

KWAZULU-NATAL: NEWCASTLE (KZN252)
STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 3RD QUARTER ENDED 31 MARCH 2015

Part I: Operating Revenue and Expenditure

	Budget			First Quarter		Second Quarter		Third Quarter		Year to Date		2013/14		Q3 of 2013/14 to Q3 of 2014/15
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget		
Operating Revenue and Expenditure														
Operating Revenue	1,526,392	1,508,570	410,592	26.9%	403,636	26.4%	393,116	25.4%	1,197,343	78.4%	333,393	76.2%	14.9%	
Property rates	242,670	271,946	58,345	21.4%	48,874	20.1%	51,866	23.8%	159,085	73.0%	44,542	76.0%	16.6%	
Service charges - penalties and collection charges	699,525	612,275	142,506	23.4%	144,077	23.6%	87,259	14.3%	373,842	61.1%	76,117	59.5%	14.6%	
Service charges - water revenue	164,356	164,356	40,186	24.5%	33,013	20.1%	24,761	15.1%	97,960	59.6%	35,462	60.3%	(30.2%)	
Service charges - sanitation revenue	90,289	90,289	22,524	24.9%	13,352	15.0%	13,391	14.6%	49,468	54.8%	20,845	74.3%	(35.9%)	
Service charges - refuse revenue	73,450	73,450	18,516	25.2%	8,389	11.3%	17,462	23.8%	44,287	60.3%	17,244	75.4%	1.6%	
Service charges - other			279		(279)		0		0					
Rent of facilities and equipment	6,479	6,479	1,392	21.5%	1,691	26.1%	1,377	21.3%	4,461	68.9%	1,386	81.6%	(100.0%)	
Interest earned - external investments	16,872	16,872	3,656	21.6%	2,893	17.1%	1,896	10.0%	8,206	48.6%	6,380	65.8%	(73.6%)	
Interest earned - outstanding debtors	8,131	8,131	2,816	34.6%	1,184	14.7%	2,111	26.0%	6,121	75.3%	1,990	76.2%	6.1%	
Dividends received														
Fines	2,827	2,827	615	21.7%	2,524	88.3%	500	17.7%	3,630	128.7%	728	75.3%	(31.3%)	
Loans and permits	3		105	3,175.8%	(97)	(2,938.4%)	3	22.7%	11	89.2%	2	183.5%	23.0%	
Agency services	296,618	302,434	114,881	38.3%	143,738	48.1%	110,647	36.6%	362,266	122.1%	116,229	111.0%	(4.8%)	
Transfers recognised - operational	13,142	13,500	4,616	35.1%	4,350	33.1%	72,031	533.6%	80,997	600.0%	12,469	181.2%	47.7%	
Other own revenue			175		(175)		0		0					
Operating Expenditure	1,858,469	1,706,231	446,461	24.0%	204,702	15.3%	353,042	20.7%	1,084,204	63.5%	242,296	59.5%	46.7%	
Employee related costs	369,663	411,637	87,498	21.0%	85,536	22.2%	95,631	23.3%	271,867	66.0%	88,788	69.7%	7.9%	
Remuneration of councillors	18,121	18,121	4,248	23.4%	5,119	28.3%	1,438	7.9%	10,806	59.6%	1,834	75.0%	(21.6%)	
Debt impairment	296,728	89,908			16,042	5.4%			16,042	18.2%	22,536	75.0%	(100.0%)	
Depreciation and asset impairment	238,002	238,002	84,001	35.3%	37,345	15.7%	49,878	21.0%	171,325	72.0%	46,948	59.7%	8.8%	
Finance charges	22,198	22,168	6,990	31.5%	4,968	22.4%	5,863	26.5%	17,820	80.4%	2,429	56.8%	141.4%	
Bulk purchases	432,240	415,000	187,086	43.3%	38,166	8.8%	65,523	20.6%	310,774	74.9%	74,222	69.8%	15.2%	
Other materials	3,557	3,092	12,826	360.5%	(11,843)	(333.0%)	1,043	33.7%	2,025	65.5%	838	70.3%	24.5%	
Contracted services	161,322	164,853	22,784	14.1%	45,727	28.3%	21,013	12.7%	89,524	54.3%	(42,483)	37.3%	(146.5%)	
Transfers and grants	54,913	69,000												
Other expenditure	231,766	264,659	41,027	17.7%	60,641	26.2%	92,353	34.9%	184,021	73.3%	48,187	42.7%	91.7%	
Loss on disposal of PPE														
Surplus/(Deficit)	(332,107)	(197,661)	(35,869)		118,934		30,074		113,139		91,097			
Transfers recognised - capital														
Contributions recognised - capital														
Contributed assets														
Surplus/(Deficit) after capital transfers and contributions	(332,107)	(197,661)	(35,869)		118,934		30,074		113,139		91,097			
Taxation														
Surplus/(Deficit) after taxation	(332,107)	(197,661)	(35,869)		118,934		30,074		113,139		91,097			
Attributable to municipalities														
Surplus/(Deficit) attributable to municipality	(332,107)	(197,661)	(35,869)		118,934		30,074		113,139		91,097			
Share of surplus/(deficit) of associate														
Surplus/(Deficit) for the year	(332,107)	(197,661)	(35,869)		118,934		30,074		113,139		91,097			

Part 3: Cash Receipts and Payments

R thousands	2014/15										2013/14		03 of 2013/14 to 03 of 2014/15
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	
Cash Flow from Operating Activities													
Receipts													
Relay and other	1,361,382	1,370,500	321,224	23.8%	320,410	23.5%	405,738	29.5%	1,047,372	76.4%	380,004	82.1%	6.8%
Government - operating	897,982	897,555	162,414	18.1%	182,549	21.5%	286,369	26.3%	591,725	66.9%	173,409	76.2%	36.3%
Government - capital	298,518	302,434	114,271	38.3%	105,238	35.6%	61,525	20.3%	308,032	101.9%	77,781	84.0%	12.5%
Interest	147,910	153,658	30,150	26.5%	16,841	11.4%	79,210	51.5%	135,210	88.0%	117,795	102.2%	(32.8%)
Dividends	16,872	16,872	5,380	31.9%	4,384	25.0%	2,643	15.7%	12,407	73.5%	11,018	135.4%	(76.5%)
Payments													
Supplies and employees	(1,153,925)	(1,180,137)	(345,256)	29.8%	(374,450)	32.5%	(379,374)	32.1%	(1,098,881)	93.1%	(440,358)	67.4%	170.1%
Finance charges	(1,131,767)	(1,157,975)	(338,266)	29.9%	(369,661)	32.7%	(373,311)	32.2%	(1,081,238)	93.4%	(137,962)	67.5%	170.6%
Transfers and grants	(22,158)	(22,158)	(6,950)	31.5%	(4,700)	21.6%	(5,863)	26.5%	(17,642)	79.6%	(2,386)	58.5%	144.7%
Net Cash from/(used) Operating Activities	207,457	180,383	(24,032)	(11.6%)	(54,041)	(28.0%)	28,564	14.0%	(51,509)	(27.1%)	239,646	160.2%	(83.9%)
Cash Flow from Investing Activities													
Receipts													
Proceeds on disposal of PPE	-	0	14,168	-	152,828	-	-	-	166,994	#####	(37,077)	-	(100.0%)
Decrease in non-current debtors	-	-	(10,095)	-	2,697	-	-	-	2,697	22,223,500.0%	4,757	-	(100.0%)
Decrease in other non-current receivables	-	-	(24,263)	-	57,725	-	-	-	47,630	-	645	-	(100.0%)
Decrease (increase) in non-current investments	-	-	24,263	-	92,634	-	-	-	116,897	-	(42,479)	-	(100.0%)
Payments													
Capital assets	(444,229)	(428,344)	(58,825)	13.2%	(100,390)	22.6%	(67,430)	15.7%	(226,645)	52.9%	(55,810)	40.8%	20.8%
Net Cash from/(used) Investing Activities	(444,229)	(428,344)	(44,657)	10.1%	52,438	(11.8%)	(67,430)	15.7%	(59,632)	13.8%	(62,087)	48.3%	(27.4%)
Cash Flow from Financing Activities													
Receipts													
Short term loans	284,840	284,840	(2,557)	(.9%)	(370)	(.1%)	-	-	(2,928)	(1.0%)	689	.4%	(100.0%)
Borrowing long term/financing increase (decrease) in consumer deposits	284,840	284,840	(2,557)	(.9%)	(370)	(.1%)	-	-	(2,928)	(1.0%)	688	.4%	(100.0%)
Payments													
Repayment of borrowing	(22,158)	(22,164)	-	-	-	-	-	-	-	-	(2,968)	20.7%	(100.0%)
Net Cash from/(used) Financing Activities	262,682	262,676	(2,557)	(1.0%)	(370)	(.1%)	(67,430)	15.7%	(2,928)	(1.1%)	(2,269)	(1.8%)	(100.0%)
Net Increase/(Decrease) in cash held	25,910	24,995	(71,246)	(275.0%)	(1,975)	(7.8%)	(40,887)	(165.5%)	(14,088)	(48.0%)	144,479	(59.5%)	(128.3%)
Cash/cash equivalents at the year begin:	207,184	207,180	327,507	158.3%	256,561	123.9%	254,686	122.9%	327,507	158.3%	293,466	100.0%	(12.2%)
Cash/cash equivalents at the year end:	233,094	231,875	256,461	110.1%	254,686	109.3%	213,819	92.2%	213,819	92.2%	437,835	211.4%	(51.2%)

Part 4: Debtor Age Analysis

R thousands	2014/15										2013/14		Impairment - Council
	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to		
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Debtors	Amount	
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	11,856	5.2%	8,573	3.8%	8,178	3.7%	194,825	87.3%	223,225	21.9%	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	22,324	56.8%	2,290	5.8%	1,580	4.0%	13,117	33.4%	39,312	3.8%	-	-	
Receivables from Non-exchange Transactions - Property Rates	14,086	10.6%	5,190	3.9%	4,773	3.6%	108,487	81.9%	122,535	13.0%	-	-	
Receivables from Exchange Transactions - Waste Water Management	5,789	3.4%	3,972	2.3%	3,902	2.3%	155,811	16.7%	169,474	16.7%	-	-	
Receivables from Exchange Transactions - Waste Management	4,144	5.3%	2,056	2.5%	1,956	2.5%	70,394	89.6%	76,553	7.7%	-	-	
Receivable from Exchange Transactions - Property Rental Debtors	241	14.6%	81	4.8%	61	3.7%	1,847	78.8%	1,847	2%	-	-	
Interest on Arrear Debtor Accounts	728	1.2%	673	1.1%	673	1.1%	57,319	96.5%	99,393	5.9%	-	-	
Recoverable unadvised, irregular or failures and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(11,622)	(3.7%)	2,905	9%	2,554	9%	319,257	101.8%	319,405	30.8%	-	-	
Total By Income Source	47,350	4.7%	25,742	2.5%	24,077	2.4%	920,475	90.5%	1,017,644	100.0%	-	-	
Debtors Age Analysis By Customer Group													
Organs of State	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	47,350	4.7%	25,742	2.5%	24,077	2.4%	920,475	90.5%	1,017,644	100.0%	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	47,350	4.7%	25,742	2.5%	24,077	2.4%	920,475	90.5%	1,017,644	100.0%	-	-	

Part 5: Creditor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	30,414	100.0%	-	-	-	-	-	-	30,414	84.5%
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	4,258	100.0%	-	-	-	-	-	-	4,258	11.8%
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	1,153	87.6%	93	7.0%	49	3.3%	28	2.1%	1,317	3.7%
Auditor-General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	35,825	99.5%	93	.3%	43	.1%	28	.1%	35,988	100.0%

Contact Details

Municipal Manager:	M. K. Masingo	034 228 7766
Financial Manager:	M. S. L. G. Dube	034 228 7655

Source: Local Government Database

1. All figures in this report are unaudited.

Municipal Manager: *E. D. Swaneel*
 Date: 2015/05/12

Chief Financial Officer: *[Signature]*
 Date: 2015/05/12

