

Ezulwini Town Council
Annual Financial Statements
for the year ended 31 March 2026

**AUDITOR'S
COPY**



Koba Quashie and Associates
CHARTERED ACCOUNTANTS (ES)

Mallya House, Lot 137, Esser Street
P.O. Box 710, Manzini M200, Eswatini
Tel: (+268) 2505-4974 Fax: (+268) 2505-4540
E-mail: info@koblaquashie.co.sz
Website: www.koblaquashie.com

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



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. Darron 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
Phuthuma Shongwe - Town Engineer
Leonard Bennett - Corporate Services Manager
Sihle Mkhathswa - 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
Eswatini Building Society
African Alliance

Auditors

Kobla Quashie and Associates
Chartered Accountants (Eswatini)

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Contents

The reports and statements set out below comprise the annual financial statements presented to the councillors:

	Page
Councillors' Responsibilities and Approval	3
Councillors' Report	6 - 5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Accounting Policies	10 - 14
Notes to the Annual Financial Statements	15 - 18
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Statement of Financial Performance	19 - 20
Statement of Direct Costs	21
Supplementary Information	22

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



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 2027 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 pages 4 to 3.

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 2026 and were signed on its behalf by:

Chairperson: Councillor Refiloe Mamogobo

Mathokoza Shongwe - Town Clerk

Ntombizodwa Vilakati - Town Treasurer

KOBLA QUASHIE AND ASSOCIATES

CHARTERED ACCOUNTANTS (SD)



Mallya House, Lot 137, Esser Street
P.O. Box 710, Manzini M200, Eswatini
Tel: (+268) 2505-4974
Fax: (+268) 2505-4540
E-mail: info@koblaquashie.co.sz
Website: www.koblaquashie.com

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 6 to 18, which comprise the statement of financial position as at 31 March 2026, 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 2026, 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, 2026

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Statement of Financial Position

Figures in Lilangeni	Note(s)	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment	2	96,338,419	93,695,123
Current Assets			
Financial assets held at fair value	6	30,733,719	27,852,988
Trade and other receivables	3	61,415,670	28,800,361
Cash and cash equivalents	4	10,196,499	7,580,898
		102,345,888	64,234,247
Total Assets		198,684,307	157,929,370
Equity and Liabilities			
Revaluation reserve		56,039,059	56,039,059
Accumulated funds		139,955,752	98,944,593
		195,994,811	154,983,652
Liabilities			
Current Liabilities			
Trade and other payables	5	1,684,590	2,371,916
Provisions	11	1,004,906	573,802
		2,689,496	2,945,718
Total Equity and Liabilities		198,684,307	157,929,370



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026

Statement of Comprehensive Income

Figures in Lilangeni	Note(s)	2026	2025
Revenue		69,585,206	33,847,816
Cost of sales		(8,092,311)	(8,894,083)
Gross profit		61,492,895	24,953,733
Other income		6,226,646	2,256,311
Operating expenses		(30,480,130)	(24,884,601)
Operating surplus		37,239,411	2,325,443
Investment revenue		3,770,081	2,880,655
Profit for the year		41,009,492	5,206,098
Other comprehensive income		-	-
Total comprehensive income		41,009,492	5,206,098

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Statement of Changes in Equity

Figures in Lilangeni	Revaluation reserve	Accumulated funds	Total equity
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 01 April 2025	56,039,059	98,944,593	154,983,652
Changes in equity			
Total comprehensive income for the year		41,009,492	41,009,492
Prior year adjustment		1,667	1,667
Total changes		41,011,159	41,011,159
Balance at 31 March 2026	56,039,059	139,955,752	195,994,811

Note(s)

8

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Statement of Cash Flows

Figures in Lilangeni	Note(s)	2026	2025
Cash flows from operating activities			
Cash generated from operations	7	9,094,365	14,723,626
Interest income		3,770,081	2,880,655
Net cash from operating activities		12,864,446	17,604,281
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(7,381,698)	(4,623,870)
Disposal of property, plant and equipment	2	13,580	93,578
Purchase of financial assets		(2,880,731)	(10,134,508)
Net cash from investing activities		(10,248,849)	(14,664,800)
Total cash movement for the year			
Cash at the beginning of the year		2,615,597	2,939,481
		7,580,904	4,641,423
Total cash at end of the year	4	10,196,501	7,580,904

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



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 financial statements, management is required to make estimates and assumptions that affect the amounts represented in the 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 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 2026



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.



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 Share capital and equity

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

1.6 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.



Accounting Policies

1.6 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.

1.7 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.

1.8 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 2026



Accounting Policies

1.8 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)..

1.9 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.

1.10 Equity

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

1.11 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 2026



Notes to the Annual Financial Statements

Figures in Lilangeni	2026	2025
----------------------	------	------

2. Property, plant and equipment

	2026				2025			
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Carrying value
Computer equipment	1,906,634	(1,449,959)	456,675	1,668,778	(1,262,071)	406,707	1,668,778	406,707
Furniture and fixtures	1,722,487	(572,147)	1,150,340	1,715,003	(444,949)	1,270,054	1,715,003	1,270,054
Car ports	315,753	(136,385)	179,368	315,753	(126,945)	188,808	315,753	188,808
Land and buildings	17,969,783	(913,389)	17,056,394	17,754,503	(668,474)	17,086,029	17,754,503	17,086,029
Cell phones	158,497	(27,355)	131,142	57,093	(25,064)	32,029	57,093	32,029
High mast lights	4,395,397	(1,473,136)	2,922,261	2,786,312	(1,216,738)	1,569,574	2,786,312	1,569,574
Motor vehicles	6,897,747	(4,460,218)	2,437,529	6,897,747	(3,647,709)	3,250,038	6,897,747	3,250,038
Office equipment	1,475,565	(671,601)	803,964	1,305,576	(587,617)	717,959	1,305,576	717,959
Plant and machinery	677,771	(444,059)	233,712	677,771	(385,631)	292,140	677,771	292,140
Skip bins	1,102,435	(579,532)	522,903	966,551	(460,130)	506,421	966,551	506,421
Roads	100,701,217	(30,257,086)	70,444,131	95,833,596	(27,458,232)	68,375,364	95,833,596	68,375,364
Total	137,323,286	(40,984,867)	96,338,419	129,978,683	(36,283,560)	93,695,123	129,978,683	93,695,123

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment	406,707	237,856	-	(187,888)	456,675
Furniture and fixtures	1,270,054	7,484	-	(127,198)	1,150,340
Car ports	188,808	-	-	(9,440)	179,368
Land and buildings	17,086,029	215,280	-	(244,915)	17,056,394
Cellphones	32,029	138,500	(13,580)	(25,807)	131,142
High mast lights	1,569,574	1,609,085	-	(256,398)	2,922,261
Motor vehicles	3,250,038	-	-	(812,509)	2,437,529
Office equipment	717,959	169,988	-	(83,983)	803,964
Plant and Machinery	292,140	-	-	(58,428)	233,712
Skip bins	506,421	135,884	-	(119,402)	522,903
Roads	68,375,364	4,867,621	-	(2,798,854)	70,444,131
Total	93,695,123	7,381,698	(13,580)	(4,724,822)	96,338,419

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Notes to the Annual Financial Statements

Figures in Lilangeni	2026	2025
----------------------	------	------

2. Property, plant and equipment (continued)

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
Cell phones	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

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	63,403,996	31,476,396
Provision for doubtful debts - rates	(2,332,923)	(2,858,396)
Prepayments	168,515	147,193
Staff loans	176,082	35,168
	61,415,670	28,800,361

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	1,372	2,267
Bank balances	10,195,127	7,578,631
	10,196,499	7,580,898

Cash on hand

1,372	2,267
-------	-------

Bank Balances

Standard Bank Eswatini (Limited) -Current Account
Eswatini Building Society
First National Bank - Current Account
Nedbank - Current Account

483,561	152,395
8,898,511	6,851,653
155,789	456,323
657,266	118,260
10,195,127	7,578,631

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Notes to the Annual Financial Statements

Figures in Lilangeni	2026	2025
5. Trade and other payables		
Trade payables	320,195	531,450
Unidentified deposits	80,056	84,966
Accrued audit fees	294,354	285,729
Other payables	989,985	1,469,771
	1,684,590	2,371,916
6. Financial assets held at fair value		
African Alliance Asset Management	30,733,719	27,852,988
Current assets		
Financial assets held at fair value	30,733,719	27,852,988
7. Cash generated from operations		
Profit before taxation	41,009,492	5,206,098
Adjustments for:		
Depreciation and amortisation	4,724,822	4,175,913
Interest received	(3,770,081)	(2,880,655)
Movements in provisions	431,104	(830,272)
Other non cash items	-	(19,256)
Prior year adjustment	1,667	-
Changes in working capital:		
Trade and other receivables	(32,615,313)	9,800,443
Trade and other payables	(687,326)	(728,645)
	9,094,365	14,723,626
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 2026



Notes to the Annual Financial Statements

Figures in Lilangeni	2026	2025
----------------------	------	------

10. Comparative figures

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

11. Provisions

Reconciliation of provisions - 2026

	Opening balance	Additions	Total
Terminal benefits	573,802	431,104	1,004,906

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Detailed Statement of Financial Performance

Figures in Lilangeni	Note(s)	2026	2025
Revenue			
Rates		68,712,206	32,974,816
Eswatini Government Subvention		873,000	873,000
		69,585,206	33,847,816
Cost of sales			
Direct costs for the year		(8,092,311)	(8,894,083)
Gross profit		61,492,895	24,953,733
Other income			
Scrutiny income		1,824,225	63,267
Interest received		3,770,081	2,880,655
Sundry income		329,321	380,278
Gain on disposal of assets		-	270,016
Interest charged on overdue accounts		2,236,670	-
Advertising		221,805	200,400
Skip collections		1,614,625	1,342,350
		9,996,727	5,136,966
Operating expenses			
Advertising and promotions		295,766	318,871
Annual report		77,615	38,567
Assessment rates & municipal charges		-	22,018
Audit Fees (External and Internal)		327,556	172,500
Bad debts		1,385,409	965,764
Bank charges		407,229	319,607
Cleaning		104,764	84,430
Computer maintenance & accessories		96,493	44,793
Consulting and professional fees		-	618,915
Corporate wear		136,699	19,970
Depreciation		1,049,498	546,065
Electricity and Water		305,319	215,659
Employee costs		15,305,563	13,076,668
Environmental Management		626,897	395,930
Health and Safety Costs		123,077	115,332
Hospitality expenses		209,698	167,598
Information Management Systems		871,305	767,959
Insurance		674,256	349,578
Integrated development plan		147,061	293,269
Legal expenses		126,505	50,520
Loss on disposal of assets		13,581	1,995
Management System		383,842	270,256
Medical expenses		109,318	167,810
Motor vehicle petrol & oil		762,707	587,244
Motor vehicle repairs & maintenance		453,695	423,732
Printing and stationery		206,789	171,314
Recruitment expenses		133,279	62,983
Repairs and maintenance		303,854	175,121



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026

Detailed Statement of Financial Performance

Figures in Lilangeni	Note(s)	2026	2025
SAIMSA/ESIGA Games		639,683	503,445
Security expenses		696,714	630,385
Sitting allowances		887,213	919,183
Social Centre Support		20,326	4,397
Social Services Programs		360,955	197,785
Social welfare		47,126	37,680
Special programs		817,117	454,766
Subscriptions		120,763	106,475
Telephone and fax		301,381	281,610
Training		806,868	291,808
Travelling expenses		1,144,209	1,012,599
		30,480,130	24,884,601
Surplus for the year		41,009,492	5,206,098



Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026

Statement of Direct Costs

Figures in Lilangeni	Note(s)	2026	2025
Depreciation		3,675,324	3,629,848
Electricity - Streetlight & Highmasts		549,922	573,934
Public open spaces		659,328	437,772
General valuation expenses		-	1,186,866
Local Economic Development Program		80,872	159,435
Maintenance - High Mast and Street Lights		811,442	435,950
Maintenance and improvements of roads infrastructure		1,014,376	1,000,000
Protective clothing		237,035	274,970
Refuse management costs		674,125	859,220
Signage		389,887	336,088
		8,092,311	8,894,083
Direct costs for the year		8,092,311	8,894,083

Ezulwini Town Council

Annual Financial Statements for the year ended 31 March 2026



Supplementary Information

1. Subvention

Eswatini Government	873,000
---------------------	---------

2. Auditors remuneration

Kobla Quashie and Associates	181,125
SNG Grant Thornton	77,431
	258,556

Ezulwini Town Council

Financial Statements for the year ended 31 March 2026



Detailed Statement of Financial Performance - Budget Vs Actual

Figures in Lilangeni	Budget	Actual	Variance
Income			
Rates revenue	64,182,386	68,712,206	(4,529,821)
Government subvention	873,000	873,000	-
	65,055,386	69,585,206	(4,529,821)
Other Income			
Interest received call account	1,500,000.00	3,770,081	(2,270,081)
User fees fees	3,166,599.96	3,989,976	(823,376)
Interest received over due customers	-	2,236,670	(2,236,670)
	4,666,600	9,996,727	(5,330,127)
Advertising	414,494.76	295,766	118,729
Auditors remuneration	416,644.68	327,556	89,089
Bank charges	420,200.00	407,229	12,971
Cleaning	123,399.84	104,764	18,636
Computer consumables	174,433.20	96,493	77,940
Councillors remuneration	707,808.00	887,213	(179,405)
Bad Debts	15,000.00	1,385,409	(1,370,409)
Depreciation	-	1,049,498	(1,049,498)
Electricity and Water	314,768.28	305,319	9,449
Employee costs	15,748,425.00	15,305,563	442,862
Hospitality expenses	386,155.12	209,698	176,457
Insurance	762,277.84	674,256	88,022
Motor vehicle repairs & maintenance	544,648.68	453,695	90,953
Printing and stationery	282,189.12	206,789	75,400
Protective clothing	287,892.60	-	287,893
Election expenses	50,000.00	-	50,000
Repairs and maintenance of Brush Cutters	195,888.96	47,756	148,133
IDP/Strategic plan -budget	559,919.88	147,061	412,859
Subscriptions	120,449.00	120,763	(314)
Telephone and fax	366,431.52	301,381	65,051
Training expenses	994,604.52	806,868	187,736
Travelling expenses	1,051,670.16	1,144,209	(92,539)
Information System	878,179.32	871,305	6,874
Environmental Management	649,203.36	626,897	22,307
Health & Safety Costs	205,659.96	123,077	82,583
Legal Expenses	190,320.00	126,505	63,815
Management System	585,751.68	383,842	201,910
Medical Expenses	97,295.00	109,318	(12,023)
Motor Vehicle Oil & Petrol & Brush Cutters	658,000.08	762,707	(104,707)
Annual Report	85,380.00	77,615	7,765
Recruitment	189,800.00	133,279	56,521
SAIMSA/ESIGA	575,851.52	639,683	(63,831)
Security Expenses	761,224.08	696,714	64,510
Social Centre Support	845,138.96	408,080	437,059
Social Welfare	26,780.00	20,326	6,454
Special Programme	1,462,306.16	817,117	645,189
Corporate Wear	172,400.00	136,699	35,701

Ezulwini Town Council

Financial Statements for the year ended 31 March 2026



Detailed Statement of Financial Performance - Budget Vs Actual

Figures in Lilangeni	Budget	Actual	Variance
Repairs & Maintenance of Office Equipment	322,432	70,124	252,308
Repairs & Maintenance of Office Building	157,000	185,974	(28,974)
Loss on Disposal	-	13,581	(13,581)
Street/Outdoor decoration	333,614	378,887	(45,273)
Local Economic Development	145,970	80,872	65,098
Depreciation	-	3,675,325	(3,675,325)
Maintenance of Highmasts & Streetlight	1,355,000	811,442	543,558
Electricity Highmasts & Streetlights.	692,000	549,922	142,078
Maintenance of Road Infrastructure	1,066,600	1,014,376	52,224
Refuse Management	773,640	674,125	99,515
Signage	34,338	11,000	23,338
Maintenance of Open Public Space	1,139,385	659,328	480,057
Protective clothing	287,893	237,035	50,858
	37,628,463	38,572,441	-
Surplus for the year	32,093,523	41,009,492	(8,915,969)