544,045
Bad debts		965,764	240,205
Bank charges		319,607	275,778
Cleaning		84,430	95,691
Computer maintenance & accessories		44,793	82,828
Consulting and professional fees		618,915	19,734
Depreciation		546,065	564,147
Electricity and Water		215,659	202,683
Employee costs		13,076,668	11,225,376
Environmental Management		395,930	138,050
HIV Programs		197,785	295,191
Health and Safety Costs		115,332	73,789
Hospitality expenses		167,598	92,886
Information Management Systems		767,959	618,817
Insurance		349,578	408,036
Integrated development plan		293,269	29,711
Legal expenses		50,520	255,215
Loss on disposal of assets		327	5,926
Management System		270,256	96,537
Medical expenses		167,810	20,071
Motor vehicle petrol & oil		587,244	737,724
Motor vehicle repairs & maintenance		423,732	438,387
Printing and stationery		171,314	125,298
Protective clothing		19,970	102,899
Recruitment expenses		62,983	18,790



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Detailed Statement of Financial Performance

Figures in Lilangeni	Note(s)	2025	2024
Repairs and maintenance		175,121	198,084
SAIMSA/ESIGA Games		503,445	507,636
Security expenses		630,385	606,107
Sitting allowances		919,183	520,167
Social Centre Support		4,397	56,171
Social welfare		37,680	25,371
Special programs		454,766	206,882
Subscriptions		106,475	102,876
Team building exercise		-	57,654
Telephone and fax		281,610	222,899
Training		291,808	157,368
Travelling expenses		1,012,599	432,678
		24,884,601	20,120,030
Surplus for the year		5,206,098	11,671,939



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Statement of Direct Costs

Figures in Lilangeni	Note(s)	2025	2024
Depreciation		3,629,848	3,458,718
Electricity - Streetlight & Highmasts		573,934	585,288
Public open spaces		437,772	211,057
General valuation expenses		1,186,866	-
Local Economic Development Program		159,435	63,863
Maintenance - High Mast and Street Lights		435,950	350,206
Maintenance and improvements of roads infrastructure		1,000,000	1,094,853
Protective clothing		274,970	173,743
Refuse management costs		859,220	782,876
Signage		336,088	187,730
		8,894,083	6,908,334
Direct costs for the year		8,894,083	6,908,334



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2025

Supplementary Information

1. Subvention

Eswatini Government	873,000
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2. Auditors remuneration

Kobla Quashie and Associates	172,500
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Detailed Statement of Financial Performance - Budget Vs Actual

Figures in Lilangeni	Budget	Actual	Variance
Income			
Rates revenue	35,089,425	32,974,816	2,114,609
Government subvention	873,000	873,000	-
	35,962,425	33,847,816	2,114,609
Other Income			
Interest received call account	2,000,000	2,880,655	(880,655)
User fees fees	2,152,478	1,986,295	166,183
Disposal of Asset	500,000	270,016	229,984
	4,652,478	5,136,966	(484,488.24)
Advertising	415,486	318,871	96,615
Auditors remuneration	663,335	172,500	490,835
Asset disposal	-	1,995	(1,995)
Bank charges	302,400	319,607	(17,207)
Cleaning	93,850	84,429	9,421
Computer consumables	176,311	44,793	131,518
Consulting and professional fees	660,000	618,915	41,085
Depreciation	-	4,175,913	(4,175,913)
Councillors remuneration	851,460	919,183	(67,723)
Electricity and Water	224,456	215,659	8,797
Employee costs	13,357,337	13,076,648	280,689
Insurance	560,451	349,579	210,872
Motor vehicle repairs & maintenance	459,380	423,732	35,648
Printing and stationery	190,288	171,314	18,975
Protective clothing	297,820	274,970	22,850
Repairs and maintenance	417,000	175,121	241,879
IDP/Strategic plan -budget	292,000	293,269	(1,269)
Subscriptions	101,336	106,475	(5,139)
Telephone and fax	350,998	281,610	69,388
Training expenses	372,733	291,808	80,925
Travelling expenses	1,192,997	1,012,599	180,399
Annual Report	39,270	38,567	703
Assessment Rates & Municipal Charges	-	22,018	(22,018)
Bad Debts	15,000	965,763	(950,763)
Environmental Management	409,961	395,930	14,031
Community Mobilization	437,645	197,785	239,860
Health & Safety costs	161,230	115,332	45,898
Hospitality expenses	211,311	167,598	43,713
Information system	661,798	767,959	(106,161)
Legal expenses	258,778	50,520	208,258
Management system	235,000	270,256	(35,256)
Medical expenses	106,810	167,810	(61,000)
Motor Vehicle Petrol & Oil Brush-cutters	833,429	587,244	246,186
Recruitment	76,468	62,983	13,485
SAIMSA/ESIGA	676,522	503,445	173,077
Security Expenses	704,777	630,385	74,392
Social Centre Support	120,000	4,397	115,603
Social welfare	90,000	37,680	52,320
Special programme	1,352,937	454,766	898,171
Corporate Wear	39,600	19,970	19,630

Ezulwini Town Council

Financial Statements for the year ended 31 March 2025

**Detailed Statement of Financial Performance - Budget Vs Actual**

Figures in Lilangeni	Budget	Actual	Variance
Maintenance of Highmast & Streetlight	495,680	435,950	59,730
Local Economic Development	145,970	159,435	(13,465)
Electricity - Highmasts & Street light	833,429	573,934	259,495
Maintenance of Road infrastructure	996,579	1,000,000	(3,421)
Maintenance of Open Public Space	491,325	437,772	53,553
General Valuation Roll	1,949,336	1,186,866	762,470
Refuse Management	877,773	859,220	18,553
Street /Outdoor decoration	284,900	262,578	22,322
Signage TP	103,638	73,510	30,128
	33,588,828	33,778,663	(2,610,674)
Surplus for the year	7,026,075	5,206,119	4,240,795