**SECTION 52(d):QUARTERLY REPORT ON BUDGET IMPLEMENTATION: REPORTING STANDARD: QUARTER ENDED 31 DECEMBER 2017: (T 6/1/1-2017/2018): BUDGET AND TREASURY OFFICE**

## REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

File Reference:
Report Number:

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Designation: Director: Budget and Financial Reporting

FOR CONSIDERATION

1st Level: PORTFOLIO COMMITTEE
2nd Level: EXECUTIVE COMMITTEE
3rd Level: COUNCIL

**SUBJECT: SECOND QUARTER SECTION 52(d) REPORT 2017/2018**

## PURPOSE

The purpose of the report is to apprise the council of the Section 52(d) of the Municipal Finance Management Act 56 of 2003 (MFMA) which states that; the mayor must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality. This report is submitted to both the National and Provincial Treasuries through a series of MFMA returns that were designed by the National Treasury.

## 1 ANNEXURES

1.1 uThukela Water Financial Performance report
1.2 Financial Reports as at 31 December 2017
1.2.1 Eskom invoice for bulk
1.2.2 Investment register
1.2.3 Grant register
1.2.4 Bank Statements
1.3 Quality Certificate

## 2 ANALYSIS OF FINANCIAL RESULTS

The financial analysis comprise of the operating budget performance, capital budget performance, analysis of financial position as well as the cash flows. Major variances and those items with an impact in each of these categories will be discussed in the analysis below.

### Table C1: Monthly budget statements summary

The table below provides a high-level summation of the municipality's operating and capital budget actuals to date, financial position and cash flow.

**KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter**

| Description | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Financial Performance** | | | | | | | | | |
| Property rates | 232 286 | 266 182 | – | 20 616 | 131 499 | 133 091 | (1 592) | -1% | 266 182 |
| Service charges | 948 273 | 990 210 | – | 80 443 | 508 277 | 495 105 | 13 172 | 3% | 990 210 |
| Investment revenue | 4 505 | 4 601 | – | 332 | 2 108 | 2 300 | (193) | -8% | 4 601 |
| Transfers and subsidies | 527 822 | 345 790 | – | 114 594 | 316 273 | 316 273 | – | | 345 790 |
| Other own revenue | 37 579 | 43 583 | – | 3 965 | 19 078 | 21 791 | (2 713) | -12% | 43 583 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 750 466** | **1 650 366** | **–** | **219 951** | **977 235** | **968 561** | **8 674** | **1%** | **1 650 366** |
| Employee costs | 495 757 | 514 737 | – | 45 261 | 260 118 | 257 369 | 2 749 | 1% | 514 737 |
| Remuneration of Councillors | 20 389 | 23 219 | – | 1 563 | 10 391 | 11 610 | (1 218) | -10% | 23 219 |
| Depreciation & asset impairment | 472 110 | 247 895 | – | 37 490 | 228 306 | 123 947 | 104 359 | 84% | 247 895 |
| Finance charges | 65 784 | 47 135 | – | 3 838 | 24 014 | 23 568 | 447 | 2% | 47 135 |
| Materials and bulk purchases | 560 778 | 583 298 | – | 74 067 | 280 708 | 291 649 | (10 941) | -4% | 583 298 |
| Transfers and subsidies | – | – | – | – | – | – | – | | – |
| Other expenditure | 388 709 | 315 797 | – | 26 842 | 226 367 | 157 898 | 68 469 | 43% | 315 797 |
| **Total Expenditure** | **2 003 528** | **1 732 082** | **–** | **189 061** | **1 029 905** | **866 041** | **163 864** | **19%** | **1 732 082** |
| **Surplus/(Deficit)** | **(253 062)** | **(81 716)** | **–** | **30 890** | **(52 670)** | **102 520** | **(155 190)** | **-151%** | **(81 716)** |
| Transfers and subsidies - capital (monetary allo | – | 229 854 | – | 55 000 | 108 300 | 108 300 | – | | 229 854 |
| Contributions & Contributed assets | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **(253 062)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-74%** | **148 138** |
| Share of surplus/ (deficit) of associate | (41 220) | – | – | – | – | – | – | | – |
| **Surplus/ (Deficit) for the year** | **(294 282)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-74%** | **148 138** |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | **219 406** | **253 778** | **–** | **28 955** | **87 026** | **126 889** | **(39 863)** | **-31%** | **253 778** |
| Capital transfers recognised | 196 312 | 229 854 | – | 25 195 | 71 288 | 114 927 | (43 639) | -38% | 229 854 |
| Public contributions & donations | – | – | – | – | – | – | – | | – |
| Borrowing | – | – | – | – | – | – | – | | – |
| Internally generated funds | **23 094** | **23 924** | **–** | **3 760** | **15 738** | **11 962** | **3 776** | **32%** | **23 924** |
| **Total sources of capital funds** | **219 406** | **253 778** | **–** | **28 955** | **87 026** | **126 889** | **(39 863)** | **-31%** | **253 778** |
| **Financial position** | | | | | | | | | |
| Total current assets | 572 491 | 317 136 | – | | 647 070 | | | | 317 136 |
| Total non current assets | 7 738 790 | 7 646 580 | – | | 7 588 261 | | | | 7 646 580 |
| Total current liabilities | 547 921 | 212 037 | – | | 551 731 | | | | 212 037 |
| Total non current liabilities | 606 837 | 534 708 | – | | 592 776 | | | | 534 708 |
| **Community wealth/Equity** | **7 156 524** | **7 216 971** | **–** | | **7 090 824** | | | | **7 216 971** |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 233 689 | 290 793 | – | 112 478 | 121 543 | 145 396 | 23 853 | 16% | 290 793 |
| Net cash from (used) investing | (219 406) | (251 778) | – | (44 936) | (87 026) | (125 889) | (38 863) | 31% | (251 778) |
| Net cash from (used) financing | (8 347) | (31 738) | – | (3 813) | (15 748) | (15 869) | (122) | 1% | (31 738) |
| **Cash/cash equivalents at the month/year end** | **50 508** | **47 288** | **–** | **–** | **69 276** | **43 650** | **(25 627)** | **-59%** | **57 783** |
| **Debtors & creditors analysis** | **0-30 Days** | **31-60 Days** | **61-90 Days** | **91-120 Days** | **121-150 Dys** | **151-180 Dys** | **181 Dys-1 Yr** | **Over 1Yr** | **Total** |
| **Debtors Age Analysis** | | | | | | | | | |
| Total By Income Source | 74 434 | 49 374 | 29 301 | 22 322 | 21 308 | 24 583 | 113 351 | 758 432 | 1 093 104 |
| **Creditors Age Analysis** | | | | | | | | | |
| Total Creditors | 76 773 | 262 | 41 828 | 25 | 35 | – | 1 | – | 118 924 |

## 2.1 Operating budget performance - revenue

2.1.1 The municipality generated a total revenue of R1 085 535 000 of the original budget of R1 880 220 000, representing 57 percent. The variance between the pro-rata revenue budget and the actual revenue accrued for the same period amounts to R8 674 000, representing an over-performance of 1 percent during the period under review. Although the aggregate performance on revenue generated shows over performance of 1%, it is however necessary to explain reasons which attributed to such variance.

2.1.2 The municipality generated R508 277 000 (3%) more revenue from service charges than a pro-rata budget of R495 105 000 for the period under review. The main service charge contributor to the positive variance was electricity and sanitation collectively over- performed by R19 148 000 for period under review. Water and refuse have collectively under-performed by R5 976 000.

2.1.3 The municipality generated R193 000 (-8%) less revenue from interest on investments than a pro-rata budget of R2 300 000 for the period under review.

2.1.4 As at the end of second quarter, the municipality receipted R316 273 million for operational transfers and grants, and R108 300 million for capital transfers and grants.

2.1.5 The municipality generated R2 713 000 (-12%) less revenue from sundry revenue than a pro-rata budget of R21 791 000 for the period under review.

## 2.2 Operating performance – expenditure

The summary of the operating expenditure is reflected in C1 and C4 tables of the Schedule C attached hereto. As at the end of second quarter, the municipality incurred the total expenditure of R1 042 934 000 of the original budget of R1 732 082 000, which represents 60 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R176 894 000, representing over-expenditure of 20 percent. The attributors to over-expenditure and under-expenditure are discussed below.

2.2.1 Debt impairment and depreciated both reflected an over-expenditure. These are accounting items which are non-cash, and are required to reflect on capital charges that compensate for doubtful debtors and assets which deteriorate in value. It is important that the municipality appropriately budget and contribute in reserves for these items for the future costs of unpaid debtors or replacement of assets. The municipality incurred R38 568 000 (76%) more than the pro rata budget of R50 904 000 on debt impairment during the period under review. This variance is taken into consideration after accounting for the doubtful debts of Indigents and other consumers. Depreciation over-performed by R104 359 000 (84%), this variance is caused after taking into consideration the revaluation of assets and the finalisation of the AFS audit which impact the opening balances of the assets.

2.2.2 The municipality incurred R1 218 000 (-10%) less on councillors remuneration than a pro-rata budget of R11 610 000. This variance is attributed to the provision of EXCO members which were budgeted as full time but not yet approved as such by MEC for COGTA. This will be rectified during the adjustment budget.

2.2.3 The municipality spent R398 000 (-20%) less on materials that a pro-rata budget of R1 956 000. This is mainly due to the culture of cost containment which has been inculcated.

2.2.4 The municipality spent R7 868 000 (71%) more on contracted services than a pro-rata budget of R11 101 000. This over expenditure is due to the appointment of external security services which have over spent by R3 116 347 as at 31 December 2017, as well as an over expenditure from finance consultants by R2 570 652.

## 2.3 Capital budget performance

### Table C5: Quarterly budget statements – Capital Expenditure (municipal vote, standard classification and funding)

The table below reflects the municipality's capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from National and Provincial departments:

**KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter**

| Vote Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 2 - COMMUNITY SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 3 - BUDGET AND TREASURY | | – | – | – | – | – | – | – | | – |
| Vote 4 - MUNICIPAL MANAGER | | – | – | – | – | – | – | – | | – |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLE | | – | – | – | – | – | – | – | | – |
| Vote 6 - TECHNICAL SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| **Total Capital Multi-year expenditure** | 4,7 | – | – | – | – | – | – | – | | – |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | – | – | – | 24 | 210 | – | 210 | #DIV/0! | – |
| Vote 2 - COMMUNITY SERVICES | | 7 323 | 17 705 | – | 846 | 2 456 | 8 853 | (6 396) | -72% | 17 705 |
| Vote 3 - BUDGET AND TREASURY | | 737 | 1 000 | – | – | – | 500 | (500) | -100% | 1 000 |
| Vote 4 - MUNICIPAL MANAGER | | 32 | 2 700 | – | – | – | 1 350 | (1 350) | -100% | 2 700 |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLE | | 49 224 | 55 795 | – | 4 884 | 17 005 | 27 898 | (10 893) | -39% | 55 795 |
| Vote 6 - TECHNICAL SERVICES | | 153 197 | 167 578 | – | 23 201 | 67 126 | 83 789 | (16 663) | -20% | 167 578 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 8 893 | 9 000 | – | – | 229 | 4 500 | (4 271) | -95% | 9 000 |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| **Total Capital single-year expenditure** | 4 | 219 406 | 253 778 | – | 28 955 | 87 026 | 126 889 | (39 863) | -31% | 253 778 |
| **Total Capital Expenditure** | | 219 406 | 253 778 | – | 28 955 | 87 026 | 126 889 | (39 863) | -31% | 253 778 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| ***Governance and administration*** | | 770 | 3 700 | – | 24 | 210 | 1 850 | (1 640) | -89% | 3 700 |
| Executive and council | | – | – | | | | – | – | | – |
| Finance and administration | | 738 | – | | | | – | – | | – |
| Internal audit | | 32 | 3 700 | | 24 | 210 | 1 850 | (1 640) | -89% | 3 700 |
| ***Community and public safety*** | | 9 171 | 17 705 | – | 902 | 2 812 | 8 853 | (6 040) | -68% | 17 705 |
| Community and social services | | 4 715 | 17 705 | | 902 | 2 812 | 8 853 | (6 040) | -68% | 17 705 |
| Sport and recreation | | 2 202 | – | | – | – | – | – | | – |
| Public safety | | 48 | – | | – | – | – | – | | – |
| Housing | | 2 206 | – | | | | – | – | | – |
| Health | | – | – | | | | | – | | – |
| ***Economic and environmental services*** | | 126 477 | 108 784 | – | 10 782 | 35 767 | 54 392 | (18 625) | -34% | 108 784 |
| Planning and development | | 56 022 | 55 795 | | 4 828 | 16 649 | 27 898 | (11 249) | -40% | 55 795 |
| Road transport | | 70 455 | 52 989 | | 5 954 | 19 118 | 26 495 | (7 376) | -28% | 52 989 |
| Environmental protection | | – | – | | | | | – | | – |
| ***Trading services*** | | 82 988 | 123 589 | – | 17 247 | 48 237 | 61 795 | (13 558) | -22% | 123 589 |
| Energy sources | | 9 367 | 9 000 | | – | 229 | 4 500 | (4 271) | -95% | 9 000 |
| Water management | | 73 262 | 112 489 | | 17 247 | 48 008 | 56 245 | (8 237) | -15% | 112 489 |
| Waste water management | | 358 | 2 100 | | – | – | 1 050 | (1 050) | -100% | 2 100 |
| Waste management | | | – | | | | | – | | – |
| ***Other*** | | | – | | | | | – | | – |
| **Total Capital Expenditure - Functional Classification** | 3 | 219 406 | 253 778 | – | 28 955 | 87 026 | 126 889 | (39 863) | -31% | 253 778 |
| Funded by: | | | | | | | | | | |
| National Government | | 185 150 | 212 204 | | 25 139 | 65 161 | 106 102 | (40 941) | -39% | 212 204 |
| Provincial Government | | 11 162 | 11 250 | | 56 | 6 127 | 5 625 | 502 | 9% | 11 250 |
| District Municipality | | | – | | | | – | – | | – |
| Other transfers and grants | | | 6 400 | | | | 3 200 | (3 200) | -100% | 6 400 |
| **Transfers recognised - capital** | | 196 312 | 229 854 | – | 25 195 | 71 288 | 114 927 | (43 639) | -38% | 229 854 |
| **Public contributions & donations** | 5 | | | | | | | – | | |
| **Borrowing** | 6 | | – | | | | – | – | | – |
| **Internally generated funds** | | 23 094 | 23 924 | | 3 760 | 15 738 | 11 962 | 3 776 | 32% | 23 924 |
| **Total Capital Funding** | | 219 406 | 253 778 | – | 28 955 | 87 026 | 126 889 | (39 863) | -31% | 253 778 |

2.3.1 Capital expenditure for the sixth month of the financial year amounted to R87 026 000, which represents 34% of the approved capital budget of R253 778 000. Comparison between the pro rata budget of R126 889 000 and actual expenditure for the period reflects an under expenditure of (R39 863 000) which implies that the municipality spent 31 percent less than the budget for the same period. Departments are encouraged to spend more on grants to avoid the reversal of grants by National and Provincial Treasury.

The council is also reminded to note that during September we approved internal roll overs and the total capital budget is now sitting at R271 million but this will only be collaborated on tables after the approval of the adjustment budget.

## 2.4 Financial position

### Table C6: Monthly budget statements – Financial Position

The table below reflects the performance to date in relation to the financial position of the municipality.

**KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter**

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | |
|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| **ASSETS** | | | | | | |
| **Current assets** | | | | | | |
| Cash | | 20 722 | 15 187 | | 21 098 | 15 187 |
| Call investment deposits | | 29 785 | 32 101 | | 48 178 | 32 101 |
| Consumer debtors | | 452 627 | 225 034 | | 498 429 | 225 034 |
| Other debtors | | 54 128 | 31 166 | | 64 626 | 31 166 |
| Current portion of long-term receivables | | 6 | – | | 5 | – |
| Inventory | | 15 224 | 13 648 | | 14 734 | 13 648 |
| **Total current assets** | | **572 491** | **317 136** | **–** | **647 070** | **317 136** |
| **Non current assets** | | | | | | |
| Long-term receivables | | – | – | | | – |
| Investments | | – | – | | | – |
| Investment property | | 365 272 | 281 493 | | 365 272 | 281 493 |
| Investments in Associate | | 301 163 | 346 321 | | 301 163 | 346 321 |
| Property, plant and equipment | | 7 056 677 | 7 005 862 | | 6 907 631 | 7 005 862 |
| Agricultural | | – | – | | | – |
| Biological assets | | – | – | | | – |
| Intangible assets | | 8 687 | 6 877 | | 7 204 | 6 877 |
| Other non-current assets | | 6 991 | 6 025 | | 6 991 | 6 025 |
| **Total non current assets** | | **7 738 790** | **7 646 580** | **–** | **7 588 261** | **7 646 580** |
| **TOTAL ASSETS** | | **8 311 282** | **7 963 716** | **–** | **8 235 331** | **7 963 716** |
| **LIABILITIES** | | | | | | |
| **Current liabilities** | | | | | | |
| Bank overdraft | | – | – | | | – |
| Borrowing | | 32 171 | 32 002 | | 30 485 | 32 002 |
| Consumer deposits | | 14 334 | 13 478 | | 16 218 | 13 478 |
| Trade and other payables | | 495 200 | 160 101 | | 498 812 | 160 101 |
| Provisions | | 6 216 | 6 455 | | 6 216 | 6 455 |
| **Total current liabilities** | | **547 921** | **212 037** | **–** | **551 731** | **212 037** |
| **Non current liabilities** | | | | | | |
| Borrowing | | 447 450 | 397 125 | | 433 389 | 397 125 |
| Provisions | | 159 386 | 137 583 | | 159 386 | 137 583 |
| **Total non current liabilities** | | **606 837** | **534 708** | **–** | **592 776** | **534 708** |
| **TOTAL LIABILITIES** | | **1 154 758** | **746 745** | **–** | **1 144 507** | **746 745** |
| **NET ASSETS** | 2 | **7 156 524** | **7 216 971** | **–** | **7 090 824** | **7 216 971** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | |
| Accumulated Surplus/(Deficit) | | 7 130 923 | 7 188 422 | | 7 064 730 | 7 188 422 |
| Reserves | | 25 601 | 28 549 | | 26 094 | 28 549 |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 2 | **7 156 524** | **7 216 971** | **–** | **7 090 824** | **7 216 971** |

2.4.1 As at end the second quarter of the financial year, the municipality seemed to be showing a favourable equity position, with a net effect of R7.1 billion. While this picture looks good, it is however important to point out major contributors to such a favourable equity position, being consumer debtors and the property plant and equipment (assets), which cannot instantly be converted into cash. The following provides a closer look on some of critical financial position items:

2.4.2 The municipality's ageing debtors as reflected in table SC3 are R1.1billion as at the end of second quarter. The bulk of this amount (R939 995 000) is debt owing for more than 90 days, while R 825 813 000 of the total debt is owed by households. It must be noted that the total figure of debtors is inclusive of indigent. While it is appreciated the intervention which was introduced by the Revenue Income Task Team which is mandated to devise strategies of dealing with the escalating debt and there by address or improve cash inflows, it is also recommended that the council also intervenes in this regard as the project of meter restrictors has been stalled.

2.4.3 Property Plant and Equipment (Assets) comprise of R6.9 billion of the total assets of R8.2 billion as reflected in table C6. These assets comprise of roads, community assets, water infrastructure, electricity infrastructure, other plants and equipment which the municipality has acquired for service delivery as well as for its own use. Service delivery of the municipal is majored by its ability to provide these services to communities. It is however important to note that the majority of these assets may not be easily converted to cash and cash equivalent.

2.4.4 As per AFS received from uThukela indicated that the municipality has a share of 34%, representing an investment in associate of R301million. This also cannot be converted into cash instantly, however its represents the value of the interest of the municipality within the entity.

2.4.5 The municipality closed with a balance of cash and cash equivalent of R69.3 million as at the end of the second quarter of the financial year. The balance comprise only of call investments of R48.1 million and the cash of R21.1 million, however it must be noted that included on the investment is the housing development fund of R25 million which belong to KZN Department of Human Settlements. Looking at the cash position as mentioned above the municipality is currently not in the position to cover it short-term obligations.

## 2.5 Cash flow analysis

## Table C7: Monthly budget statements – Cash Flow

The municipality's cash flow position and cash/cash equivalent outcome is shown on the table below:

| KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Property rates | | 232 286 | 212 408 | | 15 847 | 96 574 | 106 204 | (9 630) | -9% | 212 408 |
| Service charges | | 832 111 | 845 575 | | 52 241 | 364 298 | 422 788 | (58 489) | -14% | 845 575 |
| Other revenue | | 12 805 | 27 367 | | 5 324 | 21 625 | 13 684 | 7 942 | 58% | 27 367 |
| Government - operating | | 317 832 | 339 640 | | 106 049 | 243 239 | 169 820 | 73 419 | 43% | 339 640 |
| Government - capital | | 218 965 | 240 492 | | 55 000 | 109 500 | 120 246 | (10 746) | -9% | 240 492 |
| Interest | | 14 835 | 8 373 | | 1 740 | 8 185 | 4 186 | 3 999 | 96% | 8 373 |
| Dividends | | | | | | | | - | | |
| **Payments** | | | | | | | | | | |
| Suppliers and employees | | (1 329 362) | (1 335 927) | | (119 885) | (697 865) | (667 964) | 29 902 | -4% | (1 335 927) |
| Finance charges | | (65 784) | (47 135) | | (3 838) | (24 014) | (23 568) | 447 | -2% | (47 135) |
| Transfers and Grants | | | | | - | - | | - | | |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | | **233 689** | **290 793** | **-** | **112 478** | **121 543** | **145 396** | **23 853** | **16%** | **290 793** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Proceeds on disposal of PPE | | | 2 000 | | | | 1 000 | (1 000) | -100% | 2 000 |
| Decrease (Increase) in non-current debtors | | - | - | | | | - | - | | - |
| Decrease (increase) other non-current receivables | | - | - | | | | - | - | | - |
| Decrease (increase) in non-current investments | | - | - | | | | - | - | | - |
| **Payments** | | | | | | | | | | |
| Capital assets | | (219 406) | (253 778) | | (44 936) | (87 026) | (126 889) | (39 863) | 31% | (253 778) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | | **(219 406)** | **(251 778)** | **-** | **(44 936)** | **(87 026)** | **(125 889)** | **(38 863)** | **31%** | **(251 778)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Short term loans | | - | - | | | | - | - | | - |
| Borrowing long term/refinancing | | - | - | | | | - | - | | - |
| Increase (decrease) in consumer deposits | | | 264 | | | | 132 | (132) | -100% | 264 |
| **Payments** | | | | | | | | | | |
| Repayment of borrowing | | (8 347) | (32 002) | | (3 813) | (15 748) | (16 001) | (254) | 2% | (32 002) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | | **(8 347)** | **(31 738)** | **-** | **(3 813)** | **(15 748)** | **(15 869)** | **(122)** | **1%** | **(31 738)** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | | **5 935** | **7 276** | **-** | **63 729** | **18 769** | **3 638** | | | **7 276** |
| Cash/cash equivalents at beginning: | | 44 573 | 40 012 | | | 50 508 | 40 012 | | | 50 508 |
| Cash/cash equivalents at month/year end: | | 50 508 | 47 288 | - | | 69 276 | 43 650 | | | 57 783 |

2.5.1 The municipality opened with a cash and cash equivalent balance of R50.5 million at the beginning of the financial year and closed with a balance of R69.3 million as at the end of December 2017, which represents a cash increase of R18.8 million.

2.5.2 Cash flows from operating activities yielded a net cash inflow of R121.5 million as result of receipts from services charges, property rates, government grants as well as other sundry receipts. This net cash inflows was after the municipality paid its suppliers for services rendered, remunerated its employees and paid the portion of the outstanding interest on loans.

As per SC6 on the statement of transfers and grants as well as C7 the Cash Flow statement the municipality has received R352.7million, R243.2 million for operational grants and R109.5 million for capital grants. This is in line with the payment schedule of DORA allocation as issued by National Treasury as well as other grants not legislated by DORA.

2.5.3 Cash flows from investing activities recorded a cash outflow of R87 million. This was the actual cash used by the municipality to implement its capital budget over the past six months.

2.5.4 Cash flows from financing activities recorded a cash outflow of R15.7 million. This relates to the cash paid by the municipality to repay a portion of its long term loan.

**CONCLUSION**

Cooperation within management and structures in council is required in order to curb expenditure on the budget throughout the course of the year. The issues that still reflect variances in the budget performance report must be monitored and managed to ensure that the municipality operates within the approved budget.

Furthermore, the municipality will continue to explore and implement effective credit control measures in order to strengthen its cash base, especially from individual consumers. Other revenue enhancement strategies over and above those currently yielding revenue will have to be explored with a view to widen the revenue and cash base as these seem to be the solution to turn the cash-flow situation around.

**RECOMMENDED**

(a) that S52d for the second quarter be noted;

(b) that council reconsider resuscitating water restrictor programme as a means to improve cash inflows

**Report seen by:**

NEWCASTLE MUNICIPALITY
2018 -01- 15
MAYOR'S OFFICE

MUNICIPAL MANAGER
2018 -01- 15
NEWCASTLE MUNICIPALITY

ME NKOSI
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE

SM NKOSI
ACTING STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE

# MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, **BE Mswane**, the Municipal Manager of **Newcastle Municipality**, hereby certify that the quarterly report on the implementation of budget and financial state of affairs for the second quarter have been prepared in accordance with Section 52(d) of the Municipal Finance Management Act, No56 of 2003; and Regulation 31-32 of the Municipal Budget and Reporting Regulations.

**Print Name** : **BHEKANI ERROL MSWANE**

**Municipal Manager** : **NEWCASTLE MUNICIPALITY**

**Signature** : .....

**Date** : 23/01/2018

## KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter

| Description | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Financial Performance** | | | | | | | | | |
| Property rates | 232 286 | 266 182 | – | 20 616 | 131 499 | 133 091 | (1 592) | -1% | 266 182 |
| Service charges | 948 273 | 990 210 | – | 80 443 | 508 277 | 495 105 | 13 172 | 3% | 990 210 |
| Investment revenue | 4 505 | 4 601 | – | 332 | 2 108 | 2 300 | (193) | -8% | 4 601 |
| Transfers and subsidies | 527 822 | 345 790 | – | 114 594 | 316 273 | 316 273 | – | | 345 790 |
| Other own revenue | 37 579 | 43 583 | – | 3 965 | 19 078 | 21 791 | (2 713) | -12% | 43 583 |
| **Total Revenue (excluding capital transfers and contributions)** | **1 750 466** | **1 650 366** | **–** | **219 951** | **977 235** | **968 561** | **8 674** | **1%** | **1 650 366** |
| Employee costs | 495 757 | 514 737 | – | 45 261 | 260 118 | 257 369 | 2 749 | 1% | 514 737 |
| Remuneration of Councillors | 20 389 | 23 219 | – | 1 563 | 10 391 | 11 610 | (1 218) | -10% | 23 219 |
| Depreciation & asset impairment | 472 110 | 247 895 | – | 37 490 | 228 306 | 123 947 | 104 359 | 84% | 247 895 |
| Finance charges | 65 784 | 47 135 | – | 3 838 | 24 014 | 23 568 | 447 | 2% | 47 135 |
| Materials and bulk purchases | 560 778 | 583 298 | – | 74 067 | 280 708 | 291 649 | (10 941) | -4% | 583 298 |
| Transfers and subsidies | – | – | – | – | – | – | – | | – |
| Other expenditure | 388 709 | 315 797 | – | 26 842 | 226 367 | 157 898 | 68 469 | 43% | 315 797 |
| **Total Expenditure** | **2 003 528** | **1 732 082** | **–** | **189 061** | **1 029 905** | **866 041** | **163 864** | **19%** | **1 732 082** |
| **Surplus/(Deficit)** | **(253 062)** | **(81 716)** | **–** | **30 890** | **(52 670)** | **102 520** | **(155 190)** | **-151%** | **(81 716)** |
| Transfers and subsidies - capital (monetary allocations) | – | 229 854 | – | 55 000 | 108 300 | 108 300 | – | | 229 854 |
| Contributions & Contributed assets | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **(253 062)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-74%** | **148 138** |
| Share of surplus/ (deficit) of associate | (41 220) | – | – | – | – | – | – | | – |
| **Surplus/ (Deficit) for the year** | **(294 282)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-74%** | **148 138** |
| **Capital expenditure & funds sources** | | | | | | | | | |
| **Capital expenditure** | **219 406** | **253 778** | **–** | **28 955** | **87 026** | **126 889** | **(39 863)** | **-31%** | **253 778** |
| Capital transfers recognised | 196 312 | 229 854 | – | 25 195 | 71 288 | 114 927 | (43 639) | -38% | 229 854 |
| Public contributions & donations | – | – | – | – | – | – | – | | – |
| Borrowing | – | – | – | – | – | – | – | | – |
| Internally generated funds | **23 094** | **23 924** | **–** | **3 760** | **15 738** | **11 962** | **3 776** | **32%** | **23 924** |
| **Total sources of capital funds** | **219 406** | **253 778** | **–** | **28 955** | **87 026** | **126 889** | **(39 863)** | **-31%** | **253 778** |
| **Financial position** | | | | | | | | | |
| Total current assets | 572 491 | 317 136 | – | | 647 070 | | | | 317 136 |
| Total non current assets | 7 738 790 | 7 646 580 | – | | 7 588 261 | | | | 7 646 580 |
| Total current liabilities | 547 921 | 212 037 | – | | 551 731 | | | | 212 037 |
| Total non current liabilities | 606 837 | 534 708 | – | | 592 776 | | | | 534 708 |
| **Community wealth/Equity** | **7 156 524** | **7 216 971** | **–** | | **7 090 824** | | | | **7 216 971** |
| **Cash flows** | | | | | | | | | |
| Net cash from (used) operating | 233 689 | 290 793 | – | 112 478 | 121 543 | 145 396 | 23 853 | 16% | 290 793 |
| Net cash from (used) investing | (219 406) | (251 778) | – | (44 936) | (87 026) | (125 889) | (38 863) | 31% | (251 778) |
| Net cash from (used) financing | (8 347) | (31 738) | – | (3 813) | (15 748) | (15 869) | (122) | 1% | (31 738) |
| **Cash/cash equivalents at the month/year end** | **50 508** | **47 288** | **–** | **–** | **69 276** | **43 650** | **(25 627)** | **-59%** | **57 783** |

| Debtors & creditors analysis | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Debtors Age Analysis** | | | | | | | | | |
| Total By Income Source | 74 434 | 49 374 | 29 301 | 22 322 | 21 308 | 24 583 | 113 351 | 758 432 | 1 093 104 |
| **Creditors Age Analysis** | | | | | | | | | |
| Total Creditors | 76 773 | 262 | 41 828 | 25 | 35 | – | 1 | – | 118 924 |

## KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue - Functional** | | | | | | | | | | |
| ***Governance and administration*** | | **363 804** | **375 191** | **–** | **48 437** | **201 916** | **187 596** | 14 321 | 8% | **375 191** |
| Executive and council | | 8 514 | 8 151 | – | 1 486 | 5 079 | 4 076 | 1 004 | 25% | 8 151 |
| Finance and administration | | 355 290 | 367 040 | – | 46 952 | 196 837 | 183 520 | 13 317 | 7% | 367 040 |
| Internal audit | | – | – | – | – | – | – | – | | – |
| ***Community and public safety*** | | **21 005** | **23 116** | **–** | **2 321** | **10 385** | **11 558** | (1 173) | -10% | **23 116** |
| Community and social services | | 8 865 | 4 297 | – | 446 | 3 535 | 2 149 | 1 387 | 65% | 4 297 |
| Sport and recreation | | 501 | 652 | – | 65 | 229 | 326 | (97) | -30% | 652 |
| Public safety | | 3 588 | 5 136 | – | 1 238 | 3 312 | 2 568 | 744 | 29% | 5 136 |
| Housing | | 7 991 | 12 968 | – | 571 | 3 284 | 6 484 | (3 200) | -49% | 12 968 |
| Health | | 61 | 63 | – | 1 | 25 | 32 | (7) | -22% | 63 |
| ***Economic and environmental services*** | | **90 023** | **249 523** | **–** | **58 973** | **134 768** | **232 830** | (98 063) | -42% | **249 523** |
| Planning and development | | 35 070 | 1 236 | – | 1 609 | 14 415 | 618 | 13 797 | 2232% | 1 236 |
| Road transport | | 54 953 | 248 286 | – | 57 364 | 120 352 | 232 212 | (111 860) | -48% | 248 286 |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| ***Trading services*** | | **1 275 500** | **1 232 242** | **–** | **165 208** | **738 402** | **644 803** | 93 599 | 15% | **1 232 242** |
| Energy sources | | 679 610 | 750 879 | – | 74 500 | 408 530 | 404 122 | 4 408 | 1% | 750 879 |
| Water management | | 298 736 | 215 506 | – | 39 284 | 170 597 | 107 753 | 62 844 | 58% | 215 506 |
| Waste water management | | 184 598 | 171 271 | – | 35 905 | 109 670 | 85 636 | 24 034 | 28% | 171 271 |
| Waste management | | 112 557 | 94 586 | – | 15 519 | 49 606 | 47 293 | 2 312 | 5% | 94 586 |
| ***Other*** | 4 | **134** | **147** | **–** | **11** | **64** | **74** | **(10)** | **-13%** | **147** |
| **Total Revenue - Functional** | 2 | **1 750 466** | **1 880 220** | **–** | **274 951** | **1 085 535** | **1 076 861** | **8 674** | **1%** | **1 880 220** |
| **Expenditure - Functional** | | | | | | | | | | |
| ***Governance and administration*** | | **420 546** | **300 787** | **–** | **34 235** | **174 234** | **150 394** | 23 841 | 16% | **300 787** |
| Executive and council | | 161 811 | 76 446 | – | 8 677 | 41 749 | 38 223 | 3 526 | 9% | 76 446 |
| Finance and administration | | 258 735 | 224 341 | – | 25 558 | 132 485 | 112 170 | 20 315 | 18% | 224 341 |
| Internal audit | | – | – | – | – | – | – | – | | – |
| ***Community and public safety*** | | **241 346** | **213 542** | **–** | **18 285** | **101 785** | **106 771** | (4 986) | -5% | **211 862** |
| Community and social services | | 89 993 | 63 712 | – | 4 321 | 32 335 | 31 856 | 479 | 2% | 63 712 |
| Sport and recreation | | 60 663 | 59 424 | – | 5 687 | 28 771 | 29 712 | (941) | -3% | 59 424 |
| Public safety | | 63 060 | 63 377 | – | 6 327 | 28 663 | 31 688 | (3 026) | -10% | 61 697 |
| Housing | | 23 562 | 23 144 | – | 1 646 | 10 183 | 11 572 | (1 389) | -12% | 23 144 |
| Health | | 4 068 | 3 886 | – | 303 | 1 833 | 1 943 | (110) | -6% | 3 886 |
| ***Economic and environmental services*** | | **511 967** | **334 193** | **–** | **43 956** | **266 278** | **167 096** | 99 182 | 59% | **334 193** |
| Planning and development | | 23 043 | 26 057 | – | 1 765 | 11 266 | 13 028 | (1 762) | -14% | 26 057 |
| Road transport | | 488 835 | 308 009 | – | 42 190 | 255 012 | 154 005 | 101 007 | 66% | 308 009 |
| Environmental protection | | 89 | 127 | – | – | – | 63 | (63) | -100% | 127 |
| ***Trading services*** | | **870 725** | **883 240** | **–** | **92 580** | **487 571** | **441 620** | 45 951 | 10% | **884 920** |
| Energy sources | | 514 435 | 531 397 | – | 63 890 | 264 956 | 265 699 | (742) | 0% | 533 077 |
| Water management | | 229 329 | 277 556 | – | 18 405 | 169 746 | 138 778 | 30 968 | 22% | 277 556 |
| Waste water management | | 33 008 | 4 289 | – | 2 478 | 13 654 | 2 145 | 11 510 | 537% | 4 289 |
| Waste management | | 93 953 | 69 997 | – | 7 807 | 39 214 | 34 999 | 4 215 | 12% | 69 997 |
| ***Other*** | | **164** | **320** | **–** | **5** | **37** | **160** | **(123)** | **-77%** | **320** |
| **Total Expenditure - Functional** | 3 | **2 044 748** | **1 732 082** | **–** | **189 061** | **1 029 905** | **866 041** | **163 864** | **19%** | **1 732 082** |
| **Surplus/ (Deficit) for the year** | | **(294 282)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-74%** | **148 138** |

## KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter

| Vote Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue by Vote** | 1 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 63 342 | 63 305 | – | 19 817 | 46 466 | 31 653 | 14 814 | 46,8% | 63 305 |
| Vote 2 - COMMUNITY SERVICES | | 126 512 | 107 288 | – | 17 352 | 57 309 | 53 644 | 3 665 | 6,8% | 107 288 |
| Vote 3 - BUDGET AND TREASURY | | 300 462 | 311 886 | – | 28 621 | 155 450 | 155 943 | (493) | -0,3% | 311 886 |
| Vote 4 - MUNICIPAL MANAGER | | – | – | – | – | – | – | – | | – |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN | | 43 195 | 14 351 | – | 2 191 | 17 763 | 7 176 | 10 588 | 147,5% | 14 351 |
| Vote 6 - TECHNICAL SERVICES | | 537 346 | 632 510 | – | 132 470 | 400 016 | 424 555 | (24 539) | -5,8% | 632 510 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 679 610 | 750 879 | – | 74 500 | 408 530 | 403 891 | 4 639 | 1,1% | 750 879 |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| **Total Revenue by Vote** | 2 | **1 750 466** | **1 880 220** | **–** | **274 951** | **1 085 535** | **1 076 861** | **8 674** | **0,8%** | **1 880 220** |
| **Expenditure by Vote** | 1 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | 136 869 | 69 300 | – | 7 202 | 33 938 | 34 650 | (711) | -2,1% | 69 300 |
| Vote 2 - COMMUNITY SERVICES | | 306 461 | 260 559 | – | 24 717 | 147 941 | 130 280 | 17 661 | 13,6% | 260 559 |
| Vote 3 - BUDGET AND TREASURY | | 198 546 | 164 891 | – | 20 799 | 103 072 | 82 445 | 20 626 | 25,0% | 164 891 |
| Vote 4 - MUNICIPAL MANAGER | | 76 542 | 60 251 | – | 5 163 | 30 408 | 30 126 | 283 | 0,9% | 60 251 |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN | | 48 644 | 49 521 | – | 4 018 | 25 655 | 24 760 | 894 | 3,6% | 49 521 |
| Vote 6 - TECHNICAL SERVICES | | 740 795 | 593 483 | – | 63 271 | 423 365 | 296 741 | 126 624 | 42,7% | 593 483 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 536 890 | 534 077 | – | 63 890 | 265 526 | 267 039 | (1 513) | -0,6% | 534 077 |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| **Total Expenditure by Vote** | 2 | **2 044 748** | **1 732 082** | **–** | **189 061** | **1 029 905** | **866 041** | **163 864** | **18,9%** | **1 732 082** |
| **Surplus/ (Deficit) for the year** | 2 | **(294 282)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | **(155 190)** | **-73,6%** | **148 138** |

## KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue By Source** | | | | | | | | | | |
| Property rates | | 232 286 | 266 182 | | 20 616 | 131 499 | 133 091 | (1 592) | -1% | 266 182 |
| Service charges - electricity revenue | | 675 673 | 690 521 | | 54 407 | 361 729 | 345 261 | 16 468 | 5% | 690 521 |
| Service charges - water revenue | | 135 672 | 151 001 | | 13 577 | 74 982 | 75 500 | (518) | -1% | 151 001 |
| Service charges - sanitation revenue | | 80 093 | 85 212 | | 7 292 | 45 287 | 42 606 | 2 680 | 6% | 85 212 |
| Service charges - refuse revenue | | 56 836 | 63 475 | | 5 166 | 26 279 | 31 738 | (5 458) | -17% | 63 475 |
| Service charges - other | | – | – | | | | | – | | – |
| Rental of facilities and equipment | | 7 278 | 8 059 | | 612 | 3 928 | 4 029 | (101) | -3% | 8 059 |
| Interest earned - external investments | | 4 505 | 4 601 | | 332 | 2 108 | 2 300 | (193) | -8% | 4 601 |
| Interest earned - outstanding debtors | | 10 330 | 12 573 | | 1 272 | 6 078 | 6 287 | (209) | -3% | 12 573 |
| Dividends received | | – | – | | | | | – | | – |
| Fines, penalties and forfeits | | 3 606 | 5 203 | | 1 250 | 3 369 | 2 602 | 767 | 29% | 5 203 |
| Licences and permits | | 12 | 12 | | 1 | 5 | 6 | (1) | -18% | 12 |
| Agency services | | – | – | | – | – | – | – | | – |
| Transfers and subsidies | | 527 822 | 345 790 | | 114 594 | 316 273 | 316 273 | – | | 345 790 |
| Other revenue | | 16 353 | 17 735 | | 830 | 5 699 | 8 868 | (3 169) | -36% | 17 735 |
| Gains on disposal of PPE | | | | | | | – | – | | |
| **Total Revenue (excluding capital transfers and contributions)** | | **1 750 466** | **1 650 366** | **–** | **219 951** | **977 235** | **968 561** | **8 674** | **1%** | **1 650 366** |
| **Expenditure By Type** | | | | | | | | | | |
| Employee related costs | | 495 757 | 514 737 | | 45 261 | 260 118 | 257 369 | 2 749 | 1% | 514 737 |
| Remuneration of councillors | | 20 389 | 23 219 | | 1 563 | 10 391 | 11 610 | (1 218) | -10% | 23 219 |
| Debt impairment | | 100 304 | 101 807 | | 168 | 89 472 | 50 904 | 38 568 | 76% | 101 807 |
| Depreciation & asset impairment | | 472 110 | 247 895 | | 37 490 | 228 306 | 123 947 | 104 359 | 84% | 247 895 |
| Finance charges | | 65 784 | 47 135 | | 3 838 | 24 014 | 23 568 | 447 | 2% | 47 135 |
| Bulk purchases | | 558 946 | 579 385 | | 73 769 | 279 149 | 289 693 | (10 543) | -4% | 579 385 |
| Other materials | | 1 832 | 3 913 | | 297 | 1 558 | 1 956 | (398) | -20% | 3 913 |
| Contracted services | | 61 246 | 22 203 | | 2 979 | 18 969 | 11 101 | 7 868 | 71% | 22 203 |
| Transfers and subsidies | | – | – | | – | – | – | – | | – |
| Other expenditure | | 227 160 | 191 787 | | 23 695 | 117 926 | 95 893 | 22 032 | 23% | 191 787 |
| Loss on disposal of PPE | | | | | | | | – | | |
| **Total Expenditure** | | **2 003 528** | **1 732 082** | **–** | **189 061** | **1 029 905** | **866 041** | **163 864** | **19%** | **1 732 082** |
| **Surplus/(Deficit)** | | **(253 062)** | **(81 716)** | **–** | **30 890** | **(52 670)** | **102 520** | **(155 190)** | **(0)** | **(81 716)** |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | | 229 854 | | 55 000 | 108 300 | 108 300 | – | | 229 854 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | | | | | | | – | | |
| Transfers and subsidies - capital (in-kind - all) | | | | | | | | – | | |
| **Surplus/(Deficit) after capital transfers & contributions** | | **(253 062)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | | | **148 138** |
| Taxation | | | | | | | | – | | |
| **Surplus/(Deficit) after taxation** | | **(253 062)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | | | **148 138** |
| Attributable to minorities | | | | | | | | | | |
| **Surplus/(Deficit) attributable to municipality** | | **(253 062)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | | | **148 138** |
| Share of surplus/ (deficit) of associate | | (41 220) | | | | | | | | |
| **Surplus/ (Deficit) for the year** | | **(294 282)** | **148 138** | **–** | **85 890** | **55 630** | **210 820** | | | **148 138** |

## KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter

| Vote Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 2 - COMMUNITY SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 3 - BUDGET AND TREASURY | | – | – | – | – | – | – | – | | – |
| Vote 4 - MUNICIPAL MANAGER | | – | – | – | – | – | – | – | | – |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS | | – | – | – | – | – | – | – | | – |
| Vote 6 - TECHNICAL SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | – | – | – | – | – | – | – | | – |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| Total Capital Multi-year expenditure | 4,7 | – | – | – | – | – | – | – | | – |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - CORPORATE SERVICES | | – | – | – | 24 | 210 | – | 210 | #DIV/0! | – |
| Vote 2 - COMMUNITY SERVICES | | 7,323 | 17,705 | – | 846 | 2,456 | 8,853 | (6,396) | -72% | 17,705 |
| Vote 3 - BUDGET AND TREASURY | | 737 | 1,000 | – | – | – | 500 | (500) | -100% | 1,000 |
| Vote 4 - MUNICIPAL MANAGER | | 32 | 2,700 | – | – | – | 1,350 | (1,350) | -100% | 2,700 |
| Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS | | 49,224 | 55,795 | – | 4,884 | 17,005 | 27,898 | (10,893) | -39% | 55,795 |
| Vote 6 - TECHNICAL SERVICES | | 153,197 | 167,578 | – | 23,201 | 67,126 | 83,789 | (16,663) | -20% | 167,578 |
| Vote 7 - ELECTRICAL AND MECHANICAL SERVICES | | 8,893 | 9,000 | – | – | 229 | 4,500 | (4,271) | -95% | 9,000 |
| Vote 8 - [NAME OF VOTE 8] | | – | – | – | – | – | – | – | | – |
| Vote 9 - [NAME OF VOTE 9] | | – | – | – | – | – | – | – | | – |
| Vote 10 - [NAME OF VOTE 10] | | – | – | – | – | – | – | – | | – |
| Vote 11 - [NAME OF VOTE 11] | | – | – | – | – | – | – | – | | – |
| Vote 12 - [NAME OF VOTE 12] | | – | – | – | – | – | – | – | | – |
| Vote 13 - [NAME OF VOTE 13] | | – | – | – | – | – | – | – | | – |
| Vote 14 - [NAME OF VOTE 14] | | – | – | – | – | – | – | – | | – |
| Vote 15 - [NAME OF VOTE 15] | | – | – | – | – | – | – | – | | – |
| Total Capital single-year expenditure | 4 | 219,406 | 253,778 | – | 28,955 | 87,026 | 126,889 | (39,863) | -31% | 253,778 |
| Total Capital Expenditure | | 219,406 | 253,778 | – | 28,955 | 87,026 | 126,889 | (39,863) | -31% | 253,778 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| *Governance and administration* | | 770 | 3,700 | – | 24 | 210 | 1,850 | (1,640) | -89% | 3,700 |
| Executive and council | | – | – | | | | – | – | | – |
| Finance and administration | | 738 | – | | | | – | – | | – |
| Internal audit | | 32 | 3,700 | | 24 | 210 | 1,850 | (1,640) | -89% | 3,700 |
| *Community and public safety* | | 9,171 | 17,705 | – | 902 | 2,812 | 8,853 | (6,040) | -68% | 17,705 |
| Community and social services | | 4,715 | 17,705 | | 902 | 2,812 | 8,853 | (6,040) | -68% | 17,705 |
| Sport and recreation | | 2,202 | – | | – | – | – | – | | – |
| Public safety | | 48 | – | | – | – | – | – | | – |
| Housing | | 2,206 | – | | | | – | – | | – |
| Health | | – | – | | | | | – | | – |
| *Economic and environmental services* | | 126,477 | 108,784 | – | 10,782 | 35,767 | 54,392 | (18,625) | -34% | 108,784 |
| Planning and development | | 56,022 | 55,795 | | 4,828 | 16,649 | 27,898 | (11,249) | -40% | 55,795 |
| Road transport | | 70,455 | 52,989 | | 5,954 | 19,118 | 26,495 | (7,376) | -28% | 52,989 |
| Environmental protection | | – | – | | | | | – | | – |
| *Trading services* | | 82,988 | 123,589 | – | 17,247 | 48,237 | 61,795 | (13,558) | -22% | 123,589 |
| Energy sources | | 9,367 | 9,000 | | – | 229 | 4,500 | (4,271) | -95% | 9,000 |
| Water management | | 73,262 | 112,489 | | 17,247 | 48,008 | 56,245 | (8,237) | -15% | 112,489 |
| Waste water management | | 358 | 2,100 | | – | – | 1,050 | (1,050) | -100% | 2,100 |
| Waste management | | | – | | | | | – | | – |
| *Other* | | | – | | | | | – | | – |
| Total Capital Expenditure - Functional Classification | 3 | 219,406 | 253,778 | – | 28,955 | 87,026 | 126,889 | (39,863) | -31% | 253,778 |
| Funded by: | | | | | | | | | | |
| National Government | | 185,150 | 212,204 | | 25,139 | 65,161 | 106,102 | (40,941) | -39% | 212,204 |
| Provincial Government | | 11,162 | 11,250 | | 56 | 56 | 5,625 | (5,569) | -99% | 11,250 |
| District Municipality | | | – | | | | – | – | | – |
| Other transfers and grants | | | 6,400 | | | 6,072 | 3,200 | 2,872 | 90% | 6,400 |
| Transfers recognised - capital | | 196,312 | 229,854 | – | 25,195 | 71,288 | 114,927 | (43,639) | -38% | 229,854 |
| Public contributions & donations | 5 | | | | | | | – | | |
| Borrowing | 6 | | – | | | | – | – | | – |
| Internally generated funds | | 23,094 | 23,924 | | 3,760 | 15,738 | 11,962 | 3,776 | 32% | 23,924 |
| Total Capital Funding | | 219,406 | 253,778 | – | 28,955 | 87,026 | 126,889 | (39,863) | -31% | 253,778 |

*References*

*1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).*

*2. Include capital component of PPP unitary payment*

*3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations*

*4. Include expenditure on investment property, intangible and biological assets*

*5. Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)*

*6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17*

## KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | |
|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| **ASSETS** | | | | | | |
| **Current assets** | | | | | | |
| Cash | | 20 722 | 15 187 | | 21 098 | 15 187 |
| Call investment deposits | | 29 785 | 32 101 | | 48 178 | 32 101 |
| Consumer debtors | | 452 627 | 225 034 | | 498 429 | 225 034 |
| Other debtors | | 54 128 | 31 166 | | 64 626 | 31 166 |
| Current portion of long-term receivables | | 6 | – | | 5 | – |
| Inventory | | 15 224 | 13 648 | | 14 734 | 13 648 |
| **Total current assets** | | **572 491** | **317 136** | **–** | **647 070** | **317 136** |
| **Non current assets** | | | | | | |
| Long-term receivables | | – | – | | | – |
| Investments | | – | – | | | – |
| Investment property | | 365 272 | 281 493 | | 365 272 | 281 493 |
| Investments in Associate | | 301 163 | 346 321 | | 301 163 | 346 321 |
| Property, plant and equipment | | 7 056 677 | 7 005 862 | | 6 907 631 | 7 005 862 |
| Agricultural | | – | – | | | – |
| Biological assets | | – | – | | | – |
| Intangible assets | | 8 687 | 6 877 | | 7 204 | 6 877 |
| Other non-current assets | | 6 991 | 6 025 | | 6 991 | 6 025 |
| **Total non current assets** | | **7 738 790** | **7 646 580** | **–** | **7 588 261** | **7 646 580** |
| **TOTAL ASSETS** | | **8 311 282** | **7 963 716** | **–** | **8 235 331** | **7 963 716** |
| **LIABILITIES** | | | | | | |
| **Current liabilities** | | | | | | |
| Bank overdraft | | – | – | | | – |
| Borrowing | | 32 171 | 32 002 | | 30 485 | 32 002 |
| Consumer deposits | | 14 334 | 13 478 | | 16 218 | 13 478 |
| Trade and other payables | | 495 200 | 160 101 | | 498 812 | 160 101 |
| Provisions | | 6 216 | 6 455 | | 6 216 | 6 455 |
| **Total current liabilities** | | **547 921** | **212 037** | **–** | **551 731** | **212 037** |
| **Non current liabilities** | | | | | | |
| Borrowing | | 447 450 | 397 125 | | 433 389 | 397 125 |
| Provisions | | 159 386 | 137 583 | | 159 386 | 137 583 |
| **Total non current liabilities** | | **606 837** | **534 708** | **–** | **592 776** | **534 708** |
| **TOTAL LIABILITIES** | | **1 154 758** | **746 745** | **–** | **1 144 507** | **746 745** |
| **NET ASSETS** | 2 | **7 156 524** | **7 216 971** | **–** | **7 090 824** | **7 216 971** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | |
| Accumulated Surplus/(Deficit) | | 7 130 923 | 7 188 422 | | 7 064 730 | 7 188 422 |
| Reserves | | 25 601 | 28 549 | | 26 094 | 28 549 |
| **TOTAL COMMUNITY WEALTH/EQUITY** | 2 | **7 156 524** | **7 216 971** | **–** | **7 090 824** | **7 216 971** |

## KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Property rates | | 232 286 | 212 408 | | 15 847 | 96 574 | 106 204 | (9 630) | -9% | 212 408 |
| Service charges | | 832 111 | 845 575 | | 52 241 | 364 298 | 422 788 | (58 489) | -14% | 845 575 |
| Other revenue | | 12 805 | 27 367 | | 5 324 | 21 625 | 13 684 | 7 942 | 58% | 27 367 |
| Government - operating | | 317 832 | 339 640 | | 106 049 | 243 239 | 169 820 | 73 419 | 43% | 339 640 |
| Government - capital | | 218 965 | 240 492 | | 55 000 | 109 500 | 120 246 | (10 746) | -9% | 240 492 |
| Interest | | 14 835 | 8 373 | | 1 740 | 8 185 | 4 186 | 3 999 | 96% | 8 373 |
| Dividends | | | | | | | | – | | |
| **Payments** | | | | | | | | | | |
| Suppliers and employees | | (1 329 362) | (1 335 927) | | (119 885) | (697 865) | (667 964) | 29 902 | -4% | (1 335 927) |
| Finance charges | | (65 784) | (47 135) | | (3 838) | (24 014) | (23 568) | 447 | -2% | (47 135) |
| Transfers and Grants | | | | | – | – | | – | | |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | | **233 689** | **290 793** | **–** | **112 478** | **121 543** | **145 396** | **23 853** | **16%** | **290 793** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Proceeds on disposal of PPE | | | 2 000 | | | | 1 000 | (1 000) | -100% | 2 000 |
| Decrease (increase) in non-current debtors | | – | – | | | | – | – | | – |
| Decrease (increase) other non-current receivables | | – | – | | | | – | – | | – |
| Decrease (increase) in non-current investments | | – | – | | | | – | – | | – |
| **Payments** | | | | | | | | | | |
| Capital assets | | (219 406) | (253 778) | | (44 936) | (87 026) | (126 889) | (39 863) | 31% | (253 778) |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | | **(219 406)** | **(251 778)** | **–** | **(44 936)** | **(87 026)** | **(125 889)** | **(38 863)** | **31%** | **(251 778)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | | | | | |
| **Receipts** | | | | | | | | | | |
| Short term loans | | – | – | | | | – | – | | – |
| Borrowing long term/refinancing | | – | – | | | | – | – | | – |
| Increase (decrease) in consumer deposits | | | 264 | | | | 132 | (132) | -100% | 264 |
| **Payments** | | | | | | | | | | |
| Repayment of borrowing | | (8 347) | (32 002) | | (3 813) | (15 748) | (16 001) | (254) | 2% | (32 002) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | | **(8 347)** | **(31 738)** | **–** | **(3 813)** | **(15 748)** | **(15 869)** | **(122)** | **1%** | **(31 738)** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | | **5 935** | **7 276** | **–** | **63 729** | **18 769** | **3 638** | | | **7 276** |
| Cash/cash equivalents at beginning: | | 44 573 | 40 012 | | | 50 508 | 40 012 | | | 50 508 |
| Cash/cash equivalents at month/year end: | | 50 508 | 47 288 | – | | 69 276 | 43 650 | | | 57 783 |

**KZN252 Newcastle - Supporting Table SC1 Material variance explanations - Q2 Second Quarter**

| Ref | Description<br>R thousands | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
|---|---|---|---|---|
| 1 | Revenue By Source | | | |
| | Fines, penalties and forfeits | 29% | Strict law enforcement, | adjustment budget |
| | Property rates | -1% | Time lag in billing of new properties that we incorporated in the annual budget for the first time | adjustment budget |
| | Services Charges:Electricity | 5% | High winter season consumption during the first three months of the financial year | None |
| | Services Charges:water | -1% | Water meter audits and awareness compaign towards sparing water usage | adjustment budget |
| | Service Cherges: Sanitation | 6% | Over-budgeting during the annual budget process due to lack of adequate statistical information | adjustment budget |
| | Services Charges:Refuse | -17% | Over-budgeting during the annual budget process due to lack of adequate statistical information | adjustment budget |
| | Rental of facilities and equipment | -3% | Time lag in occupation of facilities between the old and the new tenant | adjustment budget |
| | Interest earned : External Investments | -15% | Withdrawal of investments during the financial year due to financial constrains | adjustment budget |
| | Interest earned : Oustanding debtors | -3% | Delays in settling consumer accounts due to arrangements entered into with consumers. | adjustment budget |
| | Other Revenue | -36% | Other revenue is dependent on levels of consumption and therefore fluctuates every month. | adjustment budget |
| | Licences and permits | -18% | Licences are dependent on the publics reaction,it fluctuates every month. | adjustment budget |
| 2 | Expenditure By Type | | | |
| | Debt Impairment | 76% | Additional provision accounted for as a result of inndigent cleaning process | adjustment budget |
| | Remuneration of Councillors | -10% | Time lag in the implementation of upper limits and the fact the members of EXCO were budgeted as full-time | adjustment budget |
| | Other Material | -20% | Consolidation of departments in the tower block has reduced expenditure | adjustment budget |
| | Depreciation | 84% | Under-budget based on MFMA Circular 57 relating to revalation of assets | adjustment budget |
| | Other Expenditure | 23% | The budget allocation for most of these items were reduced drastically in implementation on cost containment | adjustment budget |
| | Contracted Services | 71% | Security charges and finance consultants fees escalated contracted services due delays in amending contraicts | adjustment budget |
| | Bulk Purchases | -4% | Seasonal consumption | None |
| 3 | Capital Expenditure | | | |
| | Grant funded projects | (30) | Delays in the SCM process, particularly on appointment consultants, incapacity of contractors | Fast track SCM processes and management of contractors |
| | Internally funded projects | 9 | Most of projects rolload over from 2016/17, with no need for new SCM processes | None |
| | Repairs and maintenance | 39 | Under-budgeting due to cash-flow challenges | None |
| | Renewal of existing assets | 158 | Under-budgeting due to cash-flow challenges | None |
| 4 | Financial Position | | | |
| | Property Plant and Equipment | | Slow capital expenditure and depreciaion | adjustment budget |
| | Investment property | | Revaluation, which was finanalised after financial budget was approved | adjustment budget |
| | Investment in Associate | | Decrease in Net Asset Value of the Entity, which was confirmed after annual budget was approved | adjustment budget |
| | Consumer Debtors | | Change in bad debt prvision due to cleaning up of debtors and indegent books | adjustment budget |
| | Trade and other payables | | Error during annual budgeting | adjustment budget |
| | | | | adjustment budget |
| 5 | Cash Flow | | | |
| | Net Cash from Operating Activities | 16 | Equitable Share and other grants bulk of it received early in the financial year | adjustment budget |
| | Net Cash Used from Investing Activities | 31 | Slow capital expenditure | adjustment budget |
| | Net Cash Used from Financial Activities | 1 | Based on armotisation schedules | None |
| 6 | Measureable performance | | | |
| 7 | Municipal Entities | | | |

## KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q2 Second Quarter

| Description of financial indicator | Basis of calculation | Ref | 2016/17 | Budget Year 2017/18 | | | |
|---|---|---|---|---|---|---|---|
| | | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| **Borrowing Management** | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & principal paid/Operating Expenditure | | 2,9% | 17,0% | 0,0% | 2,3% | 4,1% |
| Borrowed funding of 'own' capital expenditure | Borrowings/Capital expenditure excl. transfers and grants | | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| **Safety of Capital** | | | | | | | |
| Debt to Equity | Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves | | 13,6% | 8,2% | 0,0% | 13,6% | 8,2% |
| Gearing | Long Term Borrowing/ Funds & Reserves | | 1747,8% | 1391,1% | 0,0% | 1660,9% | 1391,1% |
| **Liquidity** | | | | | | | |
| Current Ratio | Current assets/current liabilities | 1 | 104,5% | 149,6% | 0,0% | 117,3% | 149,6% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | 9,2% | 22,3% | 0,0% | 12,6% | 22,3% |
| **Revenue Management** | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/ Last 12 Mths Billing | | | | | | |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | | 29,0% | 15,5% | 0,0% | 57,6% | 15,5% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old | | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| **Creditors Management** | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA s 65(e)) | | | | | | |
| **Funding of Provisions** | | | | | | | |
| Percentage Of Provisions Not Funded | Unfunded Provisions/Total Provisions | | | | | | |
| **Other Indicators** | | | | | | | |
| Electricity Distribution Losses | % Volume (units purchased and generated less units sold)/units purchased and generated | 2 | 3,5% | | | | |
| Water Distribution Losses | % Volume (units purchased and own source less units sold)/Total units purchased and own source | 2 | 44,0% | | | | |
| Employee costs | Employee costs/Total Revenue - capital revenue | | 28,3% | 31,2% | 0,0% | 26,6% | 31,2% |
| Repairs & Maintenance | R&M/Total Revenue - capital revenue | | 0,0% | 0,0% | 0,0% | 0,0% | 0,0% |
| Interest & Depreciation | I&D/Total Revenue - capital revenue | | 30,7% | 17,9% | 0,0% | 2,5% | 4,3% |
| **IDP regulation financial viability indicators** | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | | | | | | |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | | | | | | |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | | | | | | |

## KZN252 Newcastle - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

| Description | NT Code | Budget Year 2017/18 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy |
| **Debtors Age Analysis By Income Source** | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 11 679 | 7 940 | 7 048 | 6 311 | 6 464 | 5 838 | 35 358 | 181 260 | 261 899 | 235 232 | | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 40 636 | 19 366 | 3 202 | 938 | 665 | 488 | 1 977 | 9 306 | 76 578 | 13 374 | | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 16 834 | 7 558 | 6 537 | 4 873 | 4 749 | 8 692 | 24 833 | 123 889 | 197 966 | 167 036 | | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 6 197 | 4 928 | 4 546 | 4 409 | 4 280 | 4 425 | 23 482 | 150 166 | 202 432 | 186 762 | | |
| Receivables from Exchange Transactions - Waste Management | 1600 | 4 136 | 2 484 | 2 073 | 2 016 | 1 901 | 1 881 | 9 871 | 63 729 | 88 090 | 79 398 | | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | 323 | 143 | 104 | 113 | 98 | 94 | 486 | 1 772 | 3 133 | 2 563 | | |
| Interest on Arrear Debtor Accounts | 1810 | 1 062 | 1 198 | 1 051 | 1 284 | 981 | 1 007 | 5 276 | 41 922 | 53 780 | 50 470 | | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | – | – | – | – | – | – | – | – | – | – | | |
| Other | 1900 | (6 432) | 5 758 | 4 739 | 2 378 | 2 170 | 2 157 | 12 068 | 186 388 | 209 227 | 205 161 | | |
| **Total By Income Source** | **2000** | **74 434** | **49 374** | **29 301** | **22 322** | **21 308** | **24 583** | **113 351** | **758 432** | **1 093 104** | **939 995** | – | – |
| **2016/17 - totals only** | | | | | | | | | | – | – | | |
| **Debtors Age Analysis By Customer Group** | | | | | | | | | | | | | |
| Organs of State | 2200 | (5 066) | 1 369 | 2 722 | 970 | 729 | 3 762 | 3 514 | 28 793 | 36 792 | 37 767 | | |
| Commercial | 2300 | 44 965 | 24 249 | 6 148 | 2 201 | 1 816 | 1 984 | 9 159 | 51 227 | 141 750 | 66 388 | | |
| Households | 2400 | 32 652 | 23 468 | 20 211 | 18 933 | 18 531 | 17 783 | 99 694 | 670 872 | 902 143 | 825 813 | | |
| Other | 2500 | 1 883 | 288 | 220 | 218 | 233 | 1 055 | 983 | 7 539 | 12 418 | 10 027 | | |
| **Total By Customer Group** | **2600** | **74 434** | **49 374** | **29 301** | **22 322** | **21 308** | **24 583** | **113 351** | **758 432** | **1 093 104** | **939 995** | – | – |

## KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

| Description<br>R thousands | NT Code | Budget Year 2017/18 | | | | | | | | | Prior year totals for chart (same period) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total | |
| **Creditors Age Analysis By Customer Type** | | | | | | | | | | | |
| Bulk Electricity | 0100 | 29 893 | | 41 822 | | | | | | 71 715 | |
| Bulk Water | 0200 | 6 345 | | | | | | | | 6 345 | |
| PAYE deductions | 0300 | 6 124 | | | | | | | | 6 124 | |
| VAT (output less input) | 0400 | | | | | | | | | – | |
| Pensions / Retirement deductions | 0500 | 6 480 | | | | | | | | 6 480 | |
| Loan repayments | 0600 | – | | | | | | | | – | |
| Trade Creditors | 0700 | 27 930 | 262 | 6 | 25 | 35 | – | 1 | – | 28 260 | |
| Auditor General | 0800 | – | | | | | | | | – | |
| Other | 0900 | – | – | – | – | – | – | – | – | – | |
| **Total By Customer Type** | **1000** | **76 773** | **262** | **41 828** | **25** | **35** | **–** | **1** | **–** | **118 924** | **–** |

## KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second Quarter

| Investments by maturity<br>Name of institution & investment ID<br><br>R thousands | Ref | Period of investment<br><br>Yrs/Months | Type of Investment | Expiry date of investment | Accrued interest for the month | Yield for the month 1 (%) | Market value at beginning of the month | Change in market value | Market value at end of the month |
|---|---|---|---|---|---|---|---|---|---|
| **Municipality** | | | | | | | | | |
| Nedbank | | 12 months | Call Account | | – | – | – | – | – |
| Standard Bank | | 12 months | Call Account | | 1 138 | | 84 311 | (42 862) | 41 449 |
| ABSA | | 12 months | Call Account | | 54 | | 26 679 | (19 950) | 6 729 |
| Sanlam | | 12 months | Call Account | | 4 | | 95 | (95) | – |
| **Municipality sub-total** | | | | | 1 196 | | 111 085 | (62 907) | 48 178 |
| **Entities** | | | | | | | | | |
| **Entities sub-total** | | | | | – | | – | – | – |
| **TOTAL INVESTMENTS AND INTEREST** | 2 | | | | **1 196** | | **111 085** | **(62 907)** | **48 178** |

## KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| **National Government:** | | 311 750 | 324 042 | – | 105 349 | 242 539 | 243 248 | (709) | -0,3% | 324 042 |
| Local Government Equitable Share | | 306 952 | 318 176 | | 105 349 | 237 923 | 238 632 | (709) | -0,3% | 318 176 |
| Water Services Operating Subsidy | | | – | | | – | – | | | – |
| EPWP Incentive | | 3 173 | 4 166 | | | 2 916 | 2 916 | | | 4 166 |
| Integrated National Electrification Programme | | | – | | | – | – | | | – |
| Finance Management | | 1 625 | 1 700 | | | 1 700 | 1 700 | | | 1 700 |
| Municipal Systems Improvement | 3 | | – | | | – | – | – | | – |
| Neighbourhood Development Partership | | | | | | | | – | | |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| Other transfers and grants [insert description] | | | | | | | | – | | |
| **Provincial Government:** | | 10 643 | 15 598 | – | – | 350 | 350 | – | | 15 598 |
| Provincialisation of Libraries | | 5 695 | 5 923 | | – | – | – | – | | 5 923 |
| Level 2 accreditation | | 4 077 | 8 761 | | – | – | – | | | 8 761 |
| Museums Services | | 334 | 350 | | – | 350 | 350 | – | | 350 |
| Community Library Services Grant | 4 | 537 | 564 | | – | – | – | – | | 564 |
| | | | – | | – | – | – | – | | – |
| Health subsidy | | | – | | – | – | – | – | | – |
| **District Municipality:** | | – | – | – | – | – | – | – | | – |
| *[insert description]* | | | | | | | | – | | |
| | | | | | | | | – | | |
| **Other grant providers:** | | – | – | – | – | – | – | – | | – |
| *[insert description]* | | | | | | | | – | | |
| | | | | | | | | | | |
| | | | | | | | | – | | |
| Total Operating Transfers and Grants | 5 | 322 393 | 339 640 | – | 105 349 | 242 889 | 243 598 | (709) | -0,3% | 339 640 |
| Capital Transfers and Grants | | | | | | | | | | |
| **National Government:** | | 185 150 | 218 604 | – | 55 000 | 108 300 | 108 300 | – | | 218 604 |
| Neighbourhood Development Partnership | | 28 323 | 50 000 | | – | 4 800 | 4 800 | – | | 50 000 |
| Municipal Infrastructure Grant (MIG) | | 109 214 | 114 604 | | 55 000 | 72 000 | 72 000 | | | 114 604 |
| Integrated National Electrification Programme | | 7 000 | 9 000 | | – | 9 000 | 9 000 | | | 9 000 |
| Energy efficiency & demand side management | | – | – | | – | – | – | | | – |
| Municipal water infrastructure | | 40 613 | – | | – | – | – | | | – |
| Water Services Infrastructure Grant (WSIG) | | – | 45 000 | | – | 22 500 | 22 500 | – | | 45 000 |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| Other capital transfers *[insert description]* | | | | | | | | – | | |
| **Provincial Government:** | | – | 11 000 | – | – | – | – | – | | 11 000 |
| *Level 2 accreditation* | | – | – | | – | – | – | – | | – |
| *Recapitalisation of Community Libraries* | | – | – | | – | – | – | | | – |
| *Sport and Recreation* | | – | – | | – | – | – | | | – |
| *Community Library Service* | | – | 11 000 | | – | – | – | | | 11 000 |
| *Museum* | | – | – | | – | – | – | | | |
| Corridor Development | | – | – | | – | – | – | – | | |
| **District Municipality:** | | – | – | – | – | – | – | – | | – |
| *[insert description]* | | | | | | | | – | | |
| | | | | | | | | – | | |
| **Other grant providers:** | | 9 798 | 10 888 | – | – | 6 072 | 6 072 | – | | 10 888 |
| *European Union* | | 9 798 | 10 888 | | – | 6 072 | 6 072 | – | | 10 888 |
| | | | | | | | | – | | |
| Total Capital Transfers and Grants | 5 | 194 948 | 240 492 | – | 55 000 | 114 372 | 114 372 | – | | 240 492 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 517 341 | 580 132 | – | 160 349 | 357 261 | 357 970 | (709) | -0,2% | 580 132 |

## KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| EXPENDITURE | | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | | |
| **National Government:** | | 311 750 | 324 042 | – | 106 204 | 240 320 | 241 565 | (1 245) | -0,5% | 324 042 |
| Local Government Equitable Share | | 306 952 | 318 176 | | 105 349 | 237 923 | 238 632 | (709) | -0,3% | 318 176 |
| Water Services Operating Subsidy | | | – | | – | – | – | – | | – |
| EPWP Incentive | | 3 173 | 4 166 | | 816 | 2 189 | 2 083 | 106 | 5,1% | 4 166 |
| Integrated National Electrification Programme | | | – | | – | – | – | – | | – |
| Finance Management | | 1 625 | 1 700 | | 39 | 208 | 850 | (642) | -75,6% | 1 700 |
| Municipal Systems Improvement | | | | | – | – | – | – | | |
| Other transfers and grants [insert description] | | | | | – | – | – | – | | |
| **Provincial Government:** | | 8 643 | 15 598 | – | 523 | 3 461 | 7 517 | (3 358) | -44,7% | 15 598 |
| Level 2 accreditation | | 4 077 | 8 761 | | 228 | 1 198 | 4 381 | (3 183) | -72,7% | 8 761 |
| Recapitalisation of Community Libraries | | 3 695 | 5 923 | | 295 | 2 263 | 2 962 | | | 5 923 |
| Museums Services | | 334 | 350 | | – | – | 175 | (175) | -100,0% | 350 |
| Community Library Services Grant | | 537 | 564 | | – | – | | – | | 564 |
| | | | | | | | | – | | |
| Health subsidy | | | – | | | | | – | | – |
| **District Municipality:** | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| *[insert description]* | | | | | | | | – | | |
| **Other grant providers:** | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| *European Union* | | | | | | | | – | | |
| **Total operating expenditure of Transfers and Grants:** | | 320 393 | 339 640 | – | 106 727 | 243 781 | 249 082 | (4 603) | -1,8% | 339 640 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| **National Government:** | | 152 395 | 218 604 | – | 27 683 | 62 889 | 89 102 | (3 439) | -3,9% | 218 604 |
| Neighbourhood Development Partnership | | 11 954 | 50 000 | | – | 4 800 | 4 800 | 0 | 0,0% | 50 000 |
| Municipal Infrastructure Grant (MIG) | | 99 544 | 114 604 | | 20 963 | 37 438 | 57 302 | | | 114 604 |
| Integrated National Electrification Programme | | 6 001 | 9 000 | | | 1 591 | 4 500 | | | 9 000 |
| Energy efficiency & demand side management | | | – | | | – | – | | | – |
| Water Services Infrastructure Grant (WSIG) | | 34 896 | 45 000 | | 6 721 | 19 060 | 22 500 | (3 440) | -15,3% | 45 000 |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| Other capital transfers [insert description] | | | | | | | | – | | |
| **Provincial Government:** | | 2 000 | 11 000 | – | – | – | 5 500 | (5 500) | -100,0% | 11 000 |
| Level 2 accreditation | | – | – | | – | – | | – | | – |
| Recapitalisation of Community Libraries | | 2 000 | – | | – | – | | – | | – |
| Sport and Recreation | | – | – | | – | – | | | | – |
| Community Library | | – | 11 000 | | – | – | 5 500 | | | 11 000 |
| Museum | | – | – | | – | – | | | | – |
| Corridor Development | | – | – | | – | – | | – | | – |
| **District Municipality:** | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| | | | | | | | | – | | |
| **Other grant providers:** | | 9 798 | 10 888 | – | – | 6 072 | 6 072 | – | | 10 888 |
| **European Union** | | 9 798 | 10 888 | | – | 6 072 | 6 072 | – | | 10 888 |
| | | | | | | | | – | | |
| **Total capital expenditure of Transfers and Grants** | | 164 193 | 240 492 | – | 27 683 | 68 960 | 100 674 | (8 939) | -8,9% | 240 492 |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** | | 484 586 | 580 132 | – | 134 411 | 312 741 | 349 756 | (13 542) | -3,9% | 580 132 |

**KZN252 Newcastle - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q2 Second Quarter**

| Summary of Employee and Councillor remuneration<br>R thousands | Ref | 2016/17<br>Audited Outcome | Budget Year 2017/18<br>Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance<br>% | Full Year Forecast |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 12 321 | 14 613 | | 639 | 7 428 | 7 306 | 122 | 2% | 14 613 |
| Pension and UIF Contributions | | 1 700 | 2 305 | | 115 | 454 | 1 152 | (698) | -61% | 2 305 |
| Medical Aid Contributions | | 283 | 1 201 | | 7 | 30 | 600 | (570) | -95% | 1 201 |
| Motor Vehicle Allowance | | 4 759 | 3 841 | | 718 | 2 315 | 1 920 | 395 | 21% | 3 841 |
| Cellphone Allowance | | – | 155 | | – | – | 77 | (77) | -100% | 155 |
| Housing Allowances | | 612 | – | | | | – | – | | – |
| Other benefits and allowances | | 714 | 1 106 | | 83 | 164 | 553 | (389) | -70% | 1 106 |
| **Sub Total - Councillors** | | 20 389 | 23 219 | – | 1 563 | 10 391 | 11 610 | (1 218) | -10% | 23 219 |
| **% increase** | 4 | | 13,9% | | | | | | | 13,9% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 23 792 | 8 892 | | 278 | 850 | 4 446 | (3 596) | -81% | 8 892 |
| Pension and UIF Contributions | | 547 | 580 | | 22 | 55 | 290 | (235) | -81% | 580 |
| Medical Aid Contributions | | 160 | 169 | | 9 | 26 | 85 | (58) | -69% | 169 |
| Overtime | | – | – | | – | – | – | – | | – |
| Performance Bonus | | 249 | 264 | | – | – | 132 | (132) | -100% | 264 |
| Motor Vehicle Allowance | | 825 | 875 | | 21 | 64 | 437 | (373) | -85% | 875 |
| Cellphone Allowance | | – | – | | – | – | – | – | | – |
| Housing Allowances | | 30 | 32 | | – | – | 18 | (16) | -100% | 32 |
| Other benefits and allowances | | 137 | 146 | | 24 | 55 | 73 | (17) | -24% | 146 |
| Payments in lieu of leave | | – | – | | – | 119 | – | 119 | #DIV/0! | – |
| Long service awards | | – | – | | – | | – | – | | – |
| Post-retirement benefit obligations | 2 | – | – | | – | – | – | – | | – |
| **Sub Total - Senior Managers of Municipality** | | 25 739 | 10 957 | – | 354 | 1 169 | 5 478 | (4 309) | -79% | 10 957 |
| **% increase** | 4 | | -57,4% | | | | | | | -57,4% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 302 880 | 295 998 | | 27 631 | 206 930 | 147 999 | 58 931 | 40% | 295 998 |
| Pension and UIF Contributions | | 51 570 | 55 321 | | 4 639 | 14 015 | 27 661 | (13 646) | -49% | 55 321 |
| Medical Aid Contributions | | 18 714 | 21 691 | | 1 837 | 5 533 | 10 845 | (5 312) | -49% | 21 691 |
| Overtime | | 35 605 | 32 652 | | 3 772 | 11 127 | 16 326 | (5 199) | -32% | 32 652 |
| Performance Bonus | | 27 223 | 28 856 | | – | – | 14 428 | (14 428) | -100% | 28 856 |
| Motor Vehicle Allowance | | 12 496 | 15 954 | | 1 805 | 5 471 | 7 977 | (2 506) | -31% | 15 954 |
| Cellphone Allowance | | 11 | 11 | | – | – | 6 | (6) | -100% | 11 |
| Housing Allowances | | 8 910 | 9 483 | | 690 | 1 383 | 4 742 | (3 359) | -71% | 9 483 |
| Other benefits and allowances | | 12 610 | 18 491 | | 3 971 | 12 654 | 9 246 | 3 408 | 37% | 18 491 |
| Payments in lieu of leave | | – | 24 462 | | 562 | 1 836 | 12 231 | (10 395) | -85% | 24 462 |
| Long service awards | | – | 862 | | | | 431 | (431) | -100% | 862 |
| Post-retirement benefit obligations | 2 | | – | | | | – | – | | – |
| **Sub Total - Other Municipal Staff** | | 470 018 | 503 781 | – | 44 907 | 258 949 | 251 890 | 7 058 | 3% | 503 781 |
| **% increase** | 4 | | 7,2% | | | | | | | 7,2% |
| **Total Parent Municipality** | | 516 146 | 537 957 | – | 46 824 | 270 510 | 268 978 | 1 531 | 1% | 537 957 |
| **Unpaid salary, allowances & benefits in arrears:** | | | | | | | | | | |
| Board Members of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | – | | |
| Pension and UIF Contributions | | | | | | | | – | | |
| Medical Aid Contributions | | | | | | | | – | | |
| Overtime | | | | | | | | – | | |
| Performance Bonus | | | | | | | | – | | |
| Motor Vehicle Allowance | | | | | | | | – | | |
| Cellphone Allowance | | | | | | | | – | | |
| Housing Allowances | | | | | | | | – | | |
| Other benefits and allowances | | | | | | | | – | | |
| Board Fees | | | | | | | | – | | |
| Payments in lieu of leave | | | | | | | | – | | |
| Long service awards | | | | | | | | – | | |
| Post-retirement benefit obligations | | | | | | | | – | | |
| **Sub Total - Board Members of Entities** | 2 | – | – | – | – | – | – | – | | – |
| **% increase** | 4 | | | | | | | | | |
| Senior Managers of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | – | | |
| Pension and UIF Contributions | | | | | | | | – | | |
| Medical Aid Contributions | | | | | | | | – | | |
| Overtime | | | | | | | | – | | |
| Performance Bonus | | | | | | | | – | | |
| Motor Vehicle Allowance | | | | | | | | – | | |
| Cellphone Allowance | | | | | | | | – | | |
| Housing Allowances | | | | | | | | – | | |
| Other benefits and allowances | | | | | | | | – | | |
| Payments in lieu of leave | | | | | | | | – | | |
| Long service awards | | | | | | | | – | | |
| Post-retirement benefit obligations | 2 | | | | | | | – | | |
| **Sub Total - Senior Managers of Entities** | | – | – | – | – | – | – | – | | – |
| **% increase** | 4 | | | | | | | | | |
| Other Staff of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | – | | |
| Pension and UIF Contributions | | | | | | | | – | | |
| Medical Aid Contributions | | | | | | | | – | | |
| Overtime | | | | | | | | – | | |
| Performance Bonus | | | | | | | | – | | |
| Motor Vehicle Allowance | | | | | | | | – | | |
| Cellphone Allowance | | | | | | | | – | | |
| Housing Allowances | | | | | | | | – | | |
| Other benefits and allowances | | | | | | | | – | | |
| Payments in lieu of leave | | | | | | | | – | | |
| Long service awards | | | | | | | | – | | |
| Post-retirement benefit obligations | | | | | | | | – | | |
| **Sub Total - Other Staff of Entities** | | – | – | – | – | – | – | – | | – |
| **% increase** | 4 | | | | | | | | | |
| **Total Municipal Entities** | | – | – | – | – | – | – | – | | – |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 516 146 | 537 957 | – | 46 824 | 270 510 | 268 978 | 1 531 | 1% | 537 957 |
| % increase | 4 | | 4,2% | | | | | | | 4,2% |
| TOTAL MANAGERS AND STAFF | | 495 757 | 514 737 | – | 45 261 | 260 118 | 257 369 | 2 749 | 1% | 514 737 |

## KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q2 Second Quarter

| Description | Ref | Budget Year 2017/18 | | | | | | | | | | | | 2017/18 Medium Term Revenue & Expenditure Framework | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | July Outcome | August Outcome | Sept Outcome | October Outcome | Nov Outcome | Dec Outcome | January Budget | Feb Budget | March Budget | April Budget | May Budget | June Budget | Budget Year 2017/18 | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
| **Cash Receipts By Source** | | | | | | | | | | | | | | | | |
| Property rates | | 15 368 | 15 436 | 16 853 | 16 614 | 16 455 | 15 847 | | | | | | 108 489 | 205 063 | 219 417 | 234 776 |
| Service charges - electricity revenue | | 39 140 | 50 238 | 49 053 | 42 012 | 43 032 | 38 523 | | | | | | 372 640 | 634 638 | 682 551 | 726 596 |
| Service charges - water revenue | | 11 111 | 5 857 | 11 796 | 6 450 | 7 216 | 7 086 | | | | | | 76 430 | 125 947 | 134 763 | 144 196 |
| Service charges - sanitation revenue | | 8 407 | 3 016 | 7 231 | 3 225 | 3 345 | 3 361 | | | | | | 51 655 | 80 241 | 85 858 | 91 868 |
| Service charges - refuse | | 6 573 | 3 007 | 4 987 | 3 125 | 3 234 | 3 271 | | | | | | 40 871 | 65 068 | 69 623 | 74 497 |
| Service charges - other | | – | – | – | – | – | | | | | | | – | – | | |
| Rental of facilities and equipment | | 601 | 647 | 636 | 643 | 686 | 612 | | | | | | 3 502 | 7 326 | 8 059 | 8 865 |
| Interest earned - external investments | | – | 472 | 434 | 249 | 280 | 468 | | | | | | 2 097 | 4 001 | 10 337 | 11 370 |
| Interest earned - outstanding debtors | | 1 070 | 810 | 1 022 | 917 | 1 189 | 1 272 | | | | | | (2 756) | 3 525 | 6 897 | 7 587 |
| Dividends received | | – | – | – | | – | | | | | | | – | – | | |
| Fines, penalties and forfeits | | 70 | 11 | 699 | 377 | 29 | 1 250 | | | | | | (876) | 1 561 | 6 226 | 6 849 |
| Licences and permits | | 1 | 1 | 1 | 1 | 1 | 1 | | | | | | 7 | 12 | 13 | 15 |
| Agency services | | – | – | – | | | – | | | | | | – | – | | |
| Transfer receipts - operating | | 134 274 | 1 042 | – | – | 1 874 | 106 049 | | | | | | 88 249 | 331 488 | 314 600 | 321 688 |
| Other revenue | | – | 810 | 965 | 2 159 | 7 963 | 3 461 | | | | | | 12 962 | 28 321 | 20 944 | 23 003 |
| **Cash Receipts by Source** | | 216 617 | 81 347 | 93 680 | 75 772 | 85 304 | 181 201 | – | – | – | – | – | 753 270 | 1 487 191 | 1 559 288 | 1 651 310 |
| **Other Cash Flows by Source** | | | | | | | | | | | | | | | | |
| Transfer receipts - capital | | 49 700 | | 2 400 | 2 400 | | 55 000 | | | | | | 106 186 | 215 686 | 184 662 | 222 540 |
| Contributions & Contributed assets | | – | | | | | | | | | | | – | | | |
| Proceeds on disposal of PPE | | – | | | | | | | | | | | 2 012 | 2 012 | 2 000 | 2 000 |
| Short term loans | | – | | | | | | | | | | | – | | | |
| Borrowing long term/refinancing | | – | | | | | | | | | | | – | | | |
| Increase in consumer deposits | | – | | | | | | | | | | | 1 705 | 1 705 | 670 | 458 |
| Receipt of non-current debtors | | – | | | | | | | | | | | – | | | |
| Receipt of non-current receivables | | – | | | | | | | | | | | – | | | |
| Change in non-current investments | | | | | | | | | | | | | – | | | |
| **Total Cash Receipts by Source** | | 266 317 | 81 347 | 96 080 | 78 172 | 85 304 | 236 201 | – | – | – | – | – | 863 173 | 1 706 594 | 1 746 620 | 1 876 308 |
| **Cash Payments by Type** | | | | | | | | | | | | | | | | |
| Employee related costs | | 42 692 | 40 000 | 44 668 | 44 093 | 44 419 | 45 261 | | | | | | 209 683 | 470 815 | 466 484 | 499 225 |
| Remuneration of councillors | | 1 563 | 1 563 | 1 563 | 1 563 | 1 563 | 1 563 | | | | | | 11 677 | 21 055 | 22 076 | 23 458 |
| Interest paid | | 4 079 | 4 106 | 3 840 | 4 204 | 3 948 | 3 837 | | | | | | 26 298 | 50 312 | 56 347 | 53 785 |
| Bulk purchases - Electricity | | 78 690 | 66 694 | 36 686 | 36 686 | 7 351 | 72 225 | | | | | | 186 607 | 484 938 | 589 715 | 633 450 |
| Bulk purchases - Water & Sewer | | 5 457 | 5 457 | 5 566 | 5 566 | 5 566 | 5 566 | | | | | | 35 046 | 68 224 | | |
| Other materials | | 151 | 210 | 214 | 474 | 212 | 297 | | | | | | 1 985 | 3 543 | 3 745 | 3 932 |
| Contracted services | | 765 | 2 602 | 2 270 | 4 726 | 2 237 | 2 979 | | | | | | 23 253 | 38 832 | 53 355 | 55 313 |
| Grants and subsidies paid - other municipalities | | – | | | | | – | | | | | | – | | 84 422 | |
| Grants and subsidies paid - other | | – | | | | | | | | | | | – | | – | – |
| General expenses | | 5 870 | 20 188 | 11 430 | 11 984 | 5 541 | 17 021 | | | | | | 263 769 | 335 804 | 322 720 | 333 292 |
| **Cash Payments by Type** | | 139 268 | 140 821 | 106 237 | 109 296 | 70 836 | 148 750 | – | – | – | – | – | 758 318 | 1 473 524 | 1 598 863 | 1 602 455 |
| **Other Cash Flows/Payments by Type** | | | | | | | | | | | | | | | | |
| Capital assets | | 0 | 6 685 | 16 817 | 11 433 | 23 137 | 28 955 | | | | | | 132 085 | 219 112 | 184 662 | 222 540 |
| Repayment of borrowing | | 32 406 | (3 677) | (3 892) | (1 355) | (3 921) | (3 813) | | | | | | 13 628 | 29 375 | 37 206 | 41 351 |
| Other Cash Flows/Payments | | | | 0 | | | | | | | | | (0) | | | |
| **Total Cash Payments by Type** | | 171 673 | 143 829 | 119 161 | 119 373 | 90 052 | 173 892 | – | – | – | – | – | 904 031 | 1 722 011 | 1 820 731 | 1 866 345 |
| **NET INCREASE/(DECREASE) IN CASH HELD** | | 94 644 | (62 482) | (23 081) | (41 202) | (4 748) | 62 310 | – | – | – | – | – | (40 858) | (15 417) | (74 112) | 9 962 |
| Cash/cash equivalents at the month/year beginning: | | 43 835 | 138 479 | 75 997 | 52 915 | 11 714 | 6 966 | 69 276 | 69 276 | 69 276 | 69 276 | 69 276 | 69 276 | 43 835 | 28 418 | (45 694) |
| Cash/cash equivalents at the month/year end: | | 138 479 | 75 997 | 52 915 | 11 714 | 6 966 | 69 276 | 69 276 | 69 276 | 69 276 | 69 276 | 69 276 | 28 418 | 28 418 | (45 694) | (35 731) |

## KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue By Source** | | | | | | | | | | |
| Property rates | | 232 286 | 266 182 | | 20 616 | 131 499 | 133 091 | (1 592) | -1% | 266 182 |
| Service charges - electricity revenue | | 675 673 | 690 521 | | 54 407 | 361 729 | 345 261 | 16 468 | 5% | 690 521 |
| Service charges - water revenue | | 135 672 | 151 001 | | 13 577 | 74 982 | 75 500 | (518) | -1% | 151 001 |
| Service charges - sanitation revenue | | 80 093 | 85 212 | | 7 292 | 45 287 | 42 606 | 2 680 | 6% | 85 212 |
| Service charges - refuse revenue | | 56 836 | 63 475 | | 5 166 | 26 279 | 31 738 | (5 458) | -17% | 63 475 |
| Service charges - other | | – | – | | | | | – | | – |
| Rental of facilities and equipment | | 7 278 | 8 059 | | 612 | 3 928 | 4 029 | (101) | -3% | 8 059 |
| Interest earned - external investments | | 4 505 | 4 601 | | 332 | 2 108 | 2 300 | (193) | -8% | 4 601 |
| Interest earned - outstanding debtors | | 10 330 | 12 573 | | 1 272 | 6 078 | 6 287 | (209) | -3% | 12 573 |
| Dividends received | | – | – | | | | | – | | – |
| Fines, penalties and forfeits | | 3 606 | 5 203 | | 1 250 | 3 369 | 2 602 | 767 | 29% | 5 203 |
| Licences and permits | | 12 | 12 | | 1 | 5 | 6 | (1) | -18% | 12 |
| Agency services | | – | – | | – | – | – | – | | |
| Transfers and subsidies | | 527 822 | 345 790 | | 114 594 | 316 273 | 316 273 | – | | 345 790 |
| Other revenue | | 16 353 | 17 735 | | 830 | 5 699 | 8 868 | (3 169) | -36% | 17 735 |
| Gains on disposal of PPE | | | | | | | – | – | | |
| **Total Revenue (excluding capital transfers and contributions)** | | **1 750 466** | **1 650 366** | **–** | **219 951** | **977 235** | **968 561** | **8 674** | **1%** | **1 650 366** |
| **Expenditure By Type** | | | | | | | | | | |
| Employee related costs | | 495 757 | 514 737 | | 45 261 | 260 118 | 257 369 | 2 749 | 1% | 514 737 |
| Remuneration of councillors | | 20 389 | 23 219 | | 1 563 | 10 391 | 11 610 | (1 218) | -10% | 23 219 |
| Debt impairment | | 100 304 | 101 807 | | 168 | 89 472 | 50 904 | 38 568 | 76% | 101 807 |
| Depreciation & asset impairment | | 472 110 | 247 895 | | 37 490 | 228 306 | 123 947 | 104 359 | 84% | 247 895 |
| Finance charges | | 65 784 | 47 135 | | 3 838 | 24 014 | 23 568 | 447 | 2% | 47 135 |
| Bulk purchases | | 558 946 | 579 385 | | 73 769 | 279 149 | 289 693 | (10 543) | -4% | 579 385 |
| Other materials | | 1 832 | 3 913 | | 297 | 1 558 | 1 956 | (398) | -20% | 3 913 |
| Contracted services | | 61 246 | 22 203 | | 2 979 | 18 969 | 11 101 | 7 868 | 71% | 22 203 |
| Transfers and subsidies | | – | – | | – | – | – | – | | – |
| Other expenditure | | 227 160 | 191 787 | | 23 695 | 130 955 | 95 893 | 35 062 | 37% | 191 787 |
| Loss on disposal of PPE | | | | | | | | – | | |
| **Total Expenditure** | | **2 003 528** | **1 732 082** | **–** | **189 061** | **1 042 934** | **866 041** | **176 894** | **20%** | **1 732 082** |
| **Surplus/(Deficit)** | | (253 062) | (81 716) | – | 30 890 | (65 700) | 102 520 | (168 220) | -164% | (81 716) |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | | 229 854 | | 55 000 | 108 300 | 108 300 | – | | 229 854 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | | | | | | | | | |
| Transfers and subsidies - capital (in-kind - all) | | | | | | | | – | | |
| | | | | | | | | – | | |
| **Surplus/(Deficit) after capital transfers & contributions** | | (253 062) | 148 138 | – | 85 890 | 42 600 | 210 820 | (168 220) | -80% | 148 138 |
| Taxation | | | | | | | | – | | |
| **Surplus/(Deficit) after taxation** | | **(253 062)** | **148 138** | **–** | **85 890** | **42 600** | **210 820** | **(168 220)** | **-80%** | **148 138** |

**KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Q2 Second Quarter**

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue By Municipal Entity** | | | | | | | | | | |
| *Service charges - sanitation revenue* | | | 66 793 | | 5 566 | 33 397 | 33 397 | – | | 66 793 |
| Service charges - other | | | | | | | | – | | |
| Rental of facilities and equipment | | | | | | | | – | | |
| Interest earned - external investments | | | | | | | | – | | |
| Interest earned - outstanding debtors | | | | | | | | – | | |
| Agency services | | | | | | | | – | | |
| Transfers recognised - operational | | | | | | | | – | | |
| Other revenue | | | | | | | | – | | |
| Gains on disposal of PPE | | | | | | | | – | | |
| | | | | | | | | – | | |
| **Total Operating Revenue** | 1 | – | **66 793** | – | **5 566** | **33 397** | **33 397** | – | | **66 793** |
| **Expenditure By Municipal Entity** | | | | | | | | | | |
| *Employee Related Cost* | | 9 590 | 10 849 | | 1 478 | 5 736 | 4 520 | 1 216 | 27% | 10 849 |
| Debt Impairment | | – | – | | – | – | – | – | | – |
| Collection Costs | | – | – | | – | – | – | – | | – |
| Depreciation | | 498 | 528 | | 88 | 220 | 220 | 0 | 0% | 528 |
| Finance Charges | | – | – | | – | – | – | – | | – |
| Bulk Purchases | | 19 611 | 15 000 | | (141) | 6 668 | 6 250 | 418 | 7% | 15 000 |
| Other Material | | 4 600 | 3 450 | | 360 | 1 841 | 1 437 | 404 | 28% | 3 450 |
| Repairs & Maintenance | | 24 333 | 27 802 | | 1 856 | 11 711 | 11 584 | 127 | 1% | 27 802 |
| Other Expenditure | | 226 | 31 | | – | 5 | 13 | (8) | -58% | 31 |
| | | | | | | | | – | | |
| **Total Operating Expenditure** | 2 | **58 859** | **57 659** | – | **3 641** | **26 182** | **24 025** | **2 157** | **9%** | **57 659** |
| **Surplus/ (Deficit) for the yr/period** | | (58 859) | 9 134 | – | 1 925 | 7 214 | 9 372 | 2 157 | 23% | 9 134 |
| **Capital Expenditure By Municipal Entity** | | | | | | | | | | |
| *Service charges - sanitation revenue* | | | | | | | | – | | |
| Service charges - other | | | | | | | | – | | |
| Rental of facilities and equipment | | | | | | | | – | | |
| Interest earned - external investments | | | | | | | | – | | |
| Interest earned - outstanding debtors | | | | | | | | – | | |
| Agency services | | | | | | | | – | | |
| Transfers recognised - operational | | | | | | | | – | | |
| Other revenue | | | | | | | | – | | |
| Gains on disposal of PPE | | | | | | | | – | | |
| **Total Capital Expenditure** | 3 | – | – | – | – | – | – | – | | – |

## KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q2 Second Quarter

| Month | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | % spend of Original Budget |
| **Monthly expenditure performance trend** | | | | | | | | | |
| July | 5 425 | 21 148 | | 382 | 382 | 21 148 | 20 767 | 98,2% | 0% |
| August | 24 742 | 21 148 | | 6 685 | 7 067 | 42 296 | 35 230 | 83,3% | 3% |
| September | 9 997 | 21 148 | | 16 817 | 23 883 | 63 445 | 39 561 | 62,4% | 9% |
| October | 6 589 | 21 148 | | 10 827 | 34 710 | 84 593 | 49 883 | 59,0% | 14% |
| November | 20 254 | 21 148 | | 23 361 | 58 071 | 105 741 | 47 670 | 45,1% | 23% |
| December | 18 619 | 21 148 | | 28 955 | 87 026 | 126 889 | 39 863 | 31,4% | 34% |
| January | 11 502 | 21 148 | | | | 148 037 | – | | |
| February | 12 094 | 21 148 | | | | 169 186 | – | | |
| March | 7 186 | 21 148 | | | | 190 334 | – | | |
| April | 9 042 | 21 148 | | | | 211 482 | – | | |
| May | 34 782 | 21 148 | | | | 232 630 | – | | |
| June | 59 173 | 21 148 | | | | 253 778 | – | | |
| **Total Capital expenditure** | **219 406** | **253 778** | **–** | **87 026** | | | | | |

## KZN252 Newcastle - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | | |
| **Infrastructure** | | **168 532** | **224 836** | **–** | **24 212** | **65 070** | **112 418** | 47 348 | **42,1%** | **224 836** |
| Roads Infrastructure | | 110 326 | 98 873 | – | 6 242 | 15 961 | 49 436 | 33 476 | **67,7%** | 98 873 |
| *Roads* | | 110 326 | 98 873 | | 6 242 | 15 961 | 49 436 | 33 476 | **67,7%** | 98 873 |
| *Road Structures* | | | | | | | | – | | |
| *Road Furniture* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Storm water Infrastructure | | – | – | – | – | – | – | – | | – |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| Electrical Infrastructure | | 1 059 | 9 000 | – | – | 1 624 | 4 500 | 2 876 | **63,9%** | 9 000 |
| *Power Plants* | | 1 059 | 9 000 | | – | 1 624 | 4 500 | 2 876 | **63,9%** | 9 000 |
| *HV Substations* | | | | | | | – | – | | |
| *HV Switching Station* | | | | | | | | – | | |
| *HV Transmission Conductors* | | | | | | | | – | | |
| *MV Substations* | | | | | | | | – | | |
| *MV Switching Stations* | | | | | | | | – | | |
| *MV Networks* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Water Supply Infrastructure | | 46 310 | 116 963 | – | 9 537 | 30 410 | 58 482 | 28 072 | **48,0%** | 116 963 |
| *Dams and Weirs* | | | | | | | | – | | |
| *Boreholes* | | | | | | | | – | | |
| *Reservoirs* | | | | | | | | – | | |
| *Pump Stations* | | | | | | | | – | | |
| *Water Treatment Works* | | 46 310 | 116 963 | | 9 537 | 30 410 | 58 482 | 28 072 | **48,0%** | 116 963 |
| *Bulk Mains* | | | | | | | | – | | |
| *Distribution* | | | | | | | | – | | |
| *Distribution Points* | | | | | | | | – | | |
| *PRV Stations* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Sanitation Infrastructure | | 10 235 | – | – | 8 434 | 17 075 | – | (17 075) | #DIV/0! | – |
| *Pump Station* | | | | | | | | – | | |
| *Reticulation* | | 10 235 | – | | 8 434 | 17 075 | – | (17 075) | #DIV/0! | |
| *Waste Water Treatment Works* | | | | | | | | – | | |
| *Outfall Sewers* | | | | | | | | – | | |
| *Toilet Facilities* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Solid Waste Infrastructure | | 602 | – | – | – | – | – | – | | – |
| *Landfill Sites* | | | | | | | | – | | |
| *Waste Transfer Stations* | | | | | | | | – | | |
| *Waste Processing Facilities* | | | | | | | | – | | |
| *Waste Drop-off Points* | | | | | | | | – | | |
| *Waste Separation Facilities* | | | | | | | | – | | |
| *Electricity Generation Facilities* | | | | | | | | – | | |
| *Capital Spares* | | 602 | | | | | | – | | |
| Rail Infrastructure | | – | – | – | – | – | – | – | | – |
| *Rail Lines* | | | | | | | | – | | |
| *Rail Structures* | | | | | | | | – | | |
| *Rail Furniture* | | | | | | | | – | | |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| *MV Substations* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Coastal Infrastructure | | – | – | – | – | – | – | – | | – |
| *Sand Pumps* | | | | | | | | – | | |
| *Piers* | | | | | | | | – | | |
| *Revetments* | | | | | | | | – | | |
| *Promenades* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | | – |
| *Data Centres* | | | | | | | | – | | |
| *Core Layers* | | | | | | | | – | | |
| *Distribution Layers* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| **Community Assets** | | **1 411** | **10 368** | **–** | **846** | **2 456** | **5 184** | **2 728** | **52,6%** | **10 368** |
| Community Facilities | | 815 | 10 368 | – | 846 | 2 456 | 5 184 | 2 728 | **52,6%** | 10 368 |
| *Halls* | | | 10 368 | | – | – | 5 184 | 5 184 | 100,0% | **10 368** |
| *Centres* | | | | | | | | – | | |
| *Crèches* | | | | | | | | – | | |
| *Clinics/Care Centres* | | | | | | | | – | | |
| *Fire/Ambulance Stations* | | 48 | | | | | | – | | |
| *Testing Stations* | | | | | | | | – | | |
| *Museums* | | | | | | | | – | | |
| *Galleries* | | | | | | | | – | | |
| *Theatres* | | | | | | | | – | | |
| *Libraries* | | | | | 846 | 2 456 | | (2 456) | #DIV/0! | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Cemeteries/Crematoria* | | | | | | | | | | |
| *Police* | | | | | | | | | | |
| *Purls* | | | | | | | | | | |
| *Public Open Space* | | 767 | | | – | – | – | | | |
| *Nature Reserves* | | | | | | | | | | |
| *Public Ablution Facilities* | | | | | | | | | | |
| *Markets* | | | | | | | | | | |
| *Stalls* | | | | | | | | | | |
| *Abattoirs* | | | | | | | | | | |
| *Airports* | | | | | | | | | | |
| *Taxi Ranks/Bus Terminals* | | | | | | | | | | |
| *Capital Spares* | | | | | | | | | | |
| Sport and Recreation Facilities | | 597 | – | – | – | – | – | – | | – |
| *Indoor Facilities* | | | | | | | | | | |
| *Outdoor Facilities* | | 597 | | | – | – | – | | | |
| *Capital Spares* | | | | | | | | | | |
| **Heritage assets** | | – | – | – | – | – | – | – | | – |
| Monuments | | | | | | | | | | |
| Historic Buildings | | | | | | | | | | |
| Works of Art | | | | | | | | | | |
| Conservation Areas | | | | | | | | | | |
| Other Heritage | | | | | | | | | | |
| **Investment properties** | | – | – | – | – | – | – | – | | – |
| Revenue Generating | | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | | | | |
| *Unimproved Property* | | | | | | | | | | |
| Non-revenue Generating | | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | | | | |
| *Unimproved Property* | | | | | | | | | | |
| **Other assets** | | 602 | – | – | – | 300 | – | (300) | #DIV/0! | – |
| Operational Buildings | | 602 | – | – | – | – | – | – | | – |
| *Municipal Offices* | | | | | | | | | | |
| *Pay/Enquiry Points* | | | | | | | | | | |
| *Building Plan Offices* | | | | | | | | | | |
| *Workshops* | | | | | | | | | | |
| *Yards* | | | | | | | | | | |
| *Stores* | | | | | | | | | | |
| *Laboratories* | | | | | | | | | | |
| *Training Centres* | | | | | | | | | | |
| *Manufacturing Plant* | | | | | | | | | | |
| *Depots* | | | | | | | | | | |
| *Capital Spares* | | | | | | – | | | | |
| Housing | | 602 | – | – | – | 300 | – | (300) | #DIV/0! | – |
| *Staff Housing* | | – | | | – | 300 | | (300) | #DIV/0! | |
| *Social Housing* | | | | | – | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| **Biological or Cultivated Assets** | | – | – | – | – | – | – | – | | – |
| Biological or Cultivated Assets | | | | | | | | | | |
| **Intangible Assets** | | 32 | – | – | – | – | – | – | | – |
| Servitudes | | | | | | | | | | |
| Licences and Rights | | 32 | – | – | – | – | – | – | | – |
| *Water Rights* | | | | | | | | | | |
| *Effluent Licenses* | | | | | | | | | | |
| *Solid Waste Licenses* | | | | | | | | | | |
| *Computer Software and Applications* | | 32 | | | – | – | | | | |
| *Load Settlement Software Applications* | | | | | | | | | | |
| *Unspecified* | | | | | | | | – | | |
| **Computer Equipment** | | 115 | 2 700 | – | – | – | 1 350 | 1 350 | 100,0% | 2 700 |
| Computer Equipment | | 115 | 2 700 | | | | 1 350 | 1 350 | 100,0% | 2 700 |
| **Furniture and Office Equipment** | | 358 | 1 250 | – | 80 | 266 | 625 | 359 | 57,4% | 1 250 |
| Furniture and Office Equipment | | 358 | 1 250 | | 80 | 266 | 625 | 359 | 57,4% | 1 250 |
| **Machinery and Equipment** | | – | – | – | – | – | – | – | | – |
| Machinery and Equipment | | | | | | | | | | |
| **Transport Assets** | | – | – | – | – | – | – | – | | – |
| Transport Assets | | | | | | | | | | |
| **Libraries** | | – | – | – | – | – | – | – | | – |
| Libraries | | | | | | | | | | |
| **Zoo's, Marine and Non-biological Animals** | | – | – | – | – | – | – | – | | – |
| Zoo's, Marine and Non-biological Animals | | | | | | | | | | |
| **Total Capital Expenditure on new assets** | 1 | 171 050 | 239 154 | – | 25 138 | 68 092 | 119 577 | 51 485 | 43,1% | 239 154 |

KZN252 Newcastle - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Q2 Second

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | | |
| **Infrastructure** | | 47 153 | 2 374 | – | 3 720 | 11 375 | 1 187 | (10 188) | -858,3% | 2 374 |
| Roads Infrastructure | | 38 660 | 2 374 | – | 1 233 | 8 558 | 1 187 | (7 371) | -621,0% | 2 374 |
| *Roads* | | 38 660 | 2 374 | | 1 233 | 8 558 | 1 187 | (7 371) | -621,0% | 2 374 |
| *Road Structures* | | | | | | | | – | | |
| *Road Furniture* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Storm water Infrastructure | | – | – | – | – | – | – | – | | – |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| Electrical Infrastructure | | 3 417 | – | – | – | – | – | – | | – |
| *Power Plants* | | | | | | | | – | | |
| *HV Substations* | | | | | | | | – | | |
| *HV Switching Station* | | | | | | | | – | | |
| *HV Transmission Conductors* | | 3 417 | | | – | – | – | – | | |
| *MV Substations* | | | | | | | | – | | |
| *MV Switching Stations* | | | | | | | | – | | |
| *MV Networks* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Water Supply Infrastructure | | 5 075 | – | – | 2 487 | 2 817 | – | (2 817) | #DIV/0! | – |
| *Dams and Weirs* | | | | | | | | – | | |
| *Boreholes* | | | | | | | | – | | |
| *Reservoirs* | | | | | | | | – | | |
| *Pump Stations* | | | | | | | | – | | |
| *Water Treatment Works* | | 5 075 | | | 2 487 | 2 817 | – | (2 817) | #DIV/0! | |
| *Bulk Mains* | | | | | | | | – | | |
| *Distribution* | | | | | | | | – | | |
| *Distribution Points* | | | | | | | | – | | |
| *PRV Stations* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Sanitation Infrastructure | | – | – | – | – | – | – | – | | – |
| *Pump Station* | | | | | | | | – | | |
| *Reticulation* | | | | | | | | – | | |
| *Waste Water Treatment Works* | | | | | | | | – | | |
| *Outfall Sewers* | | | | | | | – | – | | |
| *Toilet Facilities* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Solid Waste Infrastructure | | – | – | – | – | – | – | – | | – |
| *Landfill Sites* | | | | | | | | – | | |
| *Waste Transfer Stations* | | | | | | | | – | | |
| *Waste Processing Facilities* | | | | | | | | – | | |
| *Waste Drop-off Points* | | | | | | | | – | | |
| *Waste Separation Facilities* | | | | | | | | – | | |
| *Electricity Generation Facilities* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Rail Infrastructure | | – | – | – | – | – | – | – | | – |
| *Rail Lines* | | | | | | | | – | | |
| *Rail Structures* | | | | | | | | – | | |
| *Rail Furniture* | | | | | | | | – | | |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| *MV Substations* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Coastal Infrastructure | | – | – | – | – | – | – | – | | – |
| *Sand Pumps* | | | | | | | | – | | |
| *Piers* | | | | | | | | – | | |
| *Revetments* | | | | | | | | – | | |
| *Promenades* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Information and Communication Infrastructure | | – | – | – | – | – | – | – | | – |
| *Data Centres* | | | | | | | | – | | |
| *Core Layers* | | | | | | | | – | | |
| *Distribution Layers* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| **Community Assets** | | 1 203 | 5 705 | – | 97 | 1 488 | 2 853 | 1 365 | 47,8% | 5 705 |
| Community Facilities | | 1 203 | 5 705 | – | 97 | 1 488 | 2 853 | 1 365 | 47,8% | 5 705 |
| *Halls* | | | | | | | | – | | |
| *Centres* | | | | | | | | – | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Crèches* | | | | | | | | | | |
| *Clinics/Care Centres* | | | | | | | | | | |
| *Fire/Ambulance Stations* | | | | | | | | | | |
| *Testing Stations* | | | | | | | | | | |
| *Museums* | | | | | | | | | | |
| *Galleries* | | | | | | | | | | |
| *Theatres* | | | | | | | | | | |
| *Libraries* | | 1 203 | 5 705 | | 97 | 1 488 | 2 853 | 1 365 | 47,8% | 5 705 |
| *Cemeteries/Crematoria* | | | | | | | | | | |
| *Police* | | | | | | | | | | |
| *Purls* | | | | | | | | | | |
| *Public Open Space* | | | | | | | | | | |
| *Nature Reserves* | | | | | | | | | | |
| *Public Ablution Facilities* | | | | | | | | | | |
| *Markets* | | | | | | | | | | |
| *Stalls* | | | | | | | | | | |
| *Abattoirs* | | | | | | | | | | |
| *Airports* | | | | | | | | | | |
| *Taxi Ranks/Bus Terminals* | | | | | | | | | | |
| *Capital Spares* | | | | | | | | | | |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | | - |
| *Indoor Facilities* | | | | | | | | | | |
| *Outdoor Facilities* | | | | | | | | | | |
| *Capital Spares* | | | | | | | | | | |
| **Heritage assets** | | - | - | - | - | - | - | - | | - |
| Monuments | | | | | | | | | | |
| Historic Buildings | | | | | | | | | | |
| Works of Art | | | | | | | | | | |
| Conservation Areas | | | | | | | | | | |
| Other Heritage | | | | | | | | | | |
| **Investment properties** | | - | - | - | - | - | - | - | | - |
| Revenue Generating | | - | - | - | - | - | - | - | | - |
| *Improved Property* | | | | | | | | | | |
| *Unimproved Property* | | | | | | | | | | |
| Non-revenue Generating | | - | - | - | - | - | - | - | | - |
| *Improved Property* | | | | | | | | | | |
| *Unimproved Property* | | | | | | | | | | |
| **Other assets** | | - | 6 545 | - | - | 6 072 | 3 273 | (2 799) | -85,5% | 6 545 |
| Operational Buildings | | - | - | - | - | - | - | - | | - |
| *Municipal Offices* | | | | | | | | | | |
| *Pay/Enquiry Points* | | | | | | | | | | |
| *Building Plan Offices* | | | | | | | | | | |
| *Workshops* | | | | | | | | | | |
| *Yards* | | | | | | | | | | |
| *Stores* | | | | | | | | | | |
| *Laboratories* | | | | | | | | | | |
| *Training Centres* | | | | | | | | | | |
| *Manufacturing Plant* | | | | | | | | | | |
| *Depots* | | | | | | | | | | |
| *Capital Spares* | | | | | | | | | | |
| Housing | | - | 6 545 | - | - | 6 072 | 3 273 | (2 799) | -85,5% | 6 545 |
| *Staff Housing* | | | | | | | | | | |
| *Social Housing* | | | | | | | | | | |
| *Capital Spares* | | | 6 545 | | - | 6 072 | 3 273 | (2 799) | -85,5% | 6 545 |
| **Biological or Cultivated Assets** | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | | | | | | | | | |
| **Intangible Assets** | | - | - | - | - | - | - | - | | - |
| Servitudes | | | | | | | | | | |
| Licences and Rights | | - | - | - | - | - | - | - | | - |
| *Water Rights* | | | | | | | | | | |
| *Effluent Licenses* | | | | | | | | | | |
| *Solid Waste Licenses* | | | | | | | | | | |
| *Computer Software and Applications* | | | | | | | | | | |
| *Load Settlement Software Applications* | | | | | | | | | | |
| *Unspecified* | | | | | | | | | | |
| **Computer Equipment** | | - | - | - | - | - | - | - | | - |
| Computer Equipment | | | | | | | | | | |
| **Furniture and Office Equipment** | | - | - | - | - | - | - | - | | - |
| Furniture and Office Equipment | | | | | | | | | | |
| **Machinery and Equipment** | | - | - | - | - | - | - | - | | - |
| Machinery and Equipment | | | | | | | | | | |
| **Transport Assets** | | - | - | - | - | - | - | - | | - |
| Transport Assets | | | | | | | | | | |
| **Libraries** | | - | - | - | - | - | - | - | | - |
| Libraries | | | | | | | | | | |
| **Zoo's, Marine and Non-biological Animals** | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | | | | | | | | | |
| **Total Capital Expenditure on renewal of existing assets** | 1 | **46 356** | **14 624** | **-** | **3 817** | **18 934** | **7 312** | **(11 622)** | **-158,9%** | **14 624** |

## KZN252 Newcastle - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Q2 Second Quarter

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 63 380 | 14 296 | – | 3 214 | 19 326 | 7 148 | (12 178) | -170,4% | 14 296 |
| Roads Infrastructure | | 17 624 | 550 | – | 83 | 83 | 275 | 193 | 70,0% | 550 |
| *Roads* | | 17 624 | 550 | | 83 | 83 | 275 | 193 | 70,0% | 550 |
| *Road Structures* | | | | | | | | – | | |
| *Road Furniture* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Storm water Infrastructure | | – | – | – | – | – | – | – | | – |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| Electrical Infrastructure | | 10 356 | 5 146 | – | 383 | 4 006 | 2 573 | (1 433) | -55,7% | 5 146 |
| *Power Plants* | | | | | | | | – | | |
| *HV Substations* | | | | | | | | – | | |
| *HV Switching Station* | | | | | | | | – | | |
| *HV Transmission Conductors* | | 10 356 | 5 146 | | 383 | 4 006 | 2 573 | (1 433) | -55,7% | 5 146 |
| *MV Substations* | | | | | | | | – | | |
| *MV Switching Stations* | | | | | | | | – | | |
| *MV Networks* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Water Supply Infrastructure | | 10 146 | 6 900 | – | 708 | 12 085 | 3 450 | (8 635) | -250,3% | 6 900 |
| *Dams and Weirs* | | | | | | | | – | | |
| *Boreholes* | | | | | | | | – | | |
| *Reservoirs* | | | | | | | | – | | |
| *Pump Stations* | | | | | | | | – | | |
| *Water Treatment Works* | | 10 146 | 6 900 | | 708 | 12 085 | 3 450 | (8 635) | -250,3% | 6 900 |
| *Bulk Mains* | | | | | | | | – | | |
| *Distribution* | | | | | | | | – | | |
| *Distribution Points* | | | | | | | | – | | |
| *PRV Stations* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Sanitation Infrastructure | | 24 969 | 1 700 | – | 2 012 | 2 711 | 850 | (1 861) | -219,0% | 1 700 |
| *Pump Station* | | | | | | | | – | | |
| *Reticulation* | | 24 969 | 1 700 | | 2 012 | 2 711 | 850 | (1 861) | -219,0% | 1 700 |
| *Waste Water Treatment Works* | | | | | | | | – | | |
| *Outfall Sewers* | | | | | | | | – | | |
| *Toilet Facilities* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Solid Waste Infrastructure | | 127 | – | – | – | – | – | – | | – |
| *Landfill Sites* | | | | | | | | – | | |
| *Waste Transfer Stations* | | | | | | | | – | | |
| *Waste Processing Facilities* | | | | | | | | – | | |
| *Waste Drop-off Points* | | | | | | | | – | | |
| *Waste Separation Facilities* | | | | | | | | – | | |
| *Electricity Generation Facilities* | | | | | | | | – | | |
| *Capital Spares* | | 127 | | | | | | – | | |
| Rail Infrastructure | | – | – | – | – | – | – | – | | – |
| *Rail Lines* | | | | | | | | – | | |
| *Rail Structures* | | | | | | | | – | | |
| *Rail Furniture* | | | | | | | | – | | |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| *MV Substations* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Coastal Infrastructure | | 158 | – | – | 29 | 442 | – | (442) | #DIV/0! | – |
| *Sand Pumps* | | | | | | | | – | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *Piers* | | | | | | | – | | |
| *Revetments* | | | | | | | – | | |
| *Promenades* | | | | | | | – | | |
| *Capital Spares* | 158 | | | 29 | 442 | – | (442) | #DIV/0! | |
| Information and Communication Infrastructure | – | – | – | – | – | – | – | | – |
| *Data Centres* | | | | | | | – | | |
| *Core Layers* | | | | | | | – | | |
| *Distribution Layers* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| **Community Assets** | **2 115** | **2 810** | – | **398** | **2 193** | **1 405** | **(788)** | **-56,1%** | **2 810** |
| Community Facilities | 1 536 | 2 810 | – | 398 | 2 193 | 1 405 | (788) | -56,1% | 2 810 |
| *Halls* | 405 | 420 | | 11 | 87 | 210 | 123 | 58,4% | 420 |
| *Centres* | | | | | | | – | | |
| *Crèches* | | | | | | | – | | |
| *Clinics/Care Centres* | | | | | | | – | | |
| *Fire/Ambulance Stations* | 3 | | | | | | – | | |
| *Testing Stations* | | | | | | | – | | |
| *Museums* | | | | | | | – | | |
| *Galleries* | | | | | | | – | | |
| *Theatres* | | | | | | | – | | |
| *Libraries* | 401 | 260 | | 10 | 30 | 130 | 100 | 76,9% | 260 |
| *Cemeteries/Crematoria* | 33 | | | | | | – | | |
| *Police* | | | | | | | – | | |
| *Purls* | | | | | | | – | | |
| *Public Open Space* | 218 | 1 130 | | 198 | 771 | 565 | (206) | -36,5% | 1 130 |
| *Nature Reserves* | | | | | | | – | | |
| *Public Ablution Facilities* | 476 | 1 000 | | 14 | 893 | 500 | (393) | -78,6% | 1 000 |
| *Markets* | | – | | – | – | | – | | |
| *Stalls* | | – | | | | | – | | |
| *Abattoirs* | | – | | | | | – | | |
| *Airports* | | – | | | | | – | | |
| *Taxi Ranks/Bus Terminals* | | – | | | | | – | | |
| *Capital Spares* | | – | | | | | – | | |
| Sport and Recreation Facilities | 578 | – | – | 166 | 412 | – | (412) | #DIV/0! | |
| *Indoor Facilities* | 344 | | | – | – | – | – | | – |
| *Outdoor Facilities* | 234 | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| **Heritage assets** | 27 | 120 | – | – | – | 60 | 60 | 100,0% | 120 |
| Monuments | | | | | | | – | | |
| Historic Buildings | **27** | 120 | | – | – | 60 | 60 | 100,0% | 120 |
| Works of Art | | | | | | | – | | |
| Conservation Areas | | | | | | | – | | |
| Other Heritage | | | | | | | – | | |
| **Investment properties** | – | – | – | – | – | – | – | | – |
| Revenue Generating | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | – | | |
| *Unimproved Property* | | | | | | | – | | |
| Non-revenue Generating | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | – | | |
| *Unimproved Property* | | | | | | | – | | |
| **Other assets** | **7 495** | **18 210** | – | **610** | **4 025** | **9 105** | **5 080** | **55,8%** | **18 210** |
| Operational Buildings | 7 108 | 18 210 | – | 610 | 4 025 | 9 105 | 5 080 | 55,8% | 18 210 |
| *Municipal Offices* | | | | | | | – | | |
| *Pay/Enquiry Points* | | | | | | | – | | |
| *Building Plan Offices* | 7 108 | 17 675 | | 610 | 4 025 | 8 837 | 4 812 | 54,5% | 17 675 |
| *Workshops* | | | | | | | – | | |
| *Yards* | | | | | | | – | | |
| *Stores* | | | | | | | – | | |
| *Laboratories* | | | | | | | – | | |
| *Training Centres* | | | | | | | – | | |
| *Manufacturing Plant* | | | | | | | – | | |
| *Depots* | | | | | | | – | | |
| *Capital Spares* | | 535 | | – | – | 268 | 268 | 100,0% | 535 |
| Housing | 387 | – | – | – | – | – | – | | – |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Staff Housing* | | | | | | | | - | | |
| *Social Housing* | | | | | | | | - | | |
| *Capital Spares* | | 387 | | | | | | - | | |
| **Biological or Cultivated Assets** | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | | | | | | | - | | |
| **Intangible Assets** | | 2 537 | 2 600 | - | 294 | 1 581 | 1 300 | (281) | -21,6% | 2 600 |
| Servitudes | | | | | | | | - | | |
| Licences and Rights | | 2 537 | 2 600 | - | 294 | 1 581 | 1 300 | (281) | -21,6% | 2 600 |
| *Water Rights* | | | | | | | | - | | |
| *Effluent Licenses* | | | | | | | | - | | |
| *Solid Waste Licenses* | | | | | | | | - | | |
| *Computer Software and Applications* | | 2 537 | 2 600 | | 294 | 1 581 | 1 300 | (281) | -21,6% | 2 600 |
| *Load Settlement Software Applications* | | | | | | | | - | | |
| *Unspecified* | | | | | | | | - | | |
| **Computer Equipment** | | - | - | - | - | - | - | - | | - |
| Computer Equipment | | | | | | | | - | | |
| **Furniture and Office Equipment** | | - | - | - | - | - | - | - | | - |
| Furniture and Office Equipment | | | | | | | | - | | |
| **Machinery and Equipment** | | 10 100 | 7 130 | - | 857 | 4 420 | 3 565 | (855) | -24,0% | 7 130 |
| Machinery and Equipment | | 10 100 | 7 130 | | 857 | 4 420 | 3 565 | (855) | -24,0% | 7 130 |
| **Transport Assets** | | - | - | - | - | - | - | - | | - |
| Transport Assets | | | | | | | | - | | |
| **Libraries** | | - | - | - | - | - | - | - | | - |
| Libraries | | | | | | | | - | | |
| **Zoo's, Marine and Non-biological Animals** | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | | | | | | | - | | |
| **Total Repairs and Maintenance Expenditure** | 1 | 85 654 | 45 165 | - | 5 374 | 31 546 | 22 583 | (8 963) | -39,7% | 45 165 |

**KZN252 Newcastle - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Q2 Second Quarter**

| Description | Ref | 2016/17 | Budget Year 2017/18 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Depreciation by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 448 387 | 247 895 | – | 34 935 | 206 864 | 103 289 | (103 574) | -100,3% | 247 895 |
| Roads Infrastructure | | 259 254 | 247 895 | – | 13 343 | 78 812 | 103 289 | 24 478 | 23,7% | 247 895 |
| *Roads* | | 259 254 | 247 895 | | 13 343 | 78 812 | 103 289 | 24 478 | 23,7% | 247 895 |
| *Road Structures* | | | | | | | – | – | | |
| *Road Furniture* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Storm water Infrastructure | | – | – | – | 2 465 | 14 629 | – | (14 629) | #DIV/0! | – |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | 2 465 | 14 629 | | (14 629) | #DIV/0! | |
| *Attenuation* | | | | | | | | – | | |
| Electrical Infrastructure | | 56 022 | – | – | 5 365 | 31 735 | – | (31 735) | #DIV/0! | – |
| *Power Plants* | | | | | | | | – | | |
| *HV Substations* | | | | | | | | – | | |
| *HV Switching Station* | | | | | | | | – | | |
| *HV Transmission Conductors* | | 56 022 | | | 5 365 | 31 735 | – | (31 735) | #DIV/0! | |
| *MV Substations* | | | | | | | | – | | |
| *MV Switching Stations* | | | | | | | | – | | |
| *MV Networks* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Water Supply Infrastructure | | 94 442 | – | – | 9 633 | 57 177 | – | (57 177) | #DIV/0! | – |
| *Dams and Weirs* | | | | | | | | – | | |
| *Boreholes* | | | | | | | | – | | |
| *Reservoirs* | | | | | | | | – | | |
| *Pump Stations* | | | | | | | | – | | |
| *Water Treatment Works* | | 94 442 | | | 9 633 | 57 177 | – | (57 177) | #DIV/0! | |
| *Bulk Mains* | | | | | | | | – | | |
| *Distribution* | | | | | | | | – | | |
| *Distribution Points* | | | | | | | | – | | |
| *PRV Stations* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Sanitation Infrastructure | | 37 501 | – | – | 3 853 | 22 870 | – | (22 870) | #DIV/0! | – |
| *Pump Station* | | | | | | | | – | | |
| *Reticulation* | | 37 501 | | | 3 853 | 22 870 | – | (22 870) | #DIV/0! | |
| *Waste Water Treatment Works* | | | | | | | | – | | |
| *Outfall Sewers* | | | | | | | | – | | |
| *Toilet Facilities* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Solid Waste Infrastructure | | 1 168 | – | – | 276 | 1 641 | – | (1 641) | #DIV/0! | – |
| *Landfill Sites* | | | | | | | | – | | |
| *Waste Transfer Stations* | | | | | | | | – | | |
| *Waste Processing Facilities* | | | | | | | | – | | |
| *Waste Drop-off Points* | | | | | | | | – | | |
| *Waste Separation Facilities* | | | | | | | | – | | |
| *Electricity Generation Facilities* | | | | | | | | – | | |
| *Capital Spares* | | 1 168 | | | 276 | 1 641 | – | (1 641) | #DIV/0! | |
| Rail Infrastructure | | – | – | – | – | – | – | – | | – |
| *Rail Lines* | | | | | | | | – | | |
| *Rail Structures* | | | | | | | | – | | |
| *Rail Furniture* | | | | | | | | – | | |
| *Drainage Collection* | | | | | | | | – | | |
| *Storm water Conveyance* | | | | | | | | – | | |
| *Attenuation* | | | | | | | | – | | |
| *MV Substations* | | | | | | | | – | | |
| *LV Networks* | | | | | | | | – | | |
| *Capital Spares* | | | | | | | | – | | |
| Coastal Infrastructure | | – | – | – | – | – | – | – | | – |
| *Sand Pumps* | | | | | | | | – | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *Piers* | | | | | | | – | | |
| *Revetments* | | | | | | | – | | |
| *Promenades* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Information and Communication Infrastructure | – | – | – | – | – | – | – | | – |
| *Data Centres* | | | | | | | – | | |
| *Core Layers* | | | | | | | – | | |
| *Distribution Layers* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| **Community Assets** | **2 980** | – | – | **366** | **2 122** | – | **(2 122)** | **#DIV/0!** | – |
| Community Facilities | 2 447 | – | – | 260 | 1 496 | – | (1 496) | **#DIV/0!** | – |
| *Halls* | 96 | | | 10 | 58 | | (58) | #DIV/0! | |
| *Centres* | 296 | | | 30 | 151 | | (151) | #DIV/0! | |
| *Crèches* | | | | | | | – | | |
| *Clinics/Care Centres* | | | | | | | – | | |
| *Fire/Ambulance Stations* | 154 | | | 16 | 93 | | (93) | #DIV/0! | |
| *Testing Stations* | | | | | | | – | | |
| *Museums* | 77 | | | 8 | 39 | | (39) | #DIV/0! | |
| *Galleries* | | | | | | | – | | |
| *Theatres* | | | | | | | – | | |
| *Libraries* | 150 | | | 15 | 91 | | (91) | #DIV/0! | |
| *Cemeteries/Crematoria* | 462 | | | 47 | 280 | | (280) | #DIV/0! | |
| *Police* | | | | | | | – | | |
| *Purls* | | | | | | | – | | |
| *Public Open Space* | 1 021 | | | 115 | 683 | | (683) | #DIV/0! | |
| *Nature Reserves* | | | | | | | – | | |
| *Public Ablution Facilities* | 191 | | | 20 | 101 | | (101) | #DIV/0! | |
| *Markets* | | | | | | | – | | |
| *Stalls* | | | | | | | – | | |
| *Abattoirs* | | | | | | | – | | |
| *Airports* | | | | | | | – | | |
| *Taxi Ranks/Bus Terminals* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Sport and Recreation Facilities | 533 | – | – | 105 | 626 | – | (626) | **#DIV/0!** | – |
| *Indoor Facilities* | | | | 54 | 322 | | (322) | #DIV/0! | |
| *Outdoor Facilities* | | | | 31 | 182 | | (182) | #DIV/0! | |
| *Capital Spares* | 533 | | | 20 | 121 | | (121) | #DIV/0! | |
| **Heritage assets** | – | – | – | – | – | – | – | | – |
| Monuments | | | | | | | – | | |
| Historic Buildings | | | | | | | – | | |
| Works of Art | | | | | | | – | | |
| Conservation Areas | | | | | | | – | | |
| Other Heritage | | | | | | | – | | |
| **Investment properties** | – | – | – | – | – | – | – | | – |
| Revenue Generating | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | – | | |
| *Unimproved Property* | | | | | | | – | | |
| Non-revenue Generating | – | – | – | – | – | – | – | | – |
| *Improved Property* | | | | | | | – | | |
| *Unimproved Property* | | | | | | | – | | |
| **Other assets** | **1 535** | – | – | **1 167** | **6 927** | – | **(6 927)** | **#DIV/0!** | – |
| Operational Buildings | 1 535 | – | – | 1 167 | 6 927 | – | (6 927) | **#DIV/0!** | – |
| *Municipal Offices* | 1 535 | | | 1 167 | 6 927 | | (6 927) | #DIV/0! | |
| *Pay/Enquiry Points* | | | | | | | – | | |
| *Building Plan Offices* | | | | | | | – | | |
| *Workshops* | | | | | | | – | | |
| *Yards* | | | | | | | – | | |
| *Stores* | | | | | | | – | | |
| *Laboratories* | | | | | | | – | | |
| *Training Centres* | | | | | | | – | | |
| *Manufacturing Plant* | | | | | | | – | | |
| *Depots* | | | | | | | – | | |
| *Capital Spares* | | | | | | | – | | |
| Housing | – | – | – | – | – | – | – | | – |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Staff Housing* | | | | | | | | - | | |
| *Social Housing* | | | | | | | | - | | |
| *Capital Spares* | | | | | | | | - | | |
| **Biological or Cultivated Assets** | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | | | | | | | - | | |
| **Intangible Assets** | | 1 881 | - | - | 247 | 1 483 | - | (1 483) | #DIV/0! | - |
| Servitudes | | | | | | | | - | | |
| Licences and Rights | | 1 881 | - | - | 247 | 1 483 | - | (1 483) | #DIV/0! | - |
| *Water Rights* | | | | | | | | - | | |
| *Effluent Licenses* | | | | | | | | - | | |
| *Solid Waste Licenses* | | | | | | | | - | | |
| *Computer Software and Applications* | | 1 881 | | | 247 | 1 483 | | (1 483) | #DIV/0! | |
| *Load Settlement Software Applications* | | | | | | | | - | | |
| *Unspecified* | | | | | | | | - | | |
| **Computer Equipment** | | 1 774 | - | - | 133 | 855 | - | (855) | #DIV/0! | - |
| Computer Equipment | | 1 774 | | | 133 | 855 | | (855) | #DIV/0! | |
| **Furniture and Office Equipment** | | 1 656 | - | - | 205 | 1 218 | - | (1 218) | #DIV/0! | - |
| Furniture and Office Equipment | | 1 656 | | | 205 | 1 218 | | (1 218) | #DIV/0! | |
| **Machinery and Equipment** | | 5 760 | - | - | 665 | 4 186 | - | (4 186) | #DIV/0! | - |
| Machinery and Equipment | | 5 760 | | | 665 | 4 186 | | (4 186) | #DIV/0! | |
| **Transport Assets** | | 8 138 | - | - | 770 | 4 652 | - | (4 652) | #DIV/0! | - |
| Transport Assets | | 8 138 | | | 770 | 4 652 | | (4 652) | #DIV/0! | |
| **Libraries** | | - | - | - | - | - | - | - | | - |
| Libraries | | | | | | | | - | | |
| **Zoo's, Marine and Non-biological Animals** | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | | | | | | | - | | |
| **Total Depreciation** | 1 | 472 111 | 247 895 | - | 38 487 | 228 306 | 103 289 | (125 017) | -121,0% | 247 895 |