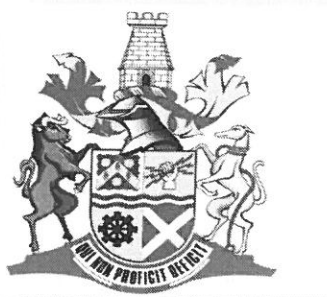


18. SECTION 71: MONTHLY BUDGET STATEMENT: NATIONAL REPORTING STANDARD: MONTH THREE: 30 SEPTEMBER 2018: (T 6/1/1-2018/2019): BUDGET AND TREASURY OFFICE



REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

File Reference:
Report Number:

Author: M S Ndlovu
Designation: Director: Budget and Financial Reporting

FOR CONSIDERATION

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

SUBJECT: SEPTEMBER 2018 MONTHLY SECTION71 REPORT

PURPOSE

The purpose of this report is to apprise the Finance Portfolio Committee, Executive Committee and Council of the monthly financial performance of the municipality as required by Section 71 of the Municipal Finance Management Act 56 of 2003 (MFMA) which states that; the accounting officer of a municipality must by no later than 10 working days after the end of the month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget. This report is submitted to both the National and Provincial Treasuries in C Schedule format and through a series of MFMA returns that were designed for the purpose of uploading into the National Treasury database.

1. ANNEXURES

- 1.1. Financial Reports as at 30 September 2018
- 1.2. Eskom invoice for bulk
- 1.3. Grant register
- 1.4. Quality Certificate
- 1.5. uThukela Water Financial Performance report

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. Differences will be noted between the financial statement and the Section 71 tables due to the transitional period between the year-end and the new year. The figures reflected in the Section 71 report reflect more correct and realistic picture of the state of finances of the municipality for the reporting period. Major variances and those items with an impact on these categories are 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 and actuals to date, financial position and cash flow position.

KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M03 September

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	252 934	295 785	–	24 150	79 798	73 946	5 852	8%	295 785
Service charges	962 401	1 008 550	–	101 647	292 422	252 138	40 285	16%	1 008 550
Investment revenue	4 826	4 041	–	0	634	1 010	(376)	-37%	4 041
Transfers and subsidies	365 726	384 734	–	5 359	148 944	148 944	–	–	384 734
Other own revenue	40 372	75 611	–	2 739	9 245	18 903	(9 657)	-51%	75 611
Total Revenue (excluding capital transfers and contributions)	1 626 259	1 768 722	–	133 894	531 044	494 941	36 103	7%	1 768 722
Employee costs	538 871	537 171	–	53 968	147 676	134 293	13 383	10%	537 171
Remuneration of Councillors	21 527	24 119	–	2 031	6 208	6 030	179	3%	24 119
Depreciation & asset impairment	452 759	525 578	–	29 888	91 694	131 395	(39 701)	-30%	525 578
Finance charges	35 355	43 979	–	3 530	11 219	10 995	224	2%	43 979
Materials and bulk purchases	537 642	622 493	–	37 251	161 088	155 623	5 465	4%	622 493
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other expenditure	511 520	483 668	–	25 547	75 831	120 917	(45 086)	-37%	483 668
Total Expenditure	2 097 674	2 237 008	–	152 215	493 716	559 252	(65 536)	-12%	2 237 008
Surplus/(Deficit)	(471 415)	(468 287)	–	(18 320)	37 328	(64 311)	101 639	-158%	(468 287)
Transfers and subsidies - capital (monetary allocations)	158 481	166 736	–	2 092	15 808	41 684	(25 876)	-62%	166 736
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(312 934)	(301 551)	–	(16 229)	53 136	(22 627)	75 763	-335%	(301 551)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(312 934)	(301 551)	–	(16 229)	53 136	(22 627)	75 763	-335%	(301 551)
Capital expenditure & funds sources									
Capital expenditure	179 893	205 576	–	2 174	15 957	51 394	(35 437)	-69%	205 576
Capital transfers recognised	158 481	166 736	–	2 092	15 808	41 684	(25 876)	-62%	166 736
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	21 412	38 840	–	82	149	9 710	(9 561)	-98%	38 840
Total sources of capital funds	179 893	205 576	–	2 174	15 957	51 394	(35 437)	-69%	205 576
Financial position									
Total current assets	794 427	366 049	–	–	855 402	–	–	–	366 049
Total non current assets	7 396 359	7 515 728	–	–	7 330 152	–	–	–	7 515 728
Total current liabilities	533 860	297 641	–	–	788 563	–	–	–	297 641
Total non current liabilities	597 335	534 920	–	–	581 785	–	–	–	534 920
Community wealth/Equity	7 059 591	7 049 216	–	–	6 815 206	–	–	–	7 049 216
Cash flows									
Net cash from (used) operating	209 574	151 264	–	3 827	58 536	84 779	26 243	31%	151 264
Net cash from (used) investing	(155 174)	(151 250)	–	(2 174)	(15 957)	(51 394)	(35 437)	69%	(151 250)
Net cash from (used) financing	(47 889)	(32 000)	–	(3 164)	(2 641)	(8 000)	(5 359)	67%	(32 000)
Cash/cash equivalents at the month/year end	57 019	1 265	–	–	97 402	58 636	(38 766)	-66%	25 479
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	119 340	67 355	35 227	44 402	25 626	23 567	122 862	813 811	1 252 188
Creditors Age Analysis									
Total Creditors	74 205	71 255	67 898	66 074	943	1 388	3 733	9 266	294 762

2.1 Operating budget performance-revenue

2.1.1 The municipality generated a total revenue of R531 044 000 of the original budget of R1 768 722 000, representing 30 percent. The variance between the year-to-date revenue budget and the actual revenue accrued for the same period amounts to R36 103 000, representing an over-performance of 7 percent during the period under review. Although the aggregate performance on revenue generated shows over performance of 7, it is however necessary to explain reasons which attributed to such variance.

2.1.2 The municipality generated R40 285 000 (16%) more revenue from service charges than a pro-rata budget of R252 138 000 for the period under review. The main service charge contributor to that variance is electricity having a variance of R24 050 000 for period under review, due to winter seasonal consumption. All other service charges collectively over-performed by R16 235 000 due to government departments paying their accounts in the first quarter of the financial year.

2.1.3 The municipality generated R5 852 000 (8%) more revenue from property rates than the year-to-date budget of R73 946 000 for the period under review. This is due to government departments billed for the annual rates in July.

2.1.4 The municipality generated R376 (-37%) less revenue from interest on investments than the year-to-date budget of R1 010 000 for the period under review. This is due to withdrawals made by the municipality during the month of September 2018.

2.1.5 As per SC6 on the statement of transfers and grants as well as C7 the Cash Flow statement, the municipality recorded R183 753 000, R144 753 000 for operational grants and R39 000 000 for capital grants respectively. This is in line year-to-date budget as projected.

2.1.6 The municipality generated R9 657 000 (-51%) less revenue from sundry revenue than a pro-rata budget of R18 903 000 for the period under review. Most items on other revenue seem to be under-performing with high variances which will reduce as the year progresses. The major impact is from the delay in the finalization of house sales.

2.2 Operating performance – expenditure

2.2.1 The summary of the operating expenditure is reflected in C1 and C4 tables of the Schedule C attached hereto. As at the end of September 2018, the municipality incurred the total expenditure of R493 716 000 of the original budget of R2 237 008 000, which represents 22 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R65 536 000, representing under-expenditure of 12 percent.

2.2.2 The main attributing factors to the under-expenditure are non-cash items, being debt impairment, depreciation and employee related costs. Debt impairment and depreciation are accounting items, which are required to reflect on capital charges that compensate for doubtful debtors and assets which deteriorate in value. Depreciation has under-performed by 30 percent (R39.7 million) in the third month of the financial year due to the very low capital expenditure resulting from SCM processes currently underway. Debt impairment under-performed by 40 percent (R16.5 million) due to the review of indigent register currently underway. Other expenditure has also under-performed by 37% (R65.5 million).

2.2.3 The municipality spent R5 934 000 (4%) more on the bulk purchases than a pro-rata budget of R154 683 000. This is due to the fluctuating electricity consumption which will be studied closely and will gradually decrease as the warmer season approaches.

2.2.4 The municipality spent R469 000 (-50%) less on materials than a pro-rata budget of R941 000. This is mainly due to the culture of cost containment which has been inculcated.

2.2.5 The municipality spent R4 087 000 (-47%) less on contracted services than a pro-rata budget of R5 824 000. Included in the budget for contracted services is the provision for some of the projects, which are due to be implemented later in the financial year.

2.2.6 The municipality spent R13 383 000 (10%) more on employee related costs than a pro-rata budget of R134 293 000. This over performance is due to the appointment of employees which were not budgeted for amounting to R1.2 m as well as an escalation of overtime mainly from essential services. While the overtime budget was cut by about R20 million in the current year, measures to contain overtime within the budget have not yet fully been implemented.

2.3 Capital budget performance

Table C5: Monthly 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) - M03 September

Vote Description	Ref	2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2018/19 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
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		1 955	—	—	—	—	—	—		—
Vote 2 - COMMUNITY SERVICES		8 912	2 640	—	—	—	660	(660)	-100%	2 640
Vote 3 - BUDGET AND TREASURY		—	1 000	—	124	191	250	(59)	-23%	1 000
Vote 4 - MUNICIPAL MANAGER		—	—	—	—	—	—	—		—
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		36 701	—	—	—	—	—	—		—
Vote 6 - TECHNICAL SERVICES		130 826	197 436	—	2 050	15 766	49 359	(33 593)	-68%	197 436
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		1 499	4 500	—	—	—	1 125	(1 125)	-100%	4 500
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	179 893	205 576	—	2 174	15 957	51 394	(35 437)	-69%	205 576
Total Capital Expenditure		179 893	205 576	—	2 174	15 957	51 394	(35 437)	-69%	205 576
Capital Expenditure - Functional Classification										
Governance and administration		1 955	1 000	—	124	191	250	(59)	-23%	1 000
Executive and council		—	—	—	—	—	—	—		—
Finance and administration		1 955	1 000	—	124	191	250	(59)	-23%	1 000
Internal audit		—	—	—	—	—	—	—		—
Community and public safety		9 455	2 640	—	—	—	660	(660)	-100%	2 640
Community and social services		8 048	990	—	—	—	248	(248)	-100%	990
Sport and recreation		766	1 650	—	—	—	413	(413)	-100%	1 650
Public safety		99	—	—	—	—	—	—		—
Housing		543	—	—	—	—	—	—		—
Health		—	—	—	—	—	—	—		—
Economic and environmental services		46 849	142 436	—	756	4 279	35 609	(31 330)	-88%	142 436
Planning and development		20 512	—	—	—	—	—	—		—
Road transport		26 337	142 436	—	756	4 279	35 609	(31 330)	-88%	142 436
Environmental protection		—	—	—	—	—	—	—		—
Trading services		105 987	59 500	—	1 294	11 487	14 875	(3 388)	-23%	59 500
Energy sources		1 499	4 500	—	—	—	1 125	(1 125)	-100%	4 500
Water management		104 489	55 000	—	1 294	11 487	13 750	(2 263)	-16%	55 000
Waste water management		—	—	—	—	—	—	—		—
Waste management		—	—	—	—	—	—	—		—
Other		15 646	—	—	—	—	—	—		—
Total Capital Expenditure - Functional Classification	3	179 893	205 576	—	2 174	15 957	51 394	(35 437)	-69%	205 576
Funded by:										
National Government		133 909	148 032	—	—	13 134	37 008	(23 874)	-65%	148 032
Provincial Government		8 926	18 704	—	2 092	2 674	4 676	(2 001)	-43%	18 704
District Municipality		—	—	—	—	—	—	—		—
Other transfers and grants		15 646	—	—	—	—	—	—		—
Transfers recognised - capital		158 481	166 736	—	2 092	15 808	41 684	(25 876)	-62%	166 736
Public contributions & donations	5	—	—	—	—	—	—	—		—
Borrowing	6	—	—	—	—	—	—	—		—
Internally generated funds		21 412	38 840	—	82	149	9 710	(9 561)	-98%	38 840
Total Capital Funding		179 893	205 576	—	2 174	15 957	51 394	(35 437)	-69%	205 576

2.3.1 Capital expenditure for the third month of the financial year amounted to R15 957 000, which represents 7% of the approved capital budget of R205 576 000. Comparison between the pro rata budget of R51 394 000 and actual expenditure for the period reflects an under expenditure of (R35 437 000) which implies that the municipality spent 69 percent less than the budget for the same period. The municipality has just initiated the procurement processes for the most of the projects, which is expected to be finalised in the first quarter of the financial year. The spending of capital projects will steadily increase during the course of the year once most of procurement processes have been finalised.

2.4 Financial position

Table C6: Monthly budget statements – Financial Position

Table C6 below reflects the performance to date in relation to the financial position of the municipality.

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9,612	1,265		26,288	1,265
Call investment deposits		47,407	10,951		71,113	10,951
Consumer debtors		673,840	305,160		651,108	305,160
Other debtors		51,145	33,098		95,751	33,098
Current portion of long-term receivables		4	–		3	–
Inventory		12,420	15,575		11,139	15,575
Total current assets		794,427	366,049	–	855,402	366,049
Non current assets						
Long-term receivables		–	–		–	–
Investments		–	–		–	–
Investment property		365,272	361,651		379,856	361,651
Investments in Associate		301,163	298,182		275,279	298,182
Property, plant and equipment		6,716,697	6,840,820		6,662,492	6,840,820
Agricultural		–	–		–	–
Biological assets		–	–		–	–
Intangible assets		5,758	7,650		5,056	7,650
Other non-current assets		7,469	7,425		7,469	7,425
Total non current assets		7,396,359	7,515,728	–	7,330,152	7,515,728
TOTAL ASSETS		8,190,786	7,881,777	–	8,185,554	7,881,777
LIABILITIES						
Current liabilities						
Bank overdraft		–	–		–	–
Borrowing		–	33,987		29,484	33,987
Consumer deposits		18,965	16,867		20,113	16,867
Trade and other payables		514,895	240,096		730,968	240,096
Provisions		–	6,691		7,998	6,691
Total current liabilities		533,860	297,641	–	788,563	297,641
Non current liabilities						
Borrowing		431,733	373,941		405,261	373,941
Provisions		165,602	160,980		176,524	160,980
Total non current liabilities		597,335	534,920	–	581,785	534,920
TOTAL LIABILITIES		1,131,195	832,561	–	1,370,348	832,561
NET ASSETS	2	7,059,591	7,049,216	–	6,815,206	7,049,216
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7,032,915	7,046,945		6,788,391	7,046,945
Reserves		26,676	2,271		26,815	2,271
TOTAL COMMUNITY WEALTH/EQUITY	2	7,059,591	7,049,216	–	6,815,206	7,049,216

2.4.1 As at end the end of the third month of the financial year, the municipality showed a favourable equity position, with a net asset effect of R6.8 billion. While this picture looks good, it is however important to point out major reasons 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 debtors aging as reflected in table SC3 is a total of R1.2 billion as at the end of the third month. The bulk of this amount (R1 030 million) is debt owing for more than 90 days, while R906 million of the total debt is owed by households. It must be noted that the total figure of debtors is inclusive of indigent. Debtors seem to be accumulating in each and every month, however the community outreach programme run by finance in urging the consumers to pay, has been evident.

2.4.3 Property Plant and Equipment (Assets) comprise of R6.7 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 The municipality closed with a balance of cash and cash equivalent of R97.4 million as at the end of the third month of the financial year. It must be noted that included in the investment is the housing development fund of R26.8 million which belongs to KZN Department of Human Settlements. The short-term obligations are sitting at R294.7 million as illustrated on SC4, while unspent conditional grants amount to R98.5 million, representing a cash short-fall of R322.6 million. Table SC4 reflects that the municipality was owing creditors to the tune of R294.7 million. This included Eskom for R160.3 million, Uthukela Water for R34.9 million, Dr Pixely KaSeme Municipality for R5.0 million, SARS for R13.9 million, Pension funds for R8.1 million and other trade creditors for R72.5 million.

Looking at the cash position as mentioned above the municipality is currently not in the position to cover it short-term obligations, including unspent conditional grants.

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 - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		180 280	233 985		18 667	49 484	58 496	(9 013)	-15%	233 985
Service charges		794 533	859 570		65 247	220 532	214 893	5 639	3%	859 570
Other revenue		43 610	37 516		6 910	20 073	9 379	10 694	114%	37 516
Government - operating		345 816	384 734		-	144 753	144 753	-		384 734
Government - capital		217 288	162 426		-	39 000	39 000	-		162 426
Interest		16 036	9 328		825	2 840	2 332	508	22%	9 328
Dividends								-		
Payments										
Suppliers and employees		(1 355 861)	(1 492 315)		(84 302)	(406 927)	(373 079)	33 848	-9%	(1 492 315)
Finance charges		(32 127)	(43 979)		(3 520)	(11 219)	(10 995)	224	-2%	(43 979)
Transfers and Grants		-						-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		209 574	151 264	-	3 827	58 536	84 779	26 243	31%	151 264
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			21 200					-		21 200
Decrease (Increase) in non-current debtors		-	-					-		-
Decrease (increase) other non-current receivables			33 125					-		33 125
Decrease (increase) in non-current investments		-	-					-		-
Payments										
Capital assets		(155 174)	(205 576)		(2 174)	(15 957)	(51 394)	(35 437)	69%	(205 576)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(155 174)	(151 250)	-	(2 174)	(15 957)	(51 394)	(35 437)	69%	(151 250)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-					-	-		
Borrowing long term/refinancing		-					-	-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(47 889)	(32 000)		(3 164)	(2 641)	(8 000)	(5 359)	67%	(32 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(47 889)	(32 000)	-	(3 164)	(2 641)	(8 000)	(5 359)	67%	(32 000)
NET INCREASE/ (DECREASE) IN CASH HELD		6 512	(31 986)	-	(1 511)	39 937	25 385			(31 986)
Cash/cash equivalents at beginning:		50 508	33 251			57 465	33 251			57 465
Cash/cash equivalents at month/year end:		57 019	1 265			97 402	58 636			25 479

2.5.1 The municipality opened with a cash and cash equivalent balance of R57.5 million at the beginning of the financial year and closed with a balance of R97.4 million as at the end of September 2018, which represents a cash increase of R39.9 million.

2.5.2 Cash flows from operating activities yielded a net cash inflow of R58.5 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.

2.5.3 Cash flows from investing activities recorded net cash outflows of R15.9 million due to capital expenditure.

2.5.4 Cash flows from financing activities recorded net cash outflows of R2.6 million. This was due to repayment of loans by the municipality.

3. CONCLUSION

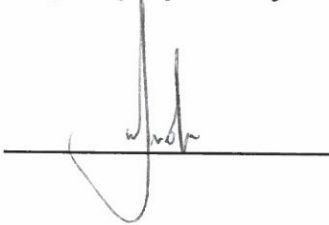
Cooperation within management and structures in council is required in order to curb expenditure on the budget throughout the course of the year. The issues that still reflect variances in the budget performance report must be monitored and managed to ensure that the municipality operates within the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

Furthermore, the municipality should 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.

4. RECOMMENDED

- (a) That the MFMA Section 71 report for the month ended 30 September 2018 be noted;

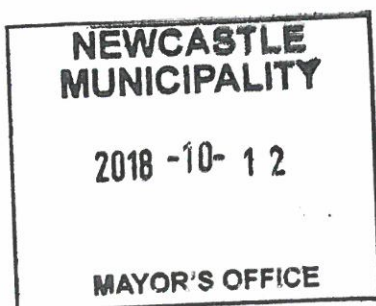
Report prepared by:



Report seen by:


EM NKOSI
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE


SM NKOSI
ACTING STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE



KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M03 September

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	252,934	295,785	–	24,150	79,798	73,946	5,852	8%	295,785
Service charges	962,401	1,008,550	–	101,647	292,422	252,138	40,285	16%	1,008,550
Investment revenue	4,826	4,041	–	0	634	1,010	(376)	-37%	4,041
Transfers and subsidies	365,726	384,734	–	5,359	148,944	148,944	–		384,734
Other own revenue	40,372	75,611	–	2,739	9,245	18,903	(9,657)	-51%	75,611
Total Revenue (excluding capital transfers and contributions)	1,626,259	1,768,722	–	133,894	531,044	494,941	36,103	7%	1,768,722
Employee costs	538,871	537,171	–	53,968	147,676	134,293	13,383	10%	537,171
Remuneration of Councillors	21,527	24,119	–	2,031	6,208	6,030	179	3%	24,119
Depreciation & asset impairment	452,759	525,578	–	29,888	91,694	131,395	(39,701)	-30%	525,578
Finance charges	35,355	43,979	–	3,530	11,219	10,995	224	2%	43,979
Materials and bulk purchases	537,642	622,493	–	37,251	161,088	155,623	5,465	4%	622,493
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	511,520	483,668	–	25,547	75,831	120,917	(45,086)	-37%	483,668
Total Expenditure	2,097,674	2,237,008	–	152,215	493,716	559,252	(65,536)	-12%	2,237,008
Surplus/(Deficit)	(471,415)	(468,287)	–	(18,320)	37,328	(64,311)	101,639	-158%	(468,287)
Transfers and subsidies - capital (monetary allocations)	158,481	166,736	–	2,092	15,808	41,684	(25,876)	-62%	166,736
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(312,934)	(301,551)	–	(16,229)	53,136	(22,627)	75,763	-335%	(301,551)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(312,934)	(301,551)	–	(16,229)	53,136	(22,627)	75,763	-335%	(301,551)
Capital expenditure & funds sources									
Capital expenditure	179,893	205,576	–	2,174	15,957	51,394	(35,437)	-69%	205,576
Capital transfers recognised	158,481	166,736	–	2,092	15,808	41,684	(25,876)	-62%	166,736
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	21,412	38,840	–	82	149	9,710	(9,561)	-98%	38,840
Total sources of capital funds	179,893	205,576	–	2,174	15,957	51,394	(35,437)	-69%	205,576
Financial position									
Total current assets	794,427	366,049	–		855,402				366,049
Total non current assets	7,396,359	7,515,728	–		7,330,152				7,515,728
Total current liabilities	533,860	297,641	–		788,563				297,641
Total non current liabilities	597,335	534,920	–		581,785				534,920
Community wealth/Equity	7,059,591	7,049,216	–		6,815,206				7,049,216
Cash flows									
Net cash from (used) operating	209,574	151,264	–	3,827	58,536	84,779	26,243	31%	151,264
Net cash from (used) investing	(155,174)	(151,250)	–	(2,174)	(15,957)	(51,394)	(35,437)	69%	(151,250)
Net cash from (used) financing	(47,889)	(32,000)	–	(3,164)	(2,641)	(8,000)	(5,359)	67%	(32,000)
Cash/cash equivalents at the month/year end	57,019	1,265	–	–	97,402	58,636	(38,766)	-66%	25,479
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	119,340	67,355	35,227	44,402	25,626	23,567	122,862	813,811	1,252,188
Creditors Age Analysis									
Total Creditors	74,205	71,255	67,898	66,074	943	1,388	3,733	9,266	294,762

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		360,307	412,281	-	25,709	120,055	103,070	16,985	16%	412,281
Executive and council		11,473	8,717	-	331	2,605	2,179	425	20%	8,717
Finance and administration		348,834	403,564	-	25,378	117,451	100,891	16,560	16%	403,564
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		32,639	55,083	-	4,460	7,714	13,771	(6,057)	-44%	55,083
Community and social services		18,274	29,534	-	3,693	4,808	7,383	(2,575)	-35%	29,534
Sport and recreation		541	698	-	13	22	175	(153)	-87%	698
Public safety		6,942	11,450	-	173	1,252	2,862	(1,611)	-56%	11,450
Housing		6,836	13,331	-	581	1,613	3,333	(1,720)	-52%	13,331
Health		47	71	-	0	19	18	1	7%	71
<i>Economic and environmental services</i>		109,277	87,648	-	2,807	6,984	22,065	(15,081)	-68%	87,648
Planning and development		70,898	22,907	-	506	1,006	5,727	(4,721)	-82%	22,907
Road transport		38,379	64,741	-	2,301	5,978	16,339	(10,361)	-63%	64,741
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,282,385	1,380,276	-	103,001	412,067	397,676	14,390	4%	1,380,276
Energy sources		718,633	770,528	-	67,622	222,692	213,809	8,883	4%	770,528
Water management		290,791	316,642	-	17,453	86,484	79,160	7,324	9%	316,642
Waste water management		176,687	195,371	-	9,929	67,298	80,273	(12,975)	-16%	195,371
Waste management		96,274	97,735	-	7,997	35,593	24,434	11,159	46%	97,735
<i>Other</i>	4	132	169	-	9	33	42	(10)	-23%	169
Total Revenue - Functional	2	1,784,740	1,935,457	-	135,986	546,852	536,625	10,227	2%	1,935,457
Expenditure - Functional										
<i>Governance and administration</i>		541,588	412,389	-	32,973	85,376	103,097	(17,721)	-17%	412,389
Executive and council		190,702	81,497	-	6,071	19,693	20,374	(682)	-3%	81,497
Finance and administration		350,886	330,892	-	26,902	65,683	82,723	(17,040)	-21%	330,892
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		181,581	223,369	-	17,532	45,798	55,842	(10,045)	-18%	223,369
Community and social services		26,192	29,016	-	2,583	6,968	7,254	(286)	-4%	29,016
Sport and recreation		68,213	76,393	-	6,172	17,626	19,098	(1,472)	-8%	76,393
Public safety		58,141	65,757	-	5,994	14,634	16,439	(1,805)	-11%	65,757
Housing		25,358	44,877	-	2,126	5,031	11,219	(6,189)	-55%	44,877
Health		3,678	7,327	-	658	1,539	1,832	(293)	-16%	7,327
<i>Economic and environmental services</i>		250,510	264,341	-	22,669	65,007	66,085	(1,078)	-2%	264,341
Planning and development		24,167	27,477	-	2,012	5,319	6,869	(1,550)	-23%	27,477
Road transport		226,343	236,865	-	20,656	59,688	59,216	472	1%	236,865
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,123,847	1,335,639	-	79,041	297,525	333,910	(36,384)	-11%	1,335,639
Energy sources		608,813	708,833	-	43,910	174,377	177,208	(2,831)	-2%	708,833
Water management		383,390	493,851	-	22,911	91,550	123,463	(31,912)	-26%	493,851
Waste water management		60,109	65,969	-	5,280	13,464	16,492	(3,028)	-18%	65,969
Waste management		71,534	66,986	-	6,940	18,134	16,747	1,387	8%	66,986
<i>Other</i>		148	1,270	-	-	10	318	(308)	-97%	1,270
Total Expenditure - Functional	3	2,097,674	2,237,008	-	152,215	493,716	559,252	(65,536)	-12%	2,237,008
Surplus/ (Deficit) for the year		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)	75,763	-335%	(301,551)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - CORPORATE SERVICES		66,746	68,030	–	331	27,240	17,008	10,232	60.2%	68,030
Vote 2 - COMMUNITY SERVICES		130,826	139,488	–	11,876	41,693	34,872	6,821	19.6%	139,488
Vote 3 - BUDGET AND TREASURY		293,561	344,251	–	25,378	92,815	86,063	6,753	7.8%	344,251
Vote 4 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		77,865	36,407	–	1,095	2,652	9,102	(6,450)	-70.9%	36,407
Vote 6 - TECHNICAL SERVICES		497,109	576,754	–	29,683	159,760	170,645	(10,885)	-6.4%	576,754
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		718,633	770,528	–	67,622	222,692	218,936	3,756	1.7%	770,528
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	1,784,740	1,935,458	–	135,986	546,852	536,625	10,228	1.9%	1,935,458
Expenditure by Vote	1									
Vote 1 - CORPORATE SERVICES		239,523	146,473	–	8,785	26,953	36,618	(9,666)	-26.4%	146,473
Vote 2 - COMMUNITY SERVICES		284,594	291,202	–	27,617	70,939	72,800	(1,862)	-2.6%	291,202
Vote 3 - BUDGET AND TREASURY		162,888	152,792	–	14,532	33,694	38,198	(4,504)	-11.8%	152,792
Vote 4 - MUNICIPAL MANAGER		70,952	62,110	–	5,030	14,248	15,528	(1,280)	-8.2%	62,110
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		59,379	79,124	–	4,512	11,385	19,781	(8,396)	-42.4%	79,124
Vote 6 - TECHNICAL SERVICES		671,525	796,474	–	46,552	162,121	199,118	(36,997)	-18.6%	796,474
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		608,813	708,833	–	45,186	174,377	177,208	(2,831)	-1.6%	708,833
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	2,097,674	2,237,008	–	152,215	493,716	559,252	(65,536)	-11.7%	2,237,008
Surplus/ (Deficit) for the year	2	(312,934)	(301,551)	–	(16,229)	53,136	(22,627)	75,763	-334.8%	(301,551)

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		252,934	295,785		24,150	79,798	73,946	5,852	8%	295,785
Service charges - electricity revenue		649,843	686,768		67,619	195,742	171,692	24,050	14%	686,768
Service charges - water revenue		156,568	161,896		16,114	46,069	40,474	5,595	14%	161,896
Service charges - sanitation revenue		90,849	95,532		9,928	28,920	23,883	5,037	21%	95,532
Service charges - refuse revenue		65,141	64,354		7,986	21,691	16,088	5,603	35%	64,354
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		7,815	8,642		767	2,061	2,160	(100)	-5%	8,642
Interest earned - external investments		4,826	4,041		0	634	1,010	(376)	-37%	4,041
Interest earned - outstanding debtors		11,595	13,218		825	2,206	3,304	(1,099)	-33%	13,218
Dividends received		-	-		-	-	-	-	-	-
Fines, penalties and forfeits		6,103	8,710		22	1,027	2,178	(1,150)	-53%	8,710
Licences and permits		10	13		1	3	3	(0)	-4%	13
Agency services		-	-		-	-	-	-	-	-
Transfers and subsidies		365,726	384,734		5,359	148,944	148,944	-	-	384,734
Other revenue		14,848	45,029		1,124	3,948	11,257	(7,309)	-65%	45,029
Gains on disposal of PPE		-	-		-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1,626,259	1,768,722	-	133,894	531,044	494,941	36,103	7%	1,768,722
Expenditure By Type										
Employee related costs		538,871	537,171		53,968	147,676	134,293	13,383	10%	537,171
Remuneration of councillors		21,527	24,119		2,031	6,208	6,030	179	3%	24,119
Debt impairment		137,597	163,946		773	24,492	40,986	(16,494)	-40%	163,946
Depreciation & asset impairment		452,759	525,578		29,888	91,694	131,395	(39,701)	-30%	525,578
Finance charges		35,355	43,979		3,530	11,219	10,995	224	2%	43,979
Bulk purchases		530,968	618,730		37,015	160,616	154,683	5,934	4%	618,730
Other materials		6,673	3,763		236	471	941	(469)	-50%	3,763
Contracted services		53,171	34,945		2,585	4,649	8,736	(4,087)	-47%	34,945
Transfers and subsidies		-	-		-	-	-	-	-	-
Other expenditure		320,751	284,777		22,189	46,690	71,194	(24,504)	-34%	284,777
Loss on disposal of PPE		-	-		-	-	-	-	-	-
Total Expenditure		2,097,674	2,237,008	-	152,215	493,716	559,252	(65,536)	-12%	2,237,008
Surplus/(Deficit)		(471,415)	(468,287)	-	(18,320)	37,328	(64,311)	101,639	(0)	(468,287)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		158,481	166,736		2,092	15,808	41,684	(25,876)	(0)	166,736
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-		-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)			(301,551)
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)			(301,551)
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)			(301,551)
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)			(301,551)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
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		1,955	-	-	-	-	-	-		-
Vote 2 - COMMUNITY SERVICES		8,912	2,640	-	-	-	660	(660)	-100%	2,640
Vote 3 - BUDGET AND TREASURY		-	1,000	-	124	191	250	(59)	-23%	1,000
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-		-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		36,701	-	-	-	-	-	-		-
Vote 6 - TECHNICAL SERVICES		130,826	197,436	-	2,050	15,766	49,359	(33,593)	-68%	197,436
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		1,499	4,500	-	-	-	1,125	(1,125)	-100%	4,500
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	179,893	205,576	-	2,174	15,957	51,394	(35,437)	-69%	205,576
Total Capital Expenditure		179,893	205,576	-	2,174	15,957	51,394	(35,437)	-69%	205,576
Capital Expenditure - Functional Classification										
Governance and administration		1,955	1,000	-	124	191	250	(59)	-23%	1,000
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		1,955	1,000	-	124	191	250	(59)	-23%	1,000
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		9,455	2,640	-	-	-	660	(660)	-100%	2,640
Community and social services		8,048	990	-	-	-	248	(248)	-100%	990
Sport and recreation		766	1,650	-	-	-	413	(413)	-100%	1,650
Public safety		99	-	-	-	-	-	-		-
Housing		543	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		46,849	142,436	-	756	4,279	35,609	(31,330)	-88%	142,436
Planning and development		20,512	-	-	-	-	-	-		-
Road transport		26,337	142,436	-	756	4,279	35,609	(31,330)	-88%	142,436
Environmental protection		-	-	-	-	-	-	-		-
Trading services		105,987	59,500	-	1,294	11,487	14,875	(3,388)	-23%	59,500
Energy sources		1,499	4,500	-	-	-	1,125	(1,125)	-100%	4,500
Water management		104,489	55,000	-	1,294	11,487	13,750	(2,263)	-16%	55,000
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		15,646	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	179,893	205,576	-	2,174	15,957	51,394	(35,437)	-69%	205,576
Funded by:										
National Government		133,909	148,032	-	-	13,134	37,008	(23,874)	-65%	148,032
Provincial Government		8,926	18,704	-	2,092	2,674	4,676	(2,001)	-43%	18,704
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		15,646	-	-	-	-	-	-		-
Transfers recognised - capital		158,481	166,736	-	2,092	15,808	41,684	(25,876)	-62%	166,736
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		21,412	38,840	-	82	149	9,710	(9,561)	-98%	38,840
Total Capital Funding		179,893	205,576	-	2,174	15,957	51,394	(35,437)	-69%	205,576

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9,612	1,265		26,288	1,265
Call investment deposits		47,407	10,951		71,113	10,951
Consumer debtors		673,840	305,160		651,108	305,160
Other debtors		51,145	33,098		95,751	33,098
Current portion of long-term receivables		4	–		3	–
Inventory		12,420	15,575		11,139	15,575
Total current assets		794,427	366,049	–	855,402	366,049
Non current assets						
Long-term receivables		–	–		–	–
Investments		–	–		–	–
Investment property		365,272	361,651		379,856	361,651
Investments in Associate		301,163	298,182		275,279	298,182
Property, plant and equipment		6,716,697	6,840,820		6,662,492	6,840,820
Agricultural		–	–		–	–
Biological assets		–	–		–	–
Intangible assets		5,758	7,650		5,056	7,650
Other non-current assets		7,469	7,425		7,469	7,425
Total non current assets		7,396,359	7,515,728	–	7,330,152	7,515,728
TOTAL ASSETS		8,190,786	7,881,777	–	8,185,554	7,881,777
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		–	33,987		29,484	33,987
Consumer deposits		18,965	16,867		20,113	16,867
Trade and other payables		514,895	240,096		730,968	240,096
Provisions		–	6,691		7,998	6,691
Total current liabilities		533,860	297,641	–	788,563	297,641
Non current liabilities						
Borrowing		431,733	373,941		405,261	373,941
Provisions		165,602	160,980		176,524	160,980
Total non current liabilities		597,335	534,920	–	581,785	534,920
TOTAL LIABILITIES		1,131,195	832,561	–	1,370,348	832,561
NET ASSETS	2	7,059,591	7,049,216	–	6,815,206	7,049,216
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7,032,915	7,046,945		6,788,391	7,046,945
Reserves		26,676	2,271		26,815	2,271
TOTAL COMMUNITY WEALTH/EQUITY	2	7,059,591	7,049,216	–	6,815,206	7,049,216

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		180,280	233,985		18,667	49,484	58,496	(9,013)	-15%	233,985
Service charges		794,533	859,570		65,247	220,532	214,893	5,639	3%	859,570
Other revenue		43,610	37,516		6,910	20,073	9,379	10,694	114%	37,516
Government - operating		345,816	384,734		-	144,753	144,753	-		384,734
Government - capital		217,288	162,426		-	39,000	39,000	-		162,426
Interest		16,036	9,328		825	2,840	2,332	508	22%	9,328
Dividends								-		
Payments										
Suppliers and employees		(1,355,861)	(1,492,315)		(84,302)	(406,927)	(373,079)	33,848	-9%	(1,492,315)
Finance charges		(32,127)	(43,979)		(3,520)	(11,219)	(10,995)	224	-2%	(43,979)
Transfers and Grants		-						-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		209,574	151,264	-	3,827	58,536	84,779	26,243	31%	151,264
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			21,200					-		21,200
Decrease (Increase) in non-current debtors		-	-					-		-
Decrease (increase) other non-current receivables		-	33,125					-		33,125
Decrease (increase) in non-current investments		-	-					-		-
Payments										
Capital assets		(155,174)	(205,576)		(2,174)	(15,957)	(51,394)	(35,437)	69%	(205,576)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(155,174)	(151,250)	-	(2,174)	(15,957)	(51,394)	(35,437)	69%	(151,250)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-					-	-		
Borrowing long term/refinancing		-					-	-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(47,889)	(32,000)		(3,164)	(2,641)	(8,000)	(5,359)	67%	(32,000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(47,889)	(32,000)	-	(3,164)	(2,641)	(8,000)	(5,359)	67%	(32,000)
NET INCREASE/ (DECREASE) IN CASH HELD		6,512	(31,986)	-	(1,511)	39,937	25,385			(31,986)
Cash/cash equivalents at beginning:		50,508	33,251			57,465	33,251			57,465
Cash/cash equivalents at month/year end:		57,019	1,265			97,402	58,636			25,479

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	R thousands Revenue By Source Fines, penalties and forfeits Service charges - electricity revenue Service charges - water revenue Service charges - sanitation revenue Service charges - refuse revenue Interest earned - external investments Interest earned - outstanding debtors Other Revenue	-53% 14% 14% 21% 29% -37% -33% -65%	Strict law enforcement. Governmental Department make payments in the first month. Governmental Department make payments in the first month. Governmental Department make payments in the first month. Governmental Department make payments in the first month. Due to an increase on our debtors book. Interest on investments has not been recognised. Other revenue is dependent on levels of consumption and therefore fluctuates every month.	
2	Expenditure By Type Depreciation & asset impairment Debt Impairment Contracted Services Other Material Other expenditure	-30% -40% -47% -50% -34%	Opening balance haven't been finalized due to year end Bulk of the Debt Impairment is calculated bi-annually Invoice from service providers haven't yet received Cross cut measures are implemented to reduce the expenditure for material Cross cut measures are implemented to reduce the expenditure for other expenditure	
3	Capital Expenditure Grant funded projects Internally funded projects Repairs and maintenance	-62% -98% 36%	Delays in the SCM process, particularly on appointment consultants, incapacity of contractors Most of projects rolled over from 2016/17, with no need for new SCM processes Under-budgeting due to cash-flow challenges	Fast track SCM processes and management of contractors None None
4	Financial Position Property Plant and Equipment Investment property Investment in Associate Consumer Debtors Trade and other payables		Slow capital expenditure and depreciation Revaluation, which was finalised after financial budget was approved Decrease in Net Asset Value of the Entity, which was confirmed after annual budget was approved Change in bad debt provision due to cleaning up of debtors and indigent books Error during annual budgeting	
5	Cash Flow Net Cash from Operating Activities Net Cash Used from Investing Activities Net Cash Used from Financial Activities	37% 69% 133%	Equitable Share and other grants bulk of it received early in the financial year Slow capital expenditure Based on amortisation schedules	None
6	Measurable performance			
7	Municipal Entities			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-0.6%	25.5%	0.0%	2.3%	3.0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		13.4%	9.2%	0.0%	17.1%	9.2%
Gearing	Long Term Borrowing/ Funds & Reserves		1618.4%	16463.8%	0.0%	1511.3%	16463.8%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	148.8%	123.0%	0.0%	108.5%	123.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		10.7%	4.1%	0.0%	12.4%	4.1%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		44.6%	19.1%	0.0%	140.6%	19.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Debtors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
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		33.1%	30.4%	0.0%	27.8%	30.4%
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		30.0%	32.2%	0.0%	2.1%	3.9%
<u>IDP regulation financial viability indicators</u>							
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 - M03 September

R 11.1 - 2017/18 - Summary Budget Statement - aged debtors - mid September														
Description			Budget Year 2018/19								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands	NT Code		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr				
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200		23,935	8,611	7,590	8,765	7,913	7,178	38,159	201,632	303,783	263,646	3,018	
Trade and Other Receivables from Exchange Transactions - Electricity	1300		62,118	15,736	4,042	10,780	399	409	2,244	9,655	105,383	23,487	92	
Receivables from Non-exchange Transactions - Property Rates	1400		29,110	14,672	6,368	5,904	5,398	4,913	24,835	139,016	230,217	180,067	408	
Receivables from Exchange Transactions - Waste Water Management	1500		15,064	6,632	5,772	5,482	4,903	4,498	23,943	165,146	231,440	203,972	1,149	
Receivables from Exchange Transactions - Waste Management	1600		10,767	4,386	3,961	3,541	3,051	2,662	11,322	69,536	109,227	90,113	601	
Receivables from Exchange Transactions - Property Rental Debtors	1700		679	169	109	109	100	98	505	2,236	4,005	3,048	-	
Interest on Arrear Debtor Accounts	1810		1,507	754	757	782	769	794	5,641	44,063	55,066	52,048	107	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820		-	-	-	-	-	-	-	-	-	-	-	
Other	1900		(23,840)	16,394	6,628	9,039	3,094	3,014	16,214	182,526	213,069	213,887	1,252	
Total By Income Source	2000		119,340	67,355	35,227	44,402	25,626	23,567	122,862	813,811	1,252,188	1,030,267	6,627	-
2017/18 - totals only											-	-		
Debtors Age Analysis By Customer Group														
Organs of State	2200		664	19,053	876	634	516	545	4,974	31,539	58,800	38,208	-	
Commercial	2300		43,658	19,082	5,688	17,112	1,572	1,646	8,009	46,412	143,179	74,751	0	
Households	2400		72,869	28,972	28,502	26,500	23,385	21,227	108,829	728,353	1,036,637	906,295	6,626	
Other	2500		2,148	248	162	156	153	149	1,050	9,506	13,572	11,014	-	
Total By Customer Group	2600		119,340	67,355	35,227	44,402	25,626	23,567	122,862	813,811	1,252,188	1,030,267	6,627	-

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2018/19									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	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	30,104	55,018	54,750	20,406	-	-	-	-	-	160,278
Bulk Water	0200	7,948	7,948	7,948	11,001	-	-	-	-	5,038	39,882
PAYE deductions	0300	9,571	-	-	-	-	-	-	-	-	9,571
VAT (output less input)	0400	4,376	-	-	-	-	-	-	-	-	4,376
Pensions / Retirement deductions	0500	8,135	-	-	-	-	-	-	-	-	8,135
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	14,071	8,289	5,200	34,667	943	1,388	3,733	4,228	72,519	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	74,205	71,255	67,898	66,074	943	1,388	3,733	9,266	294,762	-

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	R thousands	Ref	Period of Investment	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
			Yrs/Months							
Municipality										
Nedbank			12 months	Call Account	Call account	0		0	(0)	0
Standard Bank			12 months	Call Account	Call account	361	361	67,461	361	67,822
ABSA			12 months	Call Account	Call account	17	17	3,243	47	3,291
Municipality sub-total						378		70,705	409	71,113
Entities										
Entities sub-total						-		-	-	-
TOTAL INVESTMENTS AND INTEREST		2				378		70,705	409	71,113

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		353,098	368,807	-	-	144,753	144,753	-		368,807
Local Government Equitable Share		317,467	341,408		-	142,253	142,253	-		341,408
Water Services Operating Subsidy		-								
EPWP Incentive		4,166	3,199		-	800	800			3,199
Integrated National Electrification Programme		-								
Finance Management		1,700	1,700		-	1,700	1,700			1,700
Municipal Systems Improvement		-						-		
Water Services Infrastructure Grant (WSIG)		2,500	15,000					-		15,000
Municipal Infrastructure Grant (MIG)		18,265	7,500					-		7,500
Energy Efficiency and Demand side Management Grant		9,000						-		
Other transfers and grants [insert description]								-		
Provincial Government:		15,598	14,097	-	-	-	-	-		14,097
Provincialisation of Libraries		5,923	6,234					-		6,234
Level 2 accreditation		8,761	7,437					-		7,437
Museums Services		350	368					-		368
Community Library Services Grant		564						-		
Sport and Recreation		-	58					-		58
Health subsidy		-						-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		1,850	-	-	-	-	-	-		-
COGTA Grant		1,000						-		
Tirelo Bosha Grant		850						-		
Total Operating Transfers and Grants	5	370,546	382,904	-	-	144,753	144,753	-		382,904
Capital Transfers and Grants										
National Government:		173,606	142,732	-	-	39,000	39,000	-		142,732
Neighbourhood Development Partnership		34,767						-		
Municipal Infrastructure Grant (MIG)		96,339	102,732			39,000	39,000	-		102,732
Integrated National Electrification Programme		-								
Energy efficiency & demand side management		-								
Municipal water infrastructure		-								
Water Services Infrastructure Grant (WSIG)		42,500	40,000					-		40,000
Other capital transfers [insert description]								-		
Provincial Government:		890	19,997	-	-	-	-	-		19,997
Level 2 accreditation		-						-		
Recapitalisation of Community Libraries		-								
Sport and Recreation		890	7,850							7,850
Community Library Service		-	12,147							12,147
Museum		-								
Corridor Development		-						-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		19,076	-	-	-	-	-	-		-
European Union		19,076						-		
Total Capital Transfers and Grants	5	193,571	162,729	-	-	39,000	39,000	-		162,729
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	564,117	545,633	-	-	183,753	183,753	-		545,633

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		353,549	368,807	–	3,102	146,920	149,103	(2,183)	-1.5%	368,807
Local Government Equitable Share		317,467	341,408			142,253	142,253	–		341,408
Water Services Operating Subsidy		–						–		
EPWP Incentive		4,166	3,199		180	800	800	0	0.0%	3,199
Integrated National Electrification Programme		–						–		
Finance Management		1,700	1,700		35	93	425	(332)	-78.2%	1,700
Water Services Infrastructure Grant (WSIG)		2,500						–		
Energy Efficiency and Demand side Management Grant		9,451	15,000				3,750	(3,750)	-100.0%	15,000
Municipal Infrastructure Grant (MIG)		18,265	7,500		2,888	3,774	1,875	1,899	101.3%	7,500
Provincial Government:		11,989	14,097	–	3,751	4,860	3,510	(1,336)	-38.1%	14,097
Level 2 accreditation		5,196	7,437		217	616	1,859	(1,244)	-66.9%	7,437
Recapitalisation of Community Libraries		5,923	6,234		3,534	4,244	1,559			6,234
Museums Services		343	368				92	(92)	-100.0%	368
Community Library Services Grant		527						–		
Sport and Recreation			58					–		58
Health subsidy		–						–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		1,850	–	–	–	–	–	–		–
COGTA Grant		1,000					–	–		
Tirelo Boshha Grant		850					–	–		
Total operating expenditure of Transfers and Grants:		367,388	382,904	–	6,853	151,780	152,613	(3,518)	-2.3%	382,904
Capital expenditure of Transfers and Grants										
National Government:		161,487	142,732	–	696	939	35,683	(10,000)	-28.0%	142,732
Neighbourhood Development Partnership		22,648						–		
Municipal Infrastructure Grant (MIG)		96,339	102,732		696	939	25,683			102,732
Integrated National Electrification Programme		–						–		
Energy efficiency & demand side management		–						–		
Water Services Infrastructure Grant (WSIG)		42,500	40,000				10,000	(10,000)	-100.0%	40,000
MWIG			–					–		–
								–		
Other capital transfers [insert description]								–		
Provincial Government:		3,177	19,997	–	–	–	4,999	(4,999)	-100.0%	19,997
Level 2 accreditation		–						–		
Recapitalisation of Community Libraries		–						–		
Sport and Recreation		881	7,850				1,963			7,850
Community Library		2,297	12,147				3,037			12,147
Museum		–						–		
Corridor Development		–						–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		17,533	–	–	–	–	–	–		–
European Union		17,533						–		
								–		
Total capital expenditure of Transfers and Grants		182,198	162,729	–	696	939	40,682	(14,999)	-36.9%	162,729
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		549,586	545,633	–	7,549	152,719	193,295	(18,518)	-9.6%	545,633

KZN252 Newcastle - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Ref	Budget Year 2018/19				
		Approved Rollover 2017/18	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		6,000	-	-	-	
Local Government Equitable Share					-	
Water Services Operating Subsidy					-	
EPWP Incentive					-	
Integrated National Electrification Programme					-	
Finance Management					-	
Municipal Systems Improvement					-	
Massification		6,000			-	
Energy Efficiency and Demand side Management Grant		-		-	-	
Provincial Government:		14,116	-	-	14,116	100.0%
Provincialisation of Libraries		13,643			13,643	100.0%
Museums Services		473			473	100.0%
Community Library Services Grant		-			-	
Sport and Recreation					-	
Health subsidy					-	
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
COGTA Grant					-	
Total operating expenditure of Approved Roll-overs		20,116	-	-	14,116	70.2%
Capital expenditure of Approved Roll-overs						
National Government:		5,000	-	-	5,000	100.0%
Neighbourhood Development Partnership					-	
Water Services Infrastructure Grant (WSIG)					-	
Integrated National Electrification Programme					-	
Massification		5,000			5,000	100.0%
Other capital transfers [insert description]					-	
Provincial Government:		-	-	-	-	
Recapitalisation of Community Libraries					-	
Corridor Development					-	
District Municipality:		-	-	-	-	
					-	
Other grant providers:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		5,000	-	-	5,000	100.0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		25,116	-	-	19,116	76.1%

KZN252 Newcastle - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

2017/18 NewCastle - Supporting Table 3C6 Monthly Budget Statement - Councillor and Staff Benefits - M03 September										
Summary of Employee and Councillor remuneration	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C					%	D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		13,489	14,876	-	1,113	3,392	3,719	(327)	-9%	14,876
Pension and UIF Contributions		1,218	1,448	-	134	408	362	46	13%	1,448
Medical Aid Contributions		82	95	-	6	21	24	(3)	-13%	95
Motor Vehicle Allowance		3,627	6,686	-	695	1,338	1,671	(333)	-20%	6,686
Cellphone Allowance		2,050	-	-	-	800	-	800	#DIV/0!	-
Housing Allowances		921	1,054	-	83	249	263	(14)	-5%	1,054
Other benefits and allowances		140	-	-	-	-	-	-	-	-
Sub Total - Councillors		21,527	24,159	-	2,031	6,208	6,040	169	3%	24,159
% increase	4		12.2%							12.2%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7,786	10,224	-	427	1,110	2,556	(1,446)	-57%	10,224
Pension and UIF Contributions		87	-	-	39	101	-	101	#DIV/0!	-
Medical Aid Contributions		35	-	-	7	20	-	20	#DIV/0!	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		117	-	-	45	135	-	135	#DIV/0!	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		64	-	-	85	113	-	113	#DIV/0!	-
Payments in lieu of leave		119	-	-	171	342	-	342	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8,208	10,224	-	774	1,820	2,556	(736)	-29%	10,224
% increase	4		24.6%							24.6%
Other Municipal Staff										
Basic Salaries and Wages		355,996	344,446	-	32,484	87,271	86,112	1,160	1%	344,446
Pension and UIF Contributions		61,859	56,621	-	5,604	14,955	14,155	800	6%	56,621
Medical Aid Contributions		22,024	23,976	-	1,953	5,878	5,994	(116)	-2%	23,976
Overtime		28,988	20,000	-	5,400	14,416	5,000	9,416	188%	20,000
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		20,617	26,185	-	2,117	6,136	6,546	(410)	-6%	26,185
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		7,583	9,945	-	705	2,094	2,486	(392)	-16%	9,945
Other benefits and allowances		13,300	17,788	-	4,146	12,567	4,447	8,120	183%	17,788
Payments in lieu of leave		20,297	27,987	-	785	2,540	6,997	(4,457)	-64%	27,987
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		530,663	526,947	-	53,194	145,856	131,737	14,119	11%	526,947
% increase	4		-0.7%							-0.7%
Total Parent Municipality		560,398	561,330	-	55,999	153,884	140,332	13,552	10%	561,330
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		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities	2	-	-	-	-	-	-	-	-	-
% 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		560,398	561,330	-	55,999	153,884	140,332	13,552	10%	561,330
% increase	4		0.2%							0.2%
TOTAL MANAGERS AND STAFF		538,871	537,171	-	53,968	147,676	134,293	13,383	10%	537,171

KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2018/19												2018/19 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousands	1	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget				
Cash Receipts By Source																	
Property rates		14,613	16,203	18,667										205,063	219,417	234,776	
Service charges - electricity revenue		55,178	72,918	54,721										634,638	682,551	726,596	
Service charges - water revenue		7,612	7,614	7,572										125,947	134,763	144,196	
Service charges - sanitation revenue		3,929	4,306	4,209										80,241	85,858	91,868	
Service charges - refuse		3,438	3,569	3,741										65,068	69,623	74,497	
Service charges - other		-	-	-										-	-	-	
Rental of facilities and equipment		680	613	767										7,326	8,059	8,865	
Interest earned - external investments		-	634	0										4,001	10,337	11,370	
Interest earned - outstanding debtors		711	670	825										3,525	6,897	7,587	
Dividends received		-	-	-										-	-	-	
Fines, penalties and forfeits		90	915	22										1,561	6,226	6,849	
Licences and permits		2	1	1										12	13	15	
Agency services		-	-	-										-	-	-	
Transfer receipts - operating		142,253	2,500											331,488	314,600	321,688	
Other revenue		5,868	1,717	1,124										28,321	20,944	23,003	
Cash Receipts by Source		234,373	111,658	91,649	-	-	-	-	-	-	-	-	1,049,510	1,487,191	1,559,288	1,651,310	
Other Cash Flows by Source																	
Transfer receipts - capital		39,000	-											176,686	184,662	222,540	
Contributions & Contributed assets		-	-											-	-	-	
Proceeds on disposal of PPE		-	-											2,012	2,000	2,000	
Short term loans		-	-											-	-	-	
Borrowing long term/refinancing		-	-											-	-	-	
Increase in consumer deposits		-	-											1,705	670	458	
Receipt of non-current debtors		-	-											-	-	-	
Receipt of non-current receivables		-	-											-	-	-	
Change in non-current investments		-	-											-	-	-	
Total Cash Receipts by Source		273,373	111,658	91,649	-	-	-	-	-	-	-	-	1,229,913	1,706,594	1,746,620	1,876,308	
Cash Payments by Type																	
Employee related costs		37,532	56,176	53,968										323,139	466,484	499,225	
Remuneration of councillors		2,075	2,103	2,031										14,847	22,076	23,458	
Interest paid		3,881	3,818	3,520										39,094	56,347	53,785	
Bulk purchases - Electricity		11	-	-										484,938	589,715	633,450	
Bulk purchases - Water & Sewer		-	-	-										61,313	68,224		
Other materials		94	141	236										3,072	3,745	3,932	
Contracted services		-	-	-										38,832	53,355	55,313	
Grants and subsidies paid - other municipalities		-	-	-										-	84,422		
Grants and subsidies paid - other		-	-	-										-	-	-	
General expenses		7,105	16,349	16,864										335,804	322,720	333,292	
Cash Payments by Type		50,697	85,499	76,619	-	-	-	-	-	-	-	-	1,250,710	1,473,524	1,598,863	1,602,455	
Other Cash Flows/Payments by Type																	
Capital assets		3,436	10,348	2,215										203,113	184,662	222,540	
Repayment of borrowing		-	523	2,118										26,734	37,206	41,351	
Other Cash Flows/Payments		155,629	48,827	791										29,375			
Total Cash Payments by Type		209,762	145,197	81,744	-	-	-	-	-	-	-	-	1,285,309	1,722,011	1,820,731	1,866,345	
NET INCREASE/(DECREASE) IN CASH HELD		63,612	(33,538)	9,906	-	-	-	-	-	-	-	-	(55,396)	(15,417)	(74,112)	9,962	
Cash/cash equivalents at the month/year beginning:		57,465	121,077	87,538	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	57,465	42,048	(32,064)	
Cash/cash equivalents at the month/year end:		121,077	87,538	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	42,048	42,048	(32,064)	(22,102)	

KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2018/19												2018/19 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
		Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget				
R thousands	1																
Cash Receipts By Source																	
Property rates		14,613	16,203	18,667										155,579	205,063	219,417	234,776
Service charges - electricity revenue		55,178	72,918	54,721										451,821	634,638	682,551	726,596
Service charges - water revenue		7,612	7,614	7,572										103,149	125,947	134,763	144,196
Service charges - sanitation revenue		3,929	4,306	4,209										67,797	80,241	85,858	91,868
Service charges - refuse		3,438	3,569	3,741										54,321	65,068	69,623	74,497
Service charges - other		-	-	-										-	-	-	-
Rental of facilities and equipment		680	613	767										5,267	7,326	8,059	8,865
Interest earned - external investments		-	634	0										3,367	4,001	10,337	11,370
Interest earned - outstanding debtors		711	670	825										1,319	3,525	6,897	7,587
Dividends received		-	-	-										-	-	-	-
Fines, penalties and forfeits		90	915	22										534	1,561	6,226	6,849
Licences and permits		2	1	1										9	12	13	15
Agency services		-	-	-										-	-	-	-
Transfer receipts - operating		142,253	2,500											186,735	331,488	314,600	321,688
Other revenue		5,868	1,717	1,124										19,612	28,321	20,944	23,003
Cash Receipts by Source		234,373	111,658	91,649	-	-	-	-	-	-	-	-	1,049,510	1,487,191	1,559,288	1,651,310	
Other Cash Flows by Source																	
Transfer receipts - capital		39,000	-											176,686	215,686	184,662	222,540
Contributions & Contributed assets		-	-											-	-	-	-
Proceeds on disposal of PPE		-	-											2,012	2,000	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		273,373	111,658	91,649	-	-	-	-	-	-	-	-	1,229,913	1,706,594	1,746,620	1,876,308	
Cash Payments by Type																	
Employee related costs		37,532	56,176	53,968										323,139	470,815	466,484	499,225
Remuneration of councillors		2,075	2,103	2,031										14,847	21,055	22,076	23,458
Interest paid		3,881	3,818	3,520										39,094	50,312	56,347	53,785
Bulk purchases - Electricity		11	-	-										484,927	484,938	589,715	633,450
Bulk purchases - Water & Sewer		-	6,911	-										61,313	68,224	-	-
Other materials		94	141	236										3,072	3,543	3,745	3,932
Contracted services		-	-	-										38,832	38,832	53,355	55,313
Grants and subsidies paid - other municipalities		-	-	-										-	-	-	-
Grants and subsidies paid - other		-	-	-										-	-	-	-
General expenses		7,105	16,349	16,864										295,486	335,804	322,720	333,292
Cash Payments by Type		50,697	85,499	76,619	-	-	-	-	-	-	-	-	1,260,710	1,473,524	1,598,863	1,602,455	
Other Cash Flows/Payments by Type																	
Capital assets		3,436	10,348	2,215										203,113	219,112	184,662	222,540
Repayment of borrowing		-	523	2,118										26,734	29,375	37,206	41,351
Other Cash Flows/Payments		155,629	48,827	791										(205,247)	-	-	-
Total Cash Payments by Type		209,762	145,197	81,744	-	-	-	-	-	-	-	-	1,285,309	1,722,011	1,820,731	1,866,345	
NET INCREASE/(DECREASE) IN CASH HELD		63,612	(33,538)	9,906	-	-	-	-	-	-	-	-	(55,396)	(15,417)	(74,112)	9,962	
Cash/cash equivalents at the month/year beginning:		57,465	121,077	87,538	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	57,465	42,048	42,048	(32,064)
Cash/cash equivalents at the month/year end:		121,077	87,538	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	97,444	42,048	42,048	(32,064)	(22,102)	

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates		252,934	295,785		24,150	79,798	73,946	5,852	8%	295,785
Service charges - electricity revenue		649,843	686,768		67,619	195,742	171,692	24,050	14%	686,768
Service charges - water revenue		156,568	161,896		16,114	46,069	40,474	5,595	14%	161,896
Service charges - sanitation revenue		90,849	95,532		9,928	28,920	23,883	5,037	21%	95,532
Service charges - refuse revenue		65,141	64,354		7,986	21,691	16,088	5,603	35%	64,354
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		7,815	8,642		767	2,061	2,160	(100)	-5%	8,642
Interest earned - external investments		4,826	4,041		0	634	1,010	(376)	-37%	4,041
Interest earned - outstanding debtors		11,595	13,218		825	2,206	3,304	(1,099)	-33%	13,218
Dividends received		-	-		-	-	-	-		-
Fines, penalties and forfeits		6,103	8,710		22	1,027	2,178	(1,150)	-53%	8,710
Licences and permits		10	13		1	3	3	(0)	-4%	13
Agency services		-	-		-	-	-	-		-
Transfers and subsidies		365,726	384,734		5,359	148,944	148,944	-		384,734
Other revenue		14,848	45,029		1,124	3,948	11,257	(7,309)	-65%	45,029
Gains on disposal of PPE		-	-		-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		1,626,259	1,768,722	-	133,894	531,044	494,941	36,103	7%	1,768,722
Expenditure By Type										
Employee related costs		538,871	537,171		53,968	147,676	134,293	13,383	10%	537,171
Remuneration of councillors		21,527	24,119		2,031	6,208	6,030	179	3%	24,119
Debt impairment		137,597	163,946		773	24,492	40,986	(16,494)	-40%	163,946
Depreciation & asset impairment		452,759	525,578		29,888	91,694	131,395	(39,701)	-30%	525,578
Finance charges		35,355	43,979		3,530	11,219	10,995	224	2%	43,979
Bulk purchases		530,968	618,730		37,015	160,616	154,683	5,934	4%	618,730
Other materials		6,673	3,763		236	471	941	(469)	-50%	3,763
Contracted services		53,171	34,945		2,585	4,649	8,736	(4,087)	-47%	34,945
Transfers and subsidies		-	-		-	-	-	-		-
Other expenditure		320,751	284,777		22,189	46,690	71,194	(24,504)	-34%	284,777
Loss on disposal of PPE		-	-		-	-	-	-		-
Total Expenditure		2,097,674	2,237,008	-	152,215	493,716	559,252	(65,536)	-12%	2,237,008
Surplus/(Deficit)		(471,415)	(468,287)	-	(18,320)	37,328	(64,311)	101,639	-158%	(468,287)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		158,481	166,736		2,092	15,808	41,684	(25,876)	-62%	166,736
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-		-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)	75,763	-335%	(301,551)
Taxation		-	-		-	-	-	-		-
Surplus/(Deficit) after taxation		(312,934)	(301,551)	-	(16,229)	53,136	(22,627)	75,763	-335%	(301,551)

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M03 September

[illegible]

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2017/18		Budget Year 2018/19						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	382	17,131		3,436	3,436	17,131	13,696	79.9%	2%
August	6,685	17,131		10,348	13,783	34,263	20,479	59.8%	7%
September	16,817	17,131		2,174	15,957	51,394	35,437	69.0%	8%
October	10,827	17,131				68,525	-		
November	16,130	17,131				85,656	-		
December	16,899	17,131				102,788	-		
January	15,359	17,131				119,919	-		
February	16,694	17,131				137,050	-		
March	14,498	17,131				154,182	-		
April	13,418	17,131				171,313	-		
May	7,386	17,131				188,444	-		
June	44,798	17,131				205,576	-		
Total Capital expenditure	179,893	205,576	-	15,957					

KZN252 Newcastle - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		74,850	107,732	-	(1,919)	1,640	26,933	25,293	93.9%	107,732
Roads Infrastructure		27,783	68,232	-	605	781	17,058	16,277	95.4%	68,232
Roads		27,685	68,232		605	781	17,058	16,277	95.4%	68,232
Road Structures								-		
Road Furniture								-		
Capital Spares		99						-		
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection								-		
Storm water Conveyance		-						-		
Attenuation								-		
Electrical Infrastructure		1,499	4,500	-	-	-	1,125	1,125	100.0%	4,500
Power Plants		-						-		
HV Substations		-						-		
HV Switching Station		-						-		
HV Transmission Conductors		-						-		
MV Substations		-						-		
MV Switching Stations		-						-		
MV Networks		1,499						-		
LV Networks		-	4,500				1,125	1,125	100.0%	4,500
Capital Spares		-						-		
Water Supply Infrastructure		38,268	35,000	-	(2,524)	858	8,750	7,892	90.2%	35,000
Dams and Weirs								-		
Boreholes								-		
Reservoirs								-		
Pump Stations								-		
Water Treatment Works		38,268	35,000		(2,524)	858	8,750	7,892	90.2%	35,000
Bulk Mains								-		
Distribution								-		
Distribution Points								-		
PRV Stations								-		
Capital Spares								-		
Sanitation Infrastructure		7,299	-	-	-	-	-	-		-
Pump Station								-		
Reticulation		7,299						-		
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		4,598	21,344	-	2,674	2,674	5,336	2,661	49.9%	21,344
Community Facilities		4,598	21,344	-	2,674	2,674	5,336	2,661	49.9%	21,344
Halls		2,378						-		
Centres		-						-		
Crèches		-						-		
Clinics/Care Centres		-						-		
Fire/Ambulance Stations		-						-		
Testing Stations		-						-		
Museums		-						-		
Galleries		-						-		
Theatres		-						-		
Libraries		2,221	19,694		2,674	2,674	4,923	2,249	45.7%	19,694

Cemeteries/Crematoria	-						-			
Police	-						-			
PurIs	-						-			
Public Open Space	-						-			
Nature Reserves	-						-			
Public Ablution Facilities	-						-			
Markets	-						-			
Stalls	-	1,650				413	413	100.0%	1,650	
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	15,677	-	-	-	-	-	-		-	
Operational Buildings	15,677	-	-	-	-	-	-		-	
Municipal Offices	15,677						-			
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	-	-	-	-	-	-	-		-	
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	2,278	1,000	-	124	191	250	59	23.4%	1,000	
Furniture and Office Equipment	2,278	1,000		124	191	250	59	23.4%	1,000	
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	97,403	130,076	-	880	4,505	32,519	28,013	86.1%	130,076

KZN252 Newcastle - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		49,870	58,000	-	1,294	11,452	14,500	3,048	21.0%	58,000
Roads Infrastructure		26,783	28,000	-	-	-	7,000	7,000	100.0%	28,000
Roads		26,685	28,000		-	-	7,000	7,000	100.0%	28,000
Road Structures								-		
Road Furniture								-		
Capital Spares	99							-		
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
Electrical Infrastructure		1,499	-	-	-	-	-	-		-
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors		-						-		
MV Substations								-		
MV Switching Stations								-		
MV Networks	1,499							-		
LV Networks								-		
Capital Spares								-		
Water Supply Infrastructure		14,288	30,000	-	1,294	11,452	7,500	(3,952)	-52.7%	30,000
Dams and Weirs								-		
Boreholes								-		
Reservoirs								-		
Pump Stations								-		
Water Treatment Works	14,288	30,000			1,294	11,452	7,500	(3,952)	-52.7%	30,000
Bulk Mains								-		
Distribution								-		
Distribution Points								-		
PRV Stations								-		
Capital Spares								-		
Sanitation Infrastructure		7,299	-	-	-	-	-	-		-
Pump Station								-		
Reticulation	7,299							-		
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		4,598	-	-	-	-	-	-		-

Community Facilities	4,598	-	-	-	-	-	-	-	-	-
Halls	2,378									
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries	2,221									
Cemeteries/Crematoria										
Police										
Parks										
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	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices			-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Water Rights			-	-	-	-	-	-	-	-
Effluent Licenses			-	-	-	-	-	-	-	-
Solid Waste Licenses			-	-	-	-	-	-	-	-
Computer Software and Applications			-	-	-	-	-	-	-	-
Land Settlement Software Applications			-	-	-	-	-	-	-	-
Unspecified			-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Computer Equipment			-	-	-	-	-	-	-	-
Furniture and Office Equipment	2,278	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	2,278	-	-	-	-	-	-	-	-	-
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	56,746	58,000	-	1,294	11,452	14,500	3,048	21.0%	58,000

Piers							-		
Revetments							-		
Promenades							-		
Capital Spares	-						-		
Information and Communication Infrastructure	-	-	-	-	-	-	-		-
Data Centres							-		
Core Layers							-		
Distribution Layers							-		
Capital Spares							-		
Community Assets	2,520	13,239	-	58	135	3,310	3,175	95.9%	13,239
Community Facilities	2,520	13,239	-	31	90	3,310	3,220	97.3%	13,239
Halls	322	400		30	89	100	11	10.6%	400
Centres	-	-					-		-
Crèches	-	-					-		-
Clinics/Care Centres	-	31				8	8	100.0%	31
Fire/Ambulance Stations	-	-					-		-
Testing Stations	-	-					-		-
Museums	-	50				13	13	100.0%	50
Galleries	-	36				9	9	100.0%	36
Theatres	-	-					-		-
Libraries	54	250		1	1	63	62	98.7%	250
Cemeteries/Crematoria	-	-					-		-
Police	-	-					-		-
Purfs	-	-					-		-
Public Open Space	1,054	2,054				513	513	100.0%	2,054
Nature Reserves	-	-					-		-
Public Ablution Facilities	-	7,127				1,782	1,782	100.0%	7,127
Markets	-	-					-		-
Stalls	-	100				25	25	100.0%	100
Abattoirs	-	-					-		-
Airports	-	-					-		-
Taxi Ranks/Bus Terminals	-	100				25	25	100.0%	100
Capital Spares	1,091	3,093				773	773	100.0%	3,093
Sport and Recreation Facilities	-	-	-	27	45	-	(45)	#DIV/0!	-
Indoor Facilities	-	-	-	-	-		-		-
Outdoor Facilities	-	-	-	27	45		(45)	#DIV/0!	-
Capital Spares	-	-	-	-	-		-		-
Heritage assets	130	2	-	(1)	7	1	(7)	-1303.2%	2
Monuments	130	-	-	-	-		-		-
Historic Buildings	-	-	-	(1)	7		(7)	#DIV/0!	-
Works of Art	-	2	-	-	-	1	1	100.0%	2
Conservation Areas	-	-	-	-	-		-		-
Other Heritage	-	-	-	-	-		-		-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Non-revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Other assets	341	4,885	-	1,132	1,433	1,221	(212)	-17.4%	4,885
Operational Buildings	41	3,894	-	1,132	1,433	973	(460)	-47.2%	3,894
Municipal Offices	41	1,008	-	1,132	1,433	252	(1,181)	-468.6%	1,008
Pay/Enquiry Points	-	-	-	-	-		-		-
Building Plan Offices	-	-	-	-	-		-		-
Workshops	-	50	-	-	-	13	13	100.0%	50
Yards	-	-	-	-	-		-		-
Stores	-	143	-	-	-	36	36	100.0%	143
Laboratories	-	-	-	-	-		-		-
Training Centres	-	-	-	-	-		-		-
Manufacturing Plant	-	-	-	-	-		-		-
Depots	-	2,693	-	-	-	673	673	100.0%	2,693
Capital Spares	-	-	-	-	-		-		-
Housing	300	991	-	-	-	248	248	100.0%	991

Staff Housing	300	486	-	-	-	122	122	100.0%	486	
Social Housing	-	505	-	-	-	126	126	100.0%	505	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	2,940	4,925	-	-	520	1,231	711	57.8%	4,925	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	2,940	4,925	-	-	520	1,231	711	57.8%	4,925	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	2,940	4,925	-	-	520	1,231	711	57.8%	4,925	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment	-	4,794	-	-	-	1,199	1,199	100.0%	4,794	
Furniture and Office Equipment	-	4,794	-	-	-	1,199	1,199	100.0%	4,794	
Machinery and Equipment	2,887	6,161	-	207	544	1,540	996	64.7%	6,161	
Machinery and Equipment	2,887	6,161	-	207	544	1,540	996	64.7%	6,161	
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	121,344	68,123	-	5,454	10,883	17,031	6,148	36.1%	68,123

KZN252 Newcastle - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		389,477	445,747	-	26,679	81,816	111,437	29,621	26.6%	445,747
Roads Infrastructure		204,158	166,567	-	12,651	38,796	41,642	2,846	6.8%	166,567
Roads		204,158	166,567		12,651	38,796	41,642	2,846	6.8%	166,567
Road Structures								-		
Road Furniture								-		
Capital Spares								-		
Storm water Infrastructure		-	1,754	-	1,995	6,118	439	(5,680)	-1295.0%	1,754
Drainage Collection		-						-		
Storm water Conveyance		-	1,754		1,995	6,118	439	(5,680)	-1295.0%	1,754
Attenuation		-						-		
Electrical Infrastructure		41,959	78,761	-	5,156	15,811	19,690	3,879	19.7%	78,761
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors		-						-		
MV Substations								-		
MV Switching Stations								-		
MV Networks		41,959	78,761		5,156	15,811	19,690	3,879	19.7%	78,761
LV Networks								-		
Capital Spares								-		
Water Supply Infrastructure		110,992	141,905	-	2,890	8,862	35,476	26,614	75.0%	141,905
Dams and Weirs								-		
Boreholes								-		
Reservoirs								-		
Pump Stations								-		
Water Treatment Works		-	141,905		2,890	8,862	35,476	26,614	75.0%	141,905
Bulk Mains								-		
Distribution		110,992						-		
Distribution Points								-		
PRV Stations								-		
Capital Spares			-	-				-		
Sanitation Infrastructure		30,201	56,760	-	3,771	11,565	14,190	2,624	18.5%	56,760
Pump Station								-		
Reticulation		30,201	56,760		3,771	11,565	14,190	(11,565)	#DIV/0!	56,760
Waste Water Treatment Works								-		
Outfall Sewers								-		
Toilet Facilities								-		
Capital Spares			-	-				-		
Solid Waste Infrastructure		2,167	-	-	216	663	-	(663)	#DIV/0!	-
Landfill Sites					216	663		(663)	#DIV/0!	
Waste Transfer Stations								-		
Waste Processing Facilities								-		
Waste Drop-off Points								-		
Waste Separation Facilities								-		
Electricity Generation Facilities								-		
Capital Spares		2,167						#REF!	#REF!	
Rail Infrastructure		-	-	-	-	-	-	-		-
Rail Lines								-		
Rail Structures								-		
Rail Furniture								-		
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
MV Substations								-		
LV Networks								-		
Capital Spares								-		
Coastal Infrastructure		-	-	-	-	-	-	-		-
Sand Pumps								-		

Staff Housing							-			
Social Housing							-			
Capital Spares							-			
Biological or Cultivated Assets	-	-	-	-	-	-	-		-	
Biological or Cultivated Assets							-			
Intangible Assets	1,952	-	-	230	706	-	(706)	#DIV/0!	-	
Servitudes							-			
Licences and Rights	1,952	-	-	230	706	-	(706)	#DIV/0!	-	
Water Rights							-			
Effluent Licenses							-			
Solid Waste Licenses							-			
Computer Software and Applications	1,952			230	706		(706)	#DIV/0!		
Load Settlement Software Applications							-			
Unspecified							-			
Computer Equipment	1,103	-	-	109	381	-	(381)	#DIV/0!	-	
Computer Equipment	1,103			109	381		(381)	#DIV/0!		
Furniture and Office Equipment	1,607	-	-	222	682	-	(682)	#DIV/0!	-	
Furniture and Office Equipment	1,607			222	682		(682)	#DIV/0!		
Machinery and Equipment	5,442	-	-	595	1,856	-	(1,856)	#DIV/0!	-	
Machinery and Equipment	5,442			595	1,856		(1,856)	#DIV/0!		
Transport Assets	6,113	-	-	574	1,832	-	(1,832)	#DIV/0!	-	
Transport Assets	6,113			574	1,832		(1,832)	#DIV/0!		
Libraries	-	-	-	-	-	-	-		-	
Libraries							-			
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-		-	
Zoo's, Marine and Non-biological Animals							-			
Total Depreciation	1	452,759	525,578	-	29,888	91,694	131,395	39,701	30.2%	525,578

KZN252 Newcastle - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03 September

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		18,961	17,500	-	-	-	4,375	4,375	100.0%	17,500
Roads Infrastructure		5,212	9,000	-	-	-	2,250	2,250	100.0%	9,000
Roads		5,212	9,000				2,250	2,250	100.0%	9,000
Road Structures								-		
Road Furniture								-		
Capital Spares				-				-		
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
Electrical Infrastructure		-	-	-	-	-	-	-		-
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors								-		
MV Substations								-		
MV Switching Stations								-		
MV Networks								-		
LV Networks								-		
Capital Spares								-		
Water Supply Infrastructure		13,750	8,500	-	-	-	2,125	2,125	100.0%	8,500
Dams and Weirs								-		
Boreholes								-		
Reservoirs								-		
Pump Stations								-		
Water Treatment Works		13,750	8,500				2,125	2,125	100.0%	8,500
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								-		

[illegible]

<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
Transport Assets										
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
Libraries										
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on upgrading of existing assets	1	25,744	17,500	-	-	-	4,375	4,375	100.0%	17,500

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 Sep 2018

NEWCASTLE MUNICIPALITY									
Description	2017/18	Current Year 2018/19							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Service charges - water revenue	78,793	82,934		6,911	20,734	20,734	-	0.0%	82,934
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 Revenue (excluding capital transfers and contributions)	78,793	82,934	-	6,911	20,734	20,734	-	0.0%	82,934
Expenditure By Type									
Employee related costs	4,226	12,142		930	2,950	3,036	(85)	-2.8%	12,142
Remuneration of Directors	-	-		-	-	-	-		-
Debt impairment	-	-		-	-	-	-		-
Depreciation & asset impairment	77,705	681		57	170	170	(0)	0.0%	681
Finance charges	-	-		-	-	-	-		-
Bulk purchases	14,944	25,512		2,126	6,378	6,378	(0)	0.0%	25,512
Other materials	5,781	5,108		94	799	1,277	(478)	-37.4%	5,108
Contracted services	-	-		-	-	-	-		-
Transfers and grants	-	-		-	-	-	-		-
Other expenditure	25,034	32,431		2,586	8,284	8,108	176	2.2%	32,431
Loss on disposal of PPE	-	-		-	-	-	-		-
Total Expenditure	127,689	75,875	-	5,794	18,581	18,969	(388)	-2.0%	75,875
Recharge									
Head Office Recharge		30,253		2,683	7,898	7,563	335	4.4%	30,253
Surplus/(Deficit)	(48,896)	(23,194)	-	(1,566)	(5,746)	(5,798)			(23,194)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) for the year	(48,896)	(23,194)	-	(1,566)	(5,746)	(5,798)			(23,194)

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September 2018

Description	2017/18	Current Year 2018/19							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Service charges - water revenue	114,978	118,440	-	9,959	29,502	29,610	(108)	-0.4%	118,440
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	116	-	-	17	43	-	43	-	261
Interest earned - external investments	1,176	1,105	-	218	569	276	292	105.9%	1,105
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other revenue	1,323	795	-	15	15	199	(183)	-92.3%	795
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	117,593	120,339	-	10,210	30,129	30,085	44	0.1%	120,600
Expenditure By Type									
Employee related costs	41,145	44,298	-	3,675	11,675	11,074	601	5.4%	44,298
Remuneration of Directors	-	-	-	-	-	-	-	-	-
Debt impairment	326	-	-	-	-	-	-	-	-
Depreciation & asset impairment	106,093	1,561	-	130	390	390	(0)	0.0%	1,561
Finance charges	1,387	1,479	-	107	322	370	(48)	-12.9%	1,479
Bulk purchases	15,010	26,460	-	2,205	6,615	6,615	(0)	0.0%	26,460
Other materials	7,208	7,555	-	364	1,390	1,889	(499)	-26.4%	7,555
Contracted services	3,456	2,268	-	528	908	567	340	60.0%	2,268
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	38,284	55,574	-	4,028	12,277	13,894	(1,617)	-11.6%	55,574
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	212,910	139,196	-	11,037	33,577	34,799	(1,222)	-3.5%	139,196
Surplus/(Deficit)	(95,316)	(18,857)	-	(828)	(3,448)	(4,714)	1,267	-26.9%	(18,596)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations,	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	(95,316)	(18,857)	-	(828)	(3,448)	(4,714)	1,267	-26.9%	(18,596)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(95,316)	(18,857)	-	(828)	(3,448)	(4,714)	1,267		(18,596)



NEWCASTLE MUNICIPALITY

(Registration number KZ252)

ANNUAL FINANCIAL STATEMENTS FOR THE 3 MONTHS ENDED 30 SEPTEMBER 2018

Newcastle Municipality

Annual Financial Statements for the 3 months ended 30 September 2018

Statement of Financial Position as at 30 September 2018

Figures in Rand	Note(s)	30 September 2018	30 June 2018 2018
Assets			
Current Assets			
Inventories		11 139 084	12 401 043
Other financial assets		3 149	3 621
Receivables from exchange transactions		76 278 957	67 255 709
Receivables from non-exchange transactions		14 101 371	13 287 220
VAT receivable		5 370 247	-
Consumer debtors from exchange transactions		651 108 001	562 837 762
Cash and cash equivalents		97 401 560	57 464 870
		855 402 369	713 250 225
Non-Current Assets			
Investment property		379 856 000	379 856 000
Property, plant and equipment		6 662 491 975	6 737 474 644
Intangible assets		5 056 277	5 762 333
Heritage assets		7 468 510	7 468 510
Investments in associates		275 279 106	275 279 106
		7 330 151 868	7 405 840 593
Total Assets		8 185 554 237	8 119 090 818
Liabilities			
Current Liabilities			
Other financial liabilities		29 483 981	29 483 981
Finance lease obligation		184 075	233 511
Payables from exchange transactions		632 277 885	661 060 991
VAT payable		-	1 775 605
Consumer deposits		20 112 510	18 966 524
Unspent conditional grants and receipts		98 506 515	56 316 815
Defined benefit plan		7 997 613	7 997 613
		788 562 579	775 835 040
Non-Current Liabilities			
Other financial liabilities		405 261 407	402 570 627
Finance lease obligation		24 309	24 309
Defined benefit plan		145 207 202	145 207 202
Provision for rehabilitation of landfill site		31 292 755	31 292 755
		581 785 673	579 094 893
Total Liabilities		1 370 348 252	1 354 929 933
Net Assets		6 815 205 985	6 764 160 885
Reserves			
Housing Development fund		26 339 392	26 076 953
Self insurance reserve		475 858	472 159
Accumulated surplus		6 788 390 745	6 737 611 756
Total Net Assets		6 815 205 995	6 764 160 868

Newcastle Municipality

Annual Financial Statements for the 3 months ended 30 September 2018

Statement of Financial Performance

Figures in Rand	Note(s)	3 months ended 30 September 2018	Year ended 30 June 2018
Revenue			
Service charges		291 173 533	959 908 806
Rental of facilities and equipment		2 060 934	7 814 644
Profit on sale of Assets		901 791	-
Sundry revenue		1 661 390	5 300 637
Other income		168 755	931 633
Fee income		2 468 153	11 118 686
Interest received		2 839 900	16 421 320
Property Rates		79 798 296	253 485 719
Government grants & subsidies		148 944 302	556 662 414
Fines		1 027 347	6 680 062
Total revenue		531 044 401	1 818 323 921
Expenditure			
Employee costs		136 494 914	564 523 295
Remuneration of councillors		3 725 951	23 149 262
Depreciation and amortisation		91 693 837	449 661 715
Impairment of assets		-	4 095 007
Finance costs		11 218 756	49 071 617
Debt Impairment		24 492 124	137 597 437
Collection costs		115 906	1 657 929
Bulk purchases		160 616 486	541 002 620
Contracted services		4 874 368	90 574 430
General Expenses		46 766 932	318 885 626
Total expenditure		479 999 274	2 180 218 938
Operating surplus (deficit)		51 045 127	(361 895 017)
Share of deficit in investment in associates		-	(26 501 493)
Actuarial gains/losses		-	(5 793 705)
Fair value adjustments to investment property		-	14 584 000
		-	(17 711 198)
Surplus (deficit) for the 3 months		51 045 127	(379 606 215)

Newcastle Municipality

Annual Financial Statements for the 3 months ended 30 September 2018

Statement of Changes in Net Assets

Figures in Rand	Donations and public contributions	Insurance reserve	Total reserves	Accumulated surplus	Total net assets
Balance at 01 July 2017	25 071 001	530 020	25 601 021	7 118 223 757	7 143 824 778
Changes in net assets					
Deficit for the year	-	-	-	(379 606 215)	(379 606 215)
Transfer to Housing Development Fund	1 005 952	-	1 005 952	(1 005 952)	-
Transfer from Self Insurance Reserves	-	(57 861)	(57 861)	57 861	-
Prior year adjustment	-	-	-	(57 695)	(57 695)
Total changes	1 005 952	(57 861)	948 091	(380 612 001)	(379 663 910)
Balance at 01 July 2018	26 076 953	472 159	26 549 112	6 737 611 756	6 764 160 868
Deficit for the year	-	-	-	51 045 127	51 045 127
Transfer to Housing Development Fund	262 439	-	262 439	(262 439)	-
Transfer from Insurance Reserves	-	3 699	3 699	(3 699)	-
Total changes	262 439	3 699	266 138	50 778 989	51 045 127
Balance at 30 September 2018	26 339 392	475 858	26 815 250	6 788 390 745	6 815 205 995

Newcastle Municipality

Annual Financial Statements for the 3 months ended 30 September 2018

Cash Flow Statement

Figures in Rand	Note(s)	3 months ended 30 September 2018	Year ended 30 June 2018 2018
Cash flows from operating activities			
Receipts			
Sale of goods and services		290 088 169	1 059 522 113
Grants		183 753 000	571 242 725
Interest income		2 839 900	16 421 320
		<u>476 681 069</u>	<u>1 647 186 158</u>
Payments			
Employee costs and Councillors remuneration		(140 220 865)	(587 672 557)
Suppliers		(271 946 689)	(777 802 620)
Finance costs		(11 218 756)	(49 071 617)
		<u>(423 386 310)</u>	<u>(1 414 546 794)</u>
Net cash flows from operating activities		<u>53 294 759</u>	<u>232 639 364</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(15 999 415)	(178 368 024)
Purchase of other intangible assets		-	(4 879)
Net cash flows from investing activities		<u>(15 999 415)</u>	<u>(178 372 903)</u>
Cash flows from financing activities			
Net movements in long term loans		2 690 780	(47 163 407)
Movement on finance lease		(49 436)	(145 942)
Net cash flows from financing activities		<u>2 641 344</u>	<u>(47 309 349)</u>
Net increase/(decrease) in cash and cash equivalents		<u>39 936 688</u>	<u>6 957 112</u>
Cash and cash equivalents at the beginning of the year		57 464 870	50 507 758
Cash and cash equivalents at the end of the year		<u>97 401 558</u>	<u>57 464 870</u>

SUMMARY OF LOAN REGISTER FOR SEPTEMBER 2018

Account number	Interest Rate	LOAN AMOUNT	Opening balance as at 01.09.2018	Total Capital Payments	Disbursement	Interest Capitalised to Date	Interest Capitalised for the month	Interest Paid as per Amount Accrued	Balance
Loan Account: 61000536	9.37%	24,285,550.00	9,458,829.72	0.00	0.00	193,735.76	62,907.87	0.00	9,521,737.59
Loan Account: 61000654	9.10%	25,993,166.00	12,531,339.42	0.00	0.00	276,842.39	90,274.69	551,920.83	12,069,693.28
Loan Account: 61000825	11.45%	2,750,000.00	234,859.38	0.00	0.00	6,461.54	2,107.02	13,075.85	223,890.55
Loan Account: 61000826	11.29%	12,750,000.00	5,967,361.27	0.00	0.00	162,121.93	52,865.85	323,140.15	5,697,086.97
Loan Account: 61000827	11.25%	1,975,000.00	1,603,976.63	0.00	0.00	43,431.21	14,162.35	86,507.03	1,531,631.95
Loan Account: 61000918	9.72%	960,000.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Loan Account: 61000919	10.09%	800,000.00	207,494.88	0.00	0.00	3,599.28	1,160.10	0.00	208,654.98
Loan Account: 61000920	10.69%	7,000,000.00	5,575,511.27	0.00	0.00	143,170.19	46,596.87	0.00	5,622,108.14
Loan Account: 61000921	10.83%	1,850,000.00	1,303,584.44	0.00	0.00	34,464.21	11,221.20	0.00	1,314,805.64
Loan Account: 61007325	5.00%	11,980,174.80	8,077,298.44	0.00	0.00	95,495.42	31,085.22	0.00	8,108,383.66
Loan Account: 61007238	9.93%	41,232,000.00	10,624,513.93	0.00	0.00	134,884.59	43,984.11	0.00	10,668,498.04
Loan Account: 61007195	10.40%	122,185,000.00	108,060,925.41	0.00	0.00	2,713,666.36	884,891.20	0.00	108,945,816.61
Loan Account: 3042598105	11.44%	284,839,959.00	269,059,970.92	0.00	0.00	7,384,009.27	2,272,002.85	0.00	271,331,973.77
Totals			432,705,665.71	0.00	0.00	11,191,882.15	3,513,259.33	974,643.86	435,244,281.18

BALANCE PER STATEMENT

435,244,281.18

BALANCE PER GENERAL LEDGER

435,244,281.18

DIFF - STATEMENT VS GEN LED

498,892.62

PENALTIES AND INTEREST - PAID IN AUG
PENALTIES AND INTEREST - PAID IN SEPT
VARIANCE

126,981.84
369,551.51
2,359.27

LOAN 61000919: AUG ACCRUAL OMITTED.
LOAN 61000919: SEPT ACCRUAL OMITTED.
ROUNDING OFF

1,198.77
1,160.10
0.40

PREPARED BY:

REVIEWED BY:

REVIEWED BY:

AUTHORIZED BY:

C HARIPARSAD

SP HLATHSWAYO
ACTING MANAGER:
FINANCIAL
REPORTING

MS NDLOVU

DIRECTOR: BUDGET &
FINANCIAL REFORMS

SM NKOSI
ACTING STRATEGIC
EXECUTIVE DIRECTOR:
BUDGET & TREASURY
OFFICE

ACCOUNTANT: GEN ACCOUNT & ADMIN SERVICES

Newcastle Municipality Grant Register for September 2018

Number	Vote number	Description	Opening balance	Receipts	Expenditure for SEP 2018	Adjustments	Total Expenditure before VAT	VAT FOR THE MONTH	Total Vat Amount	Total Expenditure after Vat	Closing balance	
1	030952000101	Environmental Management Framework	(502,871.43)				-	-	-	-	(502,871.43)	A
2	030952004401	IT - Trees Boshia Project	-				-	-	-	-	-	B
3	030952000701	Cleanest town	(823,976.11)				-	-	-	-	(823,976.11)	C
4	0309520013001	Electricification Grant	-				-	-	-	-	-	D
5	030952001501	Newcastle library internet project	-				-	-	-	-	-	E
6	030952002001	Expanded P/Works incentive	-	(197,000.00)	179,150.05		708,617.39	376.65	1,382.61	800,000.00	(197,000.00)	F
7	030952004001	Municipal Systems Improvement Grant	-				-	-	-	-	-	G
8	030952005001	Financial Management Grant (FMG)	-				-	-	-	-	-	H
9	030952006501	Grant Skill Development	(3,070,000.00)		34,738.44		92,703.69	-	-	92,703.69	(1,607,296.31)	I
10	030952013001	Madadeni library internet project		(197,000.00)			-	-	-	-	(3,070,000.00)	J
11	030952011001	loggers fresh produce	(11,353.39)				-	-	-	-	(11,353.39)	K
12	030952023001	Outsized library internet project	-				-	-	-	-	-	L
13	030952024401	Repair construction storm damage HS	-				-	-	-	-	-	M
14	030952001001	MFG	-	(197,000.00)	604,800.00		816,350.37	90,720.00	122,452.56	938,802.93	(38,061,197.07)	N
15	030952009201	Outsized Arts Centre	(36,920.00)				-	-	-	-	(36,920.00)	O
16	030952009301	Corridor Development	(131,074.84)				-	-	-	-	(131,074.84)	P
17	030952010701	JBC Housing Project	-				-	-	-	-	-	Q
18	030952010801	Provincialisation - All Libraries	(13,642,766.04)		3,175,298.70		3,695,214.00	-	358,830.59	4,244,044.59	(16,088,728.45)	R
19	030952010901	Carnegie Art Gallery	(279,270.94)				-	-	-	-	(279,270.94)	S
20	030952018701	Fort Amiel Museum	(122,887.83)				-	-	-	-	(122,887.83)	T
21	030952018801	Capacity Building Housing	(8,414,886.22)		218,703.08		615,750.19	-	-	615,750.19	(7,798,918.03)	U
22	030952018901	Newcastle Airport	(1,815,281.39)				-	-	-	-	(1,815,281.39)	V
23	030953024001	Neighbouring Development Partnership Grant	(15,118,797.00)				-	-	-	-	(12,118,797.00)	W
24	030953024601	Municipal Water Infra Grant	-				-	-	-	-	-	X
25	030953024501	Mastication	(11,000,000.00)				-	-	-	-	(11,000,000.00)	Y
26	030952023001	All Housing Grants	(4,266,812.79)				-	-	-	-	(4,266,812.79)	Z
26	030952002101	Sport and Recreation	(8,761.32)				-	-	-	-	(8,761.32)	AA
		TOTAL	(66,316,817.43)	(48,881,000.00)	4,210,691.17	-	9,208,635.64	449,926.24	482,695.76	6,691,301.40	(98,506,516.03)	AB

PREPARED BY:

C HARIPARSAD

ACCOUNTANT:
GENERAL
ACCOUNT &
ADMIN
SERVICES

REVIEWED BY:

S.P HILATSHWAYO

ACTING MANAGER:
FINANCIAL
REPORTING

REVIEWED BY:

M.S NDLOVU

DIRECTOR:
BUDGET &
FINANCIAL
REFORMS

AUTHORIZED BY:

S.M NKOSI

ACTING STRATEGIC
EXECUTIVE
DIRECTOR: BUDGET
& TREASURY
OFFICE

LATE PAYMENT CHARGES WILL BE
ADDED TO OVERDUE ACCOUNT



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

CONTACT CENTRE: (0860) 037566
FAX NO: 0862 437 566
E-MAIL: customerservices@eskom.co.za
WEB: WWW.ESKOM.CO.ZA

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	557885631
BILLING DATE	2018-10-02
TAX INVOICE NO	557403070646
ACCOUNT MONTH	SEPTEMBER 2018
CURRENT DUE DATE	2018-11-01
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2018-09-01 - 2018-09-30)

ENERGY CONSUMPTION OFF PEAK kWh	20,393,403.02
ENERGY CONSUMPTION STD kWh	17,112,137.30
ENERGY CONSUMPTION PEAK kWh	6,311,038.42
ENERGY CONSUMPTION ALL kWh	43,816,578.74
DEMAND CONSUMPTION - OFF PEAK	95,470.48
DEMAND CONSUMPTION - STD	103,956.74
DEMAND CONSUMPTION - PEAK	96,395.79
DEMAND READING - KW/KVA	103,956.74
REACTIVE ENERGY - OFF PEAK	5,817,831.34
REACTIVE ENERGY - STD	4,636,271.10
REACTIVE ENERGY - PEAK	1,637,214.96
LOAD FACTOR	60.00

PREMISE ID NUMBER

557885383

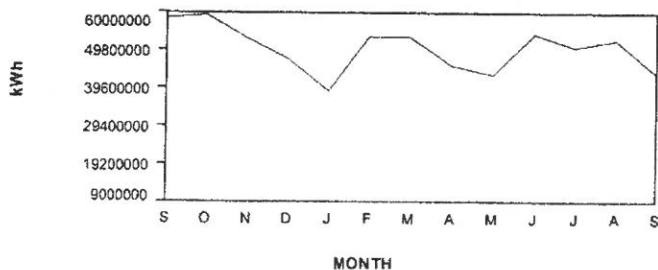
TARIFF NAME: Megaflex

INST 08881 BULK SUPPLY 1 NEWCASTLE CIVIC CENTRE 37 MURCHISON BULK SUPPLY TO NEWCASTLE MUNICIPALITY

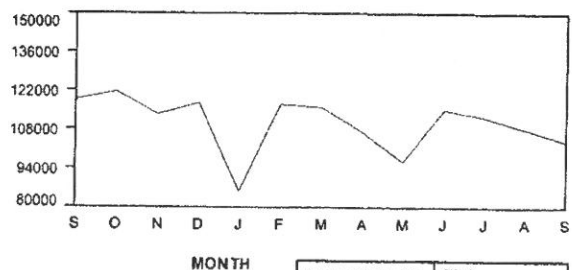
Administration Charge @ R119.20 per day for 30 days	R	3,576.00
TX Network Capacity Charge 125,000 kVa @ R9.40 : = R9.40/kVa	R	1,175,000.00
Urban Low Voltage Subsidy 125,000 kVa @ R13.39 : = R13.39/kVa	R	1,673,750.00
Ancillary Service Charge 43,816,579 kWh @ R0.0033 /kWh	R	144,594.71
Low Season Standard Energy Charge 17,112,137 kWh @ R0.6054 /kWh	R	10,359,687.74
Low Season Peak Energy Charge 6,311,038 kWh @ R0.8796 /kWh	R	5,551,189.02
Low Season Off Peak Energy Charge 20,393,403 kWh @ R0.3841 /kWh	R	7,833,106.09
Electrification and Rural Subsidy 43,816,579 kWh @ R0.0742 /kWh	R	3,251,190.16
SERVICE CHARGE	R	111,975.30

TOTAL CHARGES

R 30,104,069.02



kVA



PAGE RUN NO	EP 2
BILL GROUP	
BILL PAGE	2 OF 2

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

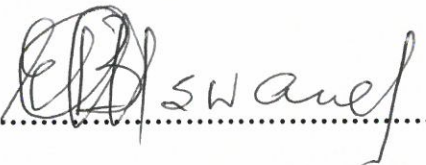


I, **BE Mswane**, the Municipal Manager of **Newcastle Municipality**, hereby certify that the monthly budget statement; for the month of September of 2018/2019 financial year; have been prepared in accordance the Municipal Finance Management Act, No56 of 2003; and Regulation 27 of the Budget and Reporting Regulations.

Print Name : **BHEKANI ERROL MSWANE**

Municipal Manager : **NEWCASTLE MUNICIPALITY**

Signature

: .....

Date

: 2018/10/08