

SECTION 71: MONTHLY BUDGET STATEMENT: NATIONAL REPORTING STANDARD: MONTH SIX: 31 DECEMBER 2019: (T 6/1/1-2019/2020): BUDGET AND TREASURY OFFICE



REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

File Reference:
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FOR CONSIDERATION

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

SUBJECT: DECEMBER 2019 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) for the period ended 31 December 2019 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. uThukela Water Financial Performance report
- 1.2. Eskom invoice for bulk
- 1.3. uThukela invoice for bulk
- 1.4. Financial Statements as at 31 December 2019
- 1.5. Investment register
- 1.6. Grant register
- 1.7. Bank recon
- 1.8. Bank statements
- 1.9. Quality Certificate

2. ANALYSIS OF FINANCIAL RESULTS

This month's financial analysis comprise of the operating budget performance, capital budget performance, analysis of financial position as well as the cash flows where there are changes between the Financial Statements and S71 report, figure reflected in the S71 tables should be regarded as a true reflection of the state of affairs of the municipality. The differences may be due to timing differences in closing the financial systems. The municipality recently approved an adjusted budget during September.

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 - M06 December

Description	2018/19	Budget Year 2019/20							
	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	287,110	313,499	308,338	27,122	160,408	154,169	6,239	4%	308,338
Service charges	1,003,885	1,192,753	1,003,931	76,901	508,050	501,966	6,084	1%	1,003,931
Investment revenue	4,961	4,041	4,041	141	869	2,020	(1,152)	-57%	4,041
Transfers and subsidies	498,547	431,718	533,109	799	260,608	385,157	(124,549)	-32%	533,109
Other own revenue	48,384	60,714	64,988	3,225	24,993	32,494	(7,501)	-23%	64,988
Total Revenue (excluding capital transfers and contributions)	1,842,887	2,002,724	1,914,407	108,188	954,927	1,075,806	(120,879)	-11%	1,914,407
Employee costs	557,861	591,321	562,321	39,619	289,468	281,161	8,307	3%	562,321
Remuneration of Councillors	24,657	26,845	26,845	2,185	12,837	13,422	(586)	-4%	26,845
Depreciation & asset impairment	361,880	491,982	491,982	31,126	184,768	245,991	(61,222)	-25%	491,982
Finance charges	61,665	45,042	45,042	3,836	26,677	22,521	4,156	18%	45,042
Materials and bulk purchases	530,186	688,384	634,393	41,441	283,772	317,196	(33,425)	-11%	634,393
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	469,721	561,134	605,332	50,065	250,026	302,666	(52,640)	-17%	605,332
Total Expenditure	2,005,971	2,404,708	2,385,915	168,272	1,047,548	1,182,957	(135,410)	-11%	2,365,915
Surplus/(Deficit)	(163,084)	(401,983)	(451,508)	(60,083)	(92,620)	(107,152)	14,531	-14%	(451,508)
Transfers and subsidies - capital (monetary allocated)	127,639	173,189	163,189	6,127	45,233	90,233	(45,000)	-50%	163,189
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)
Capital expenditure & funds sources									
Capital expenditure	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Capital transfers recognised	127,639	173,189	163,189	6,127	45,233	81,594	(36,362)	-45%	163,189
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	31,254	33,930	21,680	1,405	3,855	10,840	(6,985)	-64%	21,680
Total sources of capital funds	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Financial position									
Total current assets	804,211	545,166	397,653		848,693				397,653
Total non current assets	7,186,662	7,233,866	7,233,866		7,257,424				7,233,866
Total current liabilities	858,485	471,356	451,231		976,567				451,231
Total non current liabilities	559,614	493,946	700,946		534,996				700,946
Community wealth/Equity	6,572,774	6,813,729	6,479,342		6,594,553				6,479,342
Cash flows									
Net cash from (used) operating	120,217	155,153	133,147	28,692	97,781	164,655	66,873	41%	133,147
Net cash from (used) investing	(158,893)	(107,299)	(121,469)	(11,129)	(49,087)	(60,734)	(11,648)	19%	(121,469)
Net cash from (used) financing	(9,064)	(25,242)	(20,216)	8,554	(11,683)	(10,108)	1,574	-16%	(20,216)
Cash/cash equivalents at the month/year end	9,724	32,414	1,462	-	47,011	103,811	56,800	55%	1,461
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	113,717	38,697	30,770	31,944	34,143	29,229	207,328	967,969	1,453,797
Creditors Age Analysis									
Total Creditors	104,838	90,975	55,985	41,811	51,566	60,647	92,249	6,896	504,967

2.1 Operating budget performance-revenue

2.1.1 The municipality generated a total revenue of R954.9 million of the adjusted budget of R1.9 billion, representing 49.8 percent. The variance between the year-to-date revenue budget and the actual revenue accrued for the same period amounts to R120.8 million, also representing a 11 under-performance percent. Although the aggregate performance on revenue generated shows a nil percentage, it is however necessary to explain reasons which attributed to the figurative variance.

2.1.2 The municipality generated R6.1 million (1%) more revenue from service charges than the year-to-date budget of R501.9 million for the period under review. Electricity and water are all over-performing by R11 million and R9.9million respectively, whereas refuse and sanitation are performing below target by R8.7 million and R6.2 million respectively.

2.1.3 The municipality generated R6.2 million (4%) more revenue from property rates than the year-to-date budget of R154.1 million during the period under review. The variance is attributable to government properties being billed for the full year.

2.1.4 The municipality generated R1.1 million (-57%) less revenue from interest on investments than the year-to-date budget of R2 million for the period under review. This is due to investments for conditional grants not yet made as planned.

2.1.5 The municipality recorded R260.6 million for operational and R46.1 million for capital transfers and subsidies. It is noted that capital grant expenditure is under-performing by 43%. It will be critical to fast track expenditure on grants in order to comply with conditions.

2.1.6 The municipality generated R7.5million (-23%) less revenue from sundry revenue than a pro-rata budget of R32 million for the period under review. The major attributing factor is due to delays in the disposal of assets and realignment of other revenue in terms of mscoa.

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 December 2019, the municipality incurred the total expenditure of R1 billion of the adjusted budget of R2.3billion, which represents 44.4 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R135.4million, representing under-expenditure of 11 percent.

2.2.2 The main attributing factors to the variance are non-cash items, being debt impairment, depreciation and other expenditure. Depreciation has under-performed by R61.2million (-25%) in the sixth month of the financial year due to the very low capital expenditure and projects still under work in progress (not yet capitalised). Debt impairment under-performed by R28.2 million (-32%) due to the indigent register having been reviewed and the fact that other debtors are calculated bi-annually.

2.2.3 The municipality spent R32.5 million (-10%) less on the bulk purchases than the year-to-date budget of R315.5 million. This is due to the fluctuating electricity consumption as it's the hot season.

2.2.4 The municipality spent R918 thousand (-55%) less on materials than the year-to-date budget of R1.6million. This is mainly due to the culture of cost containment which has been inculcated.

2.2.5 The municipality spent R30.1 million (42%) more on contracted services than the year-to-date budget of R71.8 million. This is mainly due to the delays in appointing service providers for projects.

2.2.6 The municipality spent R8.3 million (3%) more on employee related costs than a pro-rata budget of R281.1 million, mainly due to overtime and night-shift allowance. While the variance looks acceptable it is important to note that the budget and treasury office management has introduced the overtime monitoring tool which is aimed in assisting departments to be able to monitor their overtime. The fruits for overtime monitoring tool are expected to reflect by end of January 2020

2.3 Capital budget performance

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) - M06
December

Vote Description	Ref	Budget Year 2019/20								
		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		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		6,858	10,243	9,943	-	-	4,972	(4,972)	-100%	9,943
Vote 3 - BUDGET AND TREASURY		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		19,923	32,059	28,809	3,064	6,537	14,405	(7,867)	-55%	28,809
Vote 6 - TECHNICAL SERVICES		127,158	162,087	143,387	4,172	42,130	71,693	(29,563)	-41%	143,387
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		3,625	-	-	294	294	-	294	#DIV/0!	-
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	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Total Capital Expenditure		158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Capital Expenditure - Functional Classification										
Governance and administration		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		6,902	9,743	9,443	-	-	4,722	(4,722)	-100%	9,443
Community and social services		4,147	300	-	-	-	-	-	-	-
Sport and recreation		2,711	8,243	8,243	-	-	4,122	(4,122)	-100%	8,243
Public safety		-	1,200	1,200	-	-	600	(600)	-100%	1,200
Housing		44	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		113,238	136,608	133,358	7,236	46,865	66,679	(19,814)	-30%	133,358
Planning and development		19,879	39,558	36,309	3,064	6,537	18,155	(11,617)	-64%	36,309
Road transport		93,360	97,049	97,049	4,172	40,328	48,525	(8,197)	-17%	97,049
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		37,424	58,038	39,338	294	2,096	19,669	(17,573)	-89%	39,338
Energy sources		3,625	-	-	294	294	-	294	#DIV/0!	-
Water management		33,799	57,538	38,838	-	1,802	19,419	(17,617)	-91%	38,838
Waste water management		-	500	500	-	-	250	(250)	-100%	500
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Funded by:										
National Government		108,854	164,946	154,946	6,127	45,233	77,473	(32,240)	-42%	154,946
Provincial Government		18,785	8,243	8,243	-	-	4,122	(4,122)	-100%	8,243
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		127,639	173,189	163,189	6,127	45,233	81,594	(36,362)	-45%	163,189
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		31,254	33,930	21,680	1,405	3,855	10,840	(6,985)	-64%	21,680
Total Capital Funding		158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869

2.3.1 Capital expenditure for the sixth month of the financial year amounted to R49 million, which represents 26.5% of the adjusted capital budget of R184.8 million. Comparison between the year-to-budget of R94 million and actual expenditure for the period reflects an under expenditure of (R43.3million) which implies that the municipality spent 47% less than the year-to-date budget for the same period. This is due to the challenges in the cash-flow position of the municipality which has a negative impact on the performance of the capital budget.

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 - M06 December

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		4,688	8,389	1,462	37,421	1,462
Call investment deposits		5,036	24,025	9,440	9,590	9,440
Consumer debtors		680,874	463,909	337,909	686,342	337,909
Other debtors		99,348	35,084	35,084	101,319	35,084
Current portion of long-term receivables		2	2	2	1	2
Inventory		14,264	13,756	13,756	14,020	13,756
Total current assets		804,211	545,166	397,653	848,693	397,653
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		281,223	379,606	379,606	357,116	379,606
Investments in Associate		275,279	262,171	262,171	234,928	262,171
Property, plant and equipment		6,615,669	6,580,590	6,580,590	6,652,169	6,580,590
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		3,003	3,773	3,773	1,724	3,773
Other non-current assets		11,488	7,726	7,726	11,488	7,726
Total non current assets		7,186,662	7,233,866	7,233,866	7,257,424	7,233,866
TOTAL ASSETS		7,990,873	7,779,031	7,631,519	8,106,117	7,631,519
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		25,598	25,598	25,598	48,532	25,598
Consumer deposits		23,587	22,883	22,883	24,465	22,883
Trade and other payables		780,456	383,584	363,459	886,234	363,459
Provisions		28,844	39,290	39,290	17,335	39,290
Total current liabilities		858,485	471,356	451,231	976,567	451,231
Non current liabilities						
Borrowing		401,232	348,739	555,739	366,466	555,739
Provisions		158,382	145,207	145,207	168,531	145,207
Total non current liabilities		559,614	493,946	700,946	534,998	700,946
TOTAL LIABILITIES		1,418,099	965,302	1,152,177	1,511,564	1,152,177
NET ASSETS	2	6,572,774	6,813,729	6,479,342	6,594,553	6,479,342
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,544,255	6,808,289	6,450,841	6,565,711	6,450,841
Reserves		28,519	5,440	28,501	28,842	28,501
TOTAL COMMUNITY WEALTH/EQUITY	2	6,572,774	6,813,729	6,479,342	6,594,553	6,479,342

2.4.1 As at end the end of the sixth month of the financial year, the municipality showed a favourable equity position, with a net asset effect of R6.6 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 R1.4 billion as at the end of the sixth month. The bulk of this amount (R1.2 billion) is debt owing for more than 90 days, while R1.1 billion 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, is yielding positive results.

2.4.3 Property Plant and Equipment (Assets) comprise of R6.6 billion of the total assets of R8.1 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 R47 million as at the end of the sixth month of the financial year which was made up of R37million for cash and R9.5 million from investments. It must be noted that the municipality had an obligation of R27 million relating to the HDF. The short-term obligations are sitting at R504.9 million as illustrated on SC4, while unspent conditional grants amount to R92.3 million, representing a cash short-fall of R5772 million. Table SC4 reflects that the municipality was owing creditors to the tune of R504.9 million. Included under creditors is Eskom for R316.9 million, uThukela Water for R74 million, SARS – PAYE for R8.4 million, SARS vat payable R5 million, pension and other employee benefits for R14.3 million, loan repayments for R32.8 and other trade creditors for R53.3 million.

It must be mentioned that the liquidity position of the municipality keeps deteriorating, with the cash shortfall increasing over the past few months of the year. 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.

2.4.5 The net asset value (assets minus liabilities) of the municipality indicates that the municipality is still a going concern. The **going concern** principle seeks to establish whether an entity will be in existence over the next twelve months or whether it will be liquidated. In terms of table C6, the total net asset of the municipality is R6.6 billion, while the net current asset is –R127.2 million. The net current ratio indicates that the municipality's current assets are not enough will not be adequate to cover for the current liabilities over the next twelve months. The municipality may therefore have a challenge to pay for its creditors over the next twelve months. Due to the standing of the municipality by virtue of being a government entity, the municipality is still regarded as a going concern since it is still expecting to receive rates and taxes and government grants over the next twelve months.

2.4.6 The **liquidity ratio** of the municipality is currently sitting at 0.87%. As per paragraph 2.4.4 above, however, if one takes into account the impact of the HDF, conditional grants and creditors, the liquidity ratio is estimated at 0.093%, since the municipality needs R504.9 million in order to pay all its short term obligations. Again this is a bad reflecting on the state of finances of the municipality.

As with the going concern principle, the liquidity state of the municipality is more like to negatively impact the image of the municipality to public, business sector and other spheres of government.

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 - M06 December

Description	Ref	Budget Year 2019/20								
		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		216,435	261,530	257,580	23,354	139,031	128,790	10,241	8%	257,580
Service charges		789,214	1,040,261	858,966	68,747	404,629	429,483	(24,854)	-6%	858,966
Other revenue		114,557	49,183	46,724	-	50,012	23,362	26,650	114%	46,724
Government - operating		395,172	431,718	533,109	51,118	238,280	320,038	(81,758)	-26%	533,109
Government - capital		93,964	173,189	163,189	2,160	81,192	126,192	(45,000)	-36%	163,189
Interest		12,938	8,931	4,465	655	5,034	2,233	2,801	125%	4,465
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1,458,480)	(1,764,617)	(1,685,845)	(113,406)	(793,720)	(842,922)	(49,202)	6%	(1,685,845)
Finance charges		(43,582)	(45,042)	(45,042)	(3,937)	(26,677)	(22,521)	4,156	-18%	(45,042)
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		120,217	155,153	133,147	28,692	97,781	164,655	66,873	41%	133,147
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	2,332	2,332	-	-	1,166	(1,166)	-100%	2,332
Decrease (Increase) in non-current debtors		-	66,420	30,000	-	-	15,000	(15,000)	-100%	30,000
Decrease (increase) other non-current receivables		-	31,068	31,068	-	-	15,534	(15,534)	-100%	31,068
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(158,893)	(207,119)	(184,869)	(11,129)	(49,087)	(92,434)	(43,348)	47%	(184,869)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(158,893)	(107,299)	(121,469)	(11,129)	(49,087)	(60,734)	(11,648)	19%	(121,469)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	356	5,382	-	-	2,691	(2,691)	-100%	5,382
Payments										
Repayment of borrowing		(9,064)	(25,598)	(25,598)	8,554	(11,683)	(12,799)	(1,116)	9%	(25,598)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(9,064)	(25,242)	(20,216)	8,554	(11,683)	(10,108)	1,574	-16%	(20,216)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		57,465	9,802	9,999		9,999	9,999			9,999
Cash/cash equivalents at month/year end:		9,724	32,414	1,462		47,011	103,811			1,461

- 2.5.1 The municipality opened with a cash and cash equivalent balance of R9.9 million at the beginning of the financial year and closed with a balance of R47 million as at the end of December 2019 which represents a cash increase of R37 million to date since the beginning of the financial year.
- 2.5.2 Cash flows from operating activities yielded a net cash inflow of R97.7 million as result of receipts from services charges, property rates, and 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 councillors and paid the portion of the outstanding interest on loans.
- 2.5.3 Cash flows from investing activities recorded net cash outflows of R49 million due to capital expenditure.
- 2.5.4 Cash flows from financing activities recorded net cash outflows of R11.6 million. This was due to the capital repayment of loans by the municipality during the year.

3. CONCLUSION

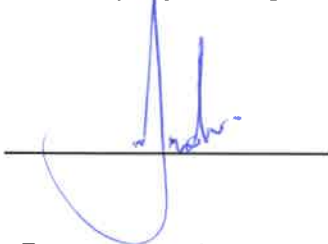
The under-expenditure on operational budget is acceptable if it is due to the introduction of cost-containment. However, it is important to emphasise that the expenditure on maintenance should not be compromised as it seems to be under-performing by 36.2%. The issues that still reflect material variances 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 widening 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 31 December 2019 be noted;

Report prepared by:

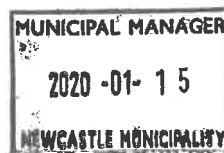


Report seen by:

COUNICLLOR DR NNG MAHLABA
PORTFOLIO COUNICLLOR
BUDGET AND TREASURY OFFICE



SM NKOSI
STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE



KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M06 December

Description	2018/19	Budget Year 2019/20							
	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	287,110	313,499	308,338	27,122	160,408	154,169	6,239	4%	308,338
Service charges	1,003,885	1,192,753	1,003,931	76,901	508,050	501,966	6,084	1%	1,003,931
Investment revenue	4,961	4,041	4,041	141	869	2,020	(1,152)	-57%	4,041
Transfers and subsidies	498,547	431,718	533,109	799	260,608	385,157	(124,549)	-32%	533,109
Other own revenue	48,384	60,714	64,988	3,225	24,993	32,494	(7,501)	-23%	64,988
Total Revenue (excluding capital transfers and contributions)	1,842,887	2,002,724	1,914,407	108,188	954,927	1,075,806	(120,879)	-11%	1,914,407
Employee costs	557,861	591,321	562,321	39,619	289,468	281,161	8,307	3%	562,321
Remuneration of Councillors	24,657	26,845	26,845	2,185	12,837	13,422	(586)	-4%	26,845
Depreciation & asset impairment	361,880	491,982	491,982	31,126	184,768	245,991	(61,222)	-25%	491,982
Finance charges	61,665	45,042	45,042	3,836	26,677	22,521	4,156	18%	45,042
Materials and bulk purchases	530,186	688,384	634,393	41,441	283,772	317,196	(33,425)	-11%	634,393
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	469,721	561,134	605,332	50,065	250,026	302,666	(52,640)	-17%	605,332
Total Expenditure	2,005,971	2,404,708	2,365,915	168,272	1,047,548	1,182,957	(135,410)	-11%	2,365,915
Surplus/(Deficit)	(163,084)	(401,983)	(451,508)	(60,083)	(92,620)	(107,152)	14,531	-14%	(451,508)
Transfers and subsidies - capital (monetary allocations)	127,639	173,189	163,189	6,127	45,233	90,233	(45,000)	-50%	163,189
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)
Capital expenditure & funds sources									
Capital expenditure	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Capital transfers recognised	127,639	173,189	163,189	6,127	45,233	81,594	(36,362)	-45%	163,189
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	31,254	33,930	21,680	1,405	3,855	10,840	(6,985)	-64%	21,680
Total sources of capital funds	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Financial position									
Total current assets	804,211	545,166	397,653		848,693				397,653
Total non current assets	7,186,662	7,233,866	7,233,866		7,257,424				7,233,866
Total current liabilities	858,485	471,356	451,231		976,567				451,231
Total non current liabilities	559,614	493,946	700,946		534,998				700,946
Community wealth/Equity	6,572,774	6,813,729	6,479,342		6,594,553				6,479,342
Cash flows									
Net cash from (used) operating	120,217	155,153	133,147	28,692	97,781	164,655	66,873	41%	133,147
Net cash from (used) investing	(158,893)	(107,299)	(121,469)	(11,129)	(49,087)	(60,734)	(11,648)	19%	(121,469)
Net cash from (used) financing	(9,064)	(25,242)	(20,216)	8,554	(11,683)	(10,108)	1,574	-16%	(20,216)
Cash/cash equivalents at the month/year end	9,724	32,414	1,462	-	47,011	103,811	56,800	55%	1,461
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	113,717	38,697	30,770	31,944	34,143	29,229	207,328	967,969	1,453,797
Creditors Age Analysis									
Total Creditors	104,838	90,975	55,985	41,811	51,566	60,647	92,249	6,896	504,967

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		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>		409,524	437,202	433,866	28,467	205,338	244,067	(38,728)	-16%	433,866
Executive and council		14,638	10,474	10,474	304	3,540	5,237	(1,697)	-32%	10,474
Finance and administration		394,886	426,728	423,392	28,163	201,798	238,830	(37,031)	-16%	423,392
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		56,195	43,430	134,822	2,703	39,082	49,697	(10,615)	-21%	134,822
Community and social services		35,506	8,418	8,418	677	4,037	4,209	(172)	-4%	8,418
Sport and recreation		1,127	8,991	8,991	39	229	4,495	(4,267)	-95%	8,991
Public safety		8,524	11,103	11,103	1,369	7,009	5,551	1,457	26%	11,103
Housing		11,011	14,917	106,309	617	27,776	35,441	(7,665)	-22%	106,309
Health		27	1	1	1	31	1	31	5123%	1
<i>Economic and environmental services</i>		145,344	198,402	198,402	5,931	98,951	149,820	(50,869)	-34%	198,402
Planning and development		26,161	78,352	78,352	1,859	14,351	39,176	(24,825)	-63%	78,352
Road transport		119,183	120,050	120,050	4,072	84,600	110,644	(26,044)	-24%	120,050
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,359,319	1,496,704	1,310,332	77,201	656,709	722,367	(65,658)	-9%	1,310,332
Energy sources		708,486	886,803	702,933	46,909	359,127	375,735	(16,609)	-4%	702,933
Water management		328,148	370,423	352,509	14,809	144,326	176,255	(31,929)	-18%	352,509
Waste water management		200,996	119,010	133,054	8,931	98,161	88,701	9,460	11%	133,054
Waste management		121,688	120,468	121,836	6,551	55,096	81,676	(26,581)	-33%	121,836
<i>Other</i>	4	144	174	174	14	79	87	(8)	-9%	174
Total Revenue - Functional	2	1,970,526	2,175,913	2,077,596	114,316	1,000,160	1,166,038	(165,879)	-14%	2,077,596
Expenditure - Functional										
<i>Governance and administration</i>		430,746	422,161	372,939	57,120	209,812	186,469	23,343	13%	372,939
Executive and council		80,413	103,238	82,708	6,872	37,467	41,354	(3,887)	-9%	82,708
Finance and administration		350,334	317,102	288,416	50,240	172,177	144,208	27,969	19%	288,416
Internal audit		-	1,820	1,814	8	168	907	(739)	-81%	1,814
<i>Community and public safety</i>		226,089	262,541	345,423	36,802	147,644	172,711	(25,067)	-15%	345,423
Community and social services		29,949	85,903	80,767	2,631	14,193	40,383	(26,190)	-65%	80,767
Sport and recreation		74,762	76,224	72,537	5,894	34,698	36,268	(1,571)	-4%	72,537
Public safety		64,540	77,067	74,131	5,445	34,051	37,065	(3,015)	-8%	74,131
Housing		48,638	17,341	111,851	22,238	61,275	55,926	5,350	10%	111,851
Health		8,201	6,007	6,137	595	3,428	3,069	359	12%	6,137
<i>Economic and environmental services</i>		267,781	256,388	244,431	9,667	121,422	122,216	(794)	-1%	244,431
Planning and development		25,563	88,677	90,229	7,041	40,101	45,115	(5,013)	-11%	90,229
Road transport		242,218	167,701	154,192	2,626	81,316	77,096	4,220	5%	154,192
Environmental protection		-	10	10	-	5	5	(0)	-8%	10
<i>Trading services</i>		1,079,524	1,462,293	1,401,897	64,226	567,791	700,949	(133,157)	-19%	1,401,897
Energy sources		610,157	796,534	704,392	34,019	344,374	352,196	(7,822)	-2%	704,392
Water management		381,588	531,942	558,650	13,629	176,349	279,325	(102,976)	-37%	558,650
Waste water management		14,306	60,573	69,763	13,866	15,866	34,882	(19,016)	-55%	69,763
Waste management		73,473	73,244	69,093	2,711	31,202	34,546	(3,344)	-10%	69,093
<i>Other</i>		1,831	1,325	1,225	456	878	613	265	43%	1,225
Total Expenditure - Functional	3	2,005,971	2,404,708	2,365,915	168,272	1,047,548	1,182,957	(135,410)	-11%	2,365,915
Surplus/ (Deficit) for the year		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2018/19	Budget Year 2019/20							
		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		76,913	75,376	75,376	329	49,257	37,688	11,569	30.7%	75,376
Vote 2 - COMMUNITY SERVICES		167,803	140,760	142,128	8,638	66,402	91,822	(25,420)	-27.7%	142,128
Vote 3 - BUDGET AND TREASURY		331,560	360,076	356,740	28,138	174,632	205,504	(30,872)	-15.0%	356,740
Vote 4 - MUNICIPAL MANAGER		1,050	1,750	1,750	-	100	875	(775)	-88.6%	1,750
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN		37,316	59,946	151,338	2,489	36,971	57,956	(20,985)	-36.2%	151,338
Vote 6 - TECHNICAL SERVICES		647,397	573,873	570,002	27,812	313,672	357,794	(44,122)	-12.3%	570,002
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		708,486	964,132	780,262	46,909	359,127	414,400	(55,272)	-13.3%	780,262
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	1,970,526	2,175,913	2,077,596	114,316	1,000,160	1,166,038	(165,878)	-14.2%	2,077,596
Expenditure by Vote										
	1									
Vote 1 - CORPORATE SERVICES		133,300	158,067	152,240	6,289	61,279	76,120	(14,841)	-19.5%	152,240
Vote 2 - COMMUNITY SERVICES		306,831	318,672	302,891	23,291	141,285	151,445	(10,161)	-6.7%	302,891
Vote 3 - BUDGET AND TREASURY		163,707	168,129	147,499	14,459	86,875	73,750	13,125	17.8%	147,499
Vote 4 - MUNICIPAL MANAGER		77,983	95,890	73,158	5,325	37,989	36,579	1,411	3.9%	73,158
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN		76,031	51,450	144,633	26,400	79,679	72,317	7,362	10.2%	144,633
Vote 6 - TECHNICAL SERVICES		637,961	815,966	841,102	70,284	313,026	420,551	(107,525)	-25.6%	841,102
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		610,157	796,534	704,392	22,224	327,414	352,196	(24,782)	-7.0%	704,392
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	2,005,971	2,404,708	2,365,915	168,272	1,047,548	1,182,957	(135,410)	-11.4%	2,365,915
Surplus/ (Deficit) for the year	2	(35,445)	(228,795)	(288,319)	(53,956)	(47,387)	(16,919)	(30,468)	180.1%	(288,319)

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		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		287,110	313,499	308,338	27,122	160,408	154,169	6,239	4%	308,338
Service charges - electricity revenue		630,194	811,903	623,784	46,612	322,935	311,892	11,043	4%	623,784
Service charges - water revenue		176,507	186,097	158,182	14,808	89,090	79,091	9,999	13%	158,182
Service charges - sanitation revenue		108,894	110,794	124,838	8,931	56,166	62,419	(6,253)	-10%	124,838
Service charges - refuse revenue		88,291	83,960	97,127	6,549	39,858	48,564	(8,705)	-18%	97,127
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		8,141	8,661	8,661	696	3,976	4,331	(354)	-8%	8,661
Interest earned - external investments		4,961	4,041	4,041	141	869	2,020	(1,152)	-57%	4,041
Interest earned - outstanding debtors		8,015	9,780	9,780	513	4,165	4,890	(725)	-15%	9,780
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		8,589	8,117	8,117	1,287	7,082	4,059	3,024	75%	8,117
Licences and permits		12	14	14	1	5	7	(2)	-32%	14
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		498,547	431,718	533,109	799	260,608	385,157	(124,549)	-32%	533,109
Other revenue		23,627	31,810	36,084	727	5,051	18,042	(12,991)	-72%	36,084
Gains on disposal of PPE		-	2,332	2,332	-	4,714	1,166	3,548	304%	2,332
Total Revenue (excluding capital transfers and contributions)		1,842,887	2,002,724	1,914,407	108,188	954,927	1,075,806	(120,879)	-11%	1,914,407
Expenditure By Type										
Employee related costs		557,861	591,321	562,321	39,619	289,468	281,161	8,307	3%	562,321
Remuneration of councillors		24,657	26,845	26,845	2,185	12,837	13,422	(586)	-4%	26,845
Debt impairment		89,608	174,245	174,245	1,036	58,865	87,123	(28,257)	-32%	174,245
Depreciation & asset impairment		361,880	491,982	491,982	31,126	184,768	245,991	(61,222)	-25%	491,982
Finance charges		61,665	45,042	45,042	3,836	26,677	22,521	4,156	18%	45,042
Bulk purchases		524,211	684,074	631,074	41,288	283,030	315,537	(32,507)	-10%	631,074
Other materials		5,975	4,310	3,319	153	742	1,659	(918)	-55%	3,319
Contracted services		74,012	54,249	143,756	29,317	102,077	71,878	30,199	42%	143,756
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		306,101	332,640	287,331	19,712	89,084	143,666	(54,582)	-38%	287,331
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		2,005,971	2,404,708	2,365,915	168,272	1,047,548	1,182,957	(135,410)	-11%	2,365,915
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(163,084)	(401,983)	(451,508)	(60,083)	(92,620)	(107,152)	14,531	(0)	(451,508)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		127,639	173,189	163,189	6,127	45,233	90,233	(45,000)	(0)	163,189
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)			(288,319)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)			(288,319)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)			(288,319)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)			(288,319)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	Budget Year 2019/20								
		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 SETTLEMEN		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		6,858	10,243	9,943	-	-	4,972	(4,972)	-100%	9,943
Vote 3 - BUDGET AND TREASURY		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMEN		19,923	32,059	28,809	3,064	6,537	14,405	(7,867)	-55%	28,809
Vote 6 - TECHNICAL SERVICES		127,158	162,087	143,387	4,172	42,130	71,693	(29,563)	-41%	143,387
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		3,625	-	-	294	294	-	294	#DIV/0!	-
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	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Total Capital Expenditure		158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Capital Expenditure - Functional Classification										
Governance and administration		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1,329	2,730	2,730	3	126	1,365	(1,239)	-91%	2,730
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		6,902	9,743	9,443	-	-	4,722	(4,722)	-100%	9,443
Community and social services		4,147	300	-	-	-	-	-	-	-
Sport and recreation		2,711	8,243	8,243	-	-	4,122	(4,122)	-100%	8,243
Public safety		-	1,200	1,200	-	-	600	(600)	-100%	1,200
Housing		44	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		113,238	136,608	133,358	7,236	46,865	66,679	(19,814)	-30%	133,358
Planning and development		19,879	39,559	36,309	3,064	6,537	18,155	(11,617)	-64%	36,309
Road transport		93,360	97,049	97,049	4,172	40,328	48,525	(8,197)	-17%	97,049
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		37,424	58,038	39,338	294	2,096	19,669	(17,573)	-89%	39,338
Energy sources		3,625	-	-	294	294	-	294	#DIV/0!	-
Water management		33,799	57,538	38,838	-	1,802	19,419	(17,617)	-91%	38,838
Waste water management		-	500	500	-	-	250	(250)	-100%	500
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869
Funded by:										
National Government		108,854	164,946	154,946	6,127	45,233	77,473	(32,240)	-42%	154,946
Provincial Government		18,785	8,243	8,243	-	-	4,122	(4,122)	-100%	8,243
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		127,639	173,189	163,189	6,127	45,233	81,594	(36,362)	-45%	163,189
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		31,254	33,930	21,880	1,405	3,855	10,840	(6,985)	-64%	21,680
Total Capital Funding		158,893	207,119	184,869	7,532	49,087	92,434	(43,347)	-47%	184,869

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment
- Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
- Include expenditure on investment property, intangible and biological assets
- Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		4,688	8,389	1,462	37,421	1,462
Call investment deposits		5,036	24,025	9,440	9,590	9,440
Consumer debtors		680,874	463,909	337,909	686,342	337,909
Other debtors		99,348	35,084	35,084	101,319	35,084
Current portion of long-term receivables		2	2	2	1	2
Inventory		14,264	13,756	13,756	14,020	13,756
Total current assets		804,211	545,166	397,653	848,693	397,653
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		281,223	379,606	379,606	357,116	379,606
Investments in Associate		275,279	262,171	262,171	234,928	262,171
Property, plant and equipment		6,615,669	6,580,590	6,580,590	6,652,169	6,580,590
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		3,003	3,773	3,773	1,724	3,773
Other non-current assets		11,488	7,726	7,726	11,488	7,726
Total non current assets		7,186,662	7,233,866	7,233,866	7,257,424	7,233,866
TOTAL ASSETS		7,990,873	7,779,031	7,631,519	8,106,117	7,631,519
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		25,598	25,598	25,598	48,532	25,598
Consumer deposits		23,587	22,883	22,883	24,465	22,883
Trade and other payables		780,456	383,584	363,459	886,234	363,459
Provisions		28,844	39,290	39,290	17,335	39,290
Total current liabilities		858,485	471,356	451,231	976,567	451,231
Non current liabilities						
Borrowing		401,232	348,739	555,739	366,466	555,739
Provisions		158,382	145,207	145,207	168,531	145,207
Total non current liabilities		559,614	493,946	700,946	534,998	700,946
TOTAL LIABILITIES		1,418,099	965,302	1,152,177	1,511,564	1,152,177
NET ASSETS	2	6,572,774	6,813,729	6,479,342	6,594,553	6,479,342
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,544,255	6,808,289	6,450,841	6,565,711	6,450,841
Reserves		28,519	5,440	28,501	28,842	28,501
TOTAL COMMUNITY WEALTH/EQUITY	2	6,572,774	6,813,729	6,479,342	6,594,553	6,479,342

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	Budget Year 2019/20								
		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		216,435	261,530	257,580	23,354	139,031	128,790	10,241	8%	257,580
Service charges		789,214	1,040,261	858,966	68,747	404,629	429,483	(24,854)	-6%	858,966
Other revenue		114,557	49,183	46,724	-	50,012	23,362	26,650	114%	46,724
Government - operating		395,172	431,718	533,109	51,118	238,280	320,038	(81,758)	-28%	533,109
Government - capital		93,964	173,189	163,189	2,160	81,192	126,192	(45,000)	-36%	163,189
Interest		12,938	8,931	4,465	655	5,034	2,233	2,801	125%	4,465
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1,458,480)	(1,764,617)	(1,685,845)	(113,406)	(793,720)	(842,922)	(49,202)	6%	(1,685,845)
Finance charges		(43,582)	(45,042)	(45,042)	(3,937)	(26,677)	(22,521)	4,156	-18%	(45,042)
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		120,217	155,153	133,147	28,692	97,781	164,655	66,873	41%	133,147
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	2,332	2,332	-	-	1,166	(1,166)	-100%	2,332
Decrease (increase) in non-current debtors		-	66,420	30,000	-	-	15,000	(15,000)	-100%	30,000
Decrease (increase) other non-current receivables		-	31,068	31,068	-	-	15,534	(15,534)	-100%	31,068
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(158,893)	(207,119)	(184,869)	(11,129)	(49,087)	(92,434)	(43,348)	47%	(184,869)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(158,893)	(107,299)	(121,469)	(11,129)	(49,087)	(60,734)	(11,648)	19%	(121,469)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	356	5,382	-	-	2,691	(2,691)	-100%	5,382
Payments										
Repayment of borrowing		(9,064)	(25,598)	(25,598)	8,554	(11,683)	(12,799)	(1,116)	9%	(25,598)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(9,064)	(25,242)	(20,216)	8,554	(11,683)	(10,108)	1,574	-16%	(20,216)
NET INCREASE/ (DECREASE) IN CASH HELD		(47,741)	22,612	(8,538)	26,117	37,012	93,812			(8,538)
Cash/cash equivalents at beginning:		57,465	9,802	9,999		9,999	9,999			9,999
Cash/cash equivalents at month/year end:		9,724	32,414	1,462		47,011	103,811			1,461

References

1. Material variances to be explained in Table SC1

KZN252, Newcastle - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	R thousands Revenue By Source			
	Service charges - water revenue	13%	The hot summer season, coupled with lower rain levels have resulted in more demand for water consumption	
	Rental of facilities and equipment	-8%	This is due to a time lag when one tenant vacates the property and the time when the new tenant takes occupation of the property	There is a need to relook and correct the budget for this item in line with realistic consumption and trends during the adjustments budget. The variance seem very minimal there is no need to adjust this item.
	Service charges - refuse revenue	-18%	Challenges in the waste water management has led to this variance, consumers are being reluctant to pay for this service due to none collection of refuse on weekly basis	There is a need to relook at this item during the adjustments budget.
	Interest earned - external investments	-57%	Due to an increase on our debtors book.	There is no need for this item to be adjusted
	Interest earned - outstanding debtors	-15%	This variance is attributable to the effective incentive scheme which was implemented by the municipality over the past twelve months.	There is a need to adjust this item downwards during the adjustments budget.
	Fines, penalties and forfeits	75%	Fines are dependent on law enforcement and compliance of motorists thereto.	There is a need to adjust this item downwards during the adjustments budget.
	Licences and permits	-92%	Dependent on the consumers reaction	There is a need to adjust this item downwards during the adjustments budget.
	Other Revenue	-72%	Other revenue is dependent on levels of consumption and therefore fluctuates every month	This item will be adjusted downward during the adjustments budget.
2	Expenditure By Type			
	Debt Impairment	-32%	Bulk of the Debt Impairment is calculated bi-annually	Based on the current collection trends and audit findings, this item will still be booked at during the adjustments budget.
	Depreciation & asset impairment	-25%	The variance is attributable to the slow capital expenditure as well as over-budgeting for depreciation of assets have already reached its useful life	This item will be adjusted downwards during the adjustments budget.
	Finance charges	18%	The variance is attributable to overdue payments of loans with both ABSA and DBSA.	Through the new amortisation schedules, this will be corrected during the adjustments budget
	Contracted Services	42%	Invoice from service providers haven't yet received	The municipality is urged to implement strict budget control measure in order to remain within the budget
	Other Material	-55%	Cross cut measures are implemented to reduce the expenditure for material	Adjustment will be necessary for department to use savings to votes which are more critical
	Other expenditure	-38%	Cross cut measures are implemented to reduce the expenditure for other expenditure	Adjustment will be necessary for department to use savings to votes which are more critical
3	Capital Expenditure			
	Grant funded projects	-45%	Delays in the SCM process, particularly on appointment consultants, incapacity of contractors	Fast track SCM processes and management of contractors
	Internally funded projects	-64%	Most of projects rolled over from 2016/17, with no need for new SCM processes	None
	Repairs and maintenance	36%	Under-budgeting due to cash-flow challenges	None
4	Financial Position			
	Property Plant and Equipment		Slow capital expenditure and depreciation	
	Investment property		Revaluation, which was finalised after financial budget was approved	
	Investment in Associate		Decrease in Net Asset Value of the Entity, which was confirmed after annual budget was approved	
	Consumer Debtors		Change in bad debt provision due to cleaning up of debtors and indigent books	
	Trade and other payables		Error during annual budgeting	
5	Cash Flow			
	Net Cash from Operating Activities	41%	Equitable Share and other grants bulk of it received early in the financial year	
	Net Cash Used from Investing Activities	19%	Slow capital expenditure	
	Net Cash Used from Financial Activities	-16%	Based on amortisation schedules	None
6	Measurable performance			
7	Municipal Entities			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2018/19	Budget Year 2019/20			
			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		2.6%	22.3%	22.7%	2.5%	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		18.4%	11.1%	14.6%	19.7%	14.6%
Gearing	Long Term Borrowing/ Funds & Reserves		1406.9%	6410.8%	1949.9%	1270.6%	1949.9%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	93.7%	115.7%	88.1%	86.9%	88.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		1.1%	6.9%	2.4%	4.8%	2.4%
<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		42.3%	24.9%	19.5%	82.5%	19.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors 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	4.2%	3.3%	3.3%		
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	44.2%	50.0%	50.0%		
Employee costs	Employee costs/Total Revenue - capital revenue		30.3%	29.5%	29.4%	30.3%	29.4%
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		23.0%	26.8%	28.1%	2.8%	3.8%
<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 - M06 December

Description	NT Code	Budget Year 2019/20										Total	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.l.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr	Total	Total over 90 days				
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	24,202	7,844	7,831	8,034	7,419	7,524	42,840	266,169	371,864	331,986	279			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	31,722	1,035	889	1,108	1,781	528	38,855	10,972	86,889	53,244	1			
Receivables from Non-exchange Transactions - Property Rates	1400	36,794	9,271	8,118	7,638	10,808	5,933	36,843	152,584	267,988	213,806	222			
Receivables from Exchange Transactions - Waste Water Management	1500	15,514	6,333	5,746	6,207	5,697	5,543	31,392	208,191	284,622	257,030	277			
Receivables from Exchange Transactions - Waste Management	1600	12,006	4,599	4,287	4,400	4,048	3,807	21,664	95,828	150,639	129,747	101			
Receivables from Exchange Transactions - Property Rental Debtors	1700	670	163	126	115	120	136	652	2,573	4,564	3,595	-			
Interest on Arrear Debtor Accounts	1810	1,151	488	510	470	438	419	2,884	35,034	41,394	39,246	15			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-			
Other	1900	(8,342)	8,964	3,264	3,972	3,830	5,340	32,198	196,618	245,846	241,969	179			
Total By Income Source	2000	113,717	38,697	30,770	31,944	34,143	29,229	207,328	967,969	1,453,797	1,270,613	1,074			
2018/19 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200	4,716	6,728	744	1,413	4,985	2,645	11,747	12,922	46,899	33,711	-			
Commercial	2300	37,451	3,578	3,032	2,435	3,592	1,625	53,243	62,461	167,416	123,355	-			
Households	2400	80,845	28,369	26,977	28,076	25,542	24,850	142,193	892,026	1,246,878	1,112,688	-			
Other	2500	(9,294)	22	17	21	24	109	146	560	(8,395)	860	1,074			
Total By Customer Group	2600	113,718	38,697	30,770	31,944	34,143	29,229	207,328	967,969	1,453,798	1,270,613	1,074			

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2019/20										Total
		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			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	28,777	70,557	44,031	29,319	37,078	29,120	71,127	6,896			316,905
Bulk Water	0200	10,735	10,347	9,889	10,368	12,384	10,027	10,334	-	-	-	74,085
PAYE deductions	0300	8,439	-	-	-	-	-	-	-	-	-	8,439
VAT (output less input)	0400	5,045	-	-	-	-	-	-	-	-	-	5,045
Pensions / Retirement deductions	0500	14,310	-	-	-	-	-	-	-	-	-	14,310
Loan repayments	0600	32,856	-	-	-	-	-	-	-	-	-	32,856
Trade Creditors	0700	4,675	10,070	2,065	2,124	2,104	21,501	10,787	-	-	-	53,326
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	104,838	90,975	55,985	41,811	51,566	60,647	92,249	6,896			504,967

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	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							
R thousands									
Municipality									
Nedbank		12 months	Call Account	Call account	30	1	368	15	383
Standard Bank		12 months	Call Account	Call account	524	1	4,101	4,524	8,626
ABSA		12 months	Call Account	Call account	17	3	567	15	581
								-	
Municipality sub-total					572		5,036	4,554	9,590
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				572		5,036	4,554	9,590

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		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:		378,539	427,996	437,996	12,119	208,890	208,890	-		437,996
Local Government Equitable Share		341,408	373,648	373,648	-	155,687	155,687	-		373,648
Water Services Operating Subsidy		-	-	-	-	-	-	-		-
EPWP Incentive		3,199	3,098	3,098	1,395	2,170	2,170	-		3,098
Integrated National Electrification Programme		-	14,000	14,000	-	10,000	10,000	-		14,000
Finance Management		1,700	1,700	1,700	1,390	1,700	1,700	-		1,700
Municipal Systems Improvement	3	-	1,750	1,750	-	-	-	-		1,750
Water Services Infrastructure Grant (WSIG)		-	10,800	20,800	-	10,000	10,000	-		20,800
Municipal Infrastructure Grant (MIG)		17,232	23,000	23,000	9,333	9,333	9,333	-		23,000
Energy Efficiency and Demand Management		15,000	-	-	-	-	-	-		-
Massification		-	-	-	-	20,000	20,000	-		-
Provincial Government:		3,757	99,379	106,194	49,723	49,723	49,723	-		106,194
Level 2 accreditation		3,539	7,620	7,620	-	-	-	-		7,620
Museums Services		218	386	386	386	386	386	-		386
Community Library Services Grant	4	-	-	-	-	-	-	-		-
Sport and Recreation		-	-	-	-	-	-	-		-
Housing		-	84,577	91,392	42,791	42,791	42,791	-		91,392
COGTA Support Scheme		-	250	250	-	-	-	-		250
Provincialisation of Libraries		-	6,546	6,546	6,546	6,546	6,546	-		6,546
Health subsidy		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		6,343	-	-	-	-	-	-		-
COGTA Grant		-	-	-	-	-	-	-		-
Tirelo Boshia Grant		1,150	-	-	-	-	-	-		-
EED Housing Grant		5,193	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	388,639	527,375	544,190	61,842	258,614	258,614	-		544,190
Capital Transfers and Grants										
National Government:		79,000	149,039	139,039	40,699	58,699	58,699	-		139,039
Neighbourhood Development Partnership		-	30,259	30,259	-	8,000	8,000	-		30,259
Municipal Infrastructure Grant (MIG)		39,000	89,580	89,580	40,699	40,699	40,699	-		89,580
Integrated National Electrification Programme		-	-	-	-	-	-	-		-
Energy efficiency & demand side management		-	-	-	-	-	-	-		-
Municipal water infrastructure		-	-	-	-	-	-	-		-
Water Services Infrastructure Grant (WSIG)		40,000	29,200	19,200	-	10,000	10,000	-		19,200
Other capital transfers <i>[insert description]</i>		-	-	-	-	-	-	-		-
Provincial Government:		14,964	9,471	9,471	2,160	2,160	2,160	-		9,471
Level 2 accreditation		-	-	-	-	-	-	-		-
Recapitalisation of Community Libraries		-	-	-	-	-	-	-		-
Sport and Recreation		2,667	8,243	8,243	-	-	-	-		8,243
Community Library Service		12,297	1,228	1,228	2,160	2,160	2,160	-		1,228
Museum		-	-	-	-	-	-	-		-
Corridor Development		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
European Union		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	93,964	158,510	148,510	42,859	60,859	60,859	-		148,510
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	482,602	685,885	692,700	104,701	319,472	319,472	-		692,700

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		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:		376,793	427,996	437,996	2,419	169,771	187,861	(19,712)	-10.5%	437,996
Local Government Equitable Share		341,408	373,648	373,648		155,687	155,687	-		373,648
Water Services Operating Subsidy		-	-	-		-	-	-		-
EPWP Incentive		3,127	3,098	3,098	748	2,350	1,549	801	51.7%	3,098
Integrated National Electrification Programme		-	14,000	14,000		420	7,000	(6,580)	-94.0%	-
Finance Management		1,700	1,700	1,700	48	358	850	(492)	-57.9%	1,700
Water Services Infrastructure Grant (WSIG)		-	10,800	20,800		-	10,400	(10,400)	-100.0%	20,800
Energy Efficiency and Demand side Management Grant		15,000	-	-		-	-	-		14,000
Municipal Systems Improvement		-	1,750	1,750		-	875	(875)	-100.0%	1,750
Massification		-	-	-	1,622	1,622	-	-		-
Municipal Infrastructure Grant (MIG)		15,557	23,000	23,000		9,333	11,500	(2,167)	-18.8%	23,000
Provincial Government:		13,316	99,379	106,194	44,719	48,135	53,097	(4,962)	-9.3%	106,194
Level 2 accreditation		7,073	7,620	7,620	1,189	3,299	3,810	(511)	-13.4%	7,620
Recapitalisation of Community Libraries		6,234	-	-		-	-	-		-
Museums Services		-	386	386		14	193	(179)	-92.9%	386
Community Library Services Grant		-	-	-		-	-	-		-
Sport and Recreation		9	-	-		-	-	-		-
Housing		-	84,577	91,392	42,791	42,791	45,696	(2,904)	-6.4%	91,392
COGTA Support Scheme		-	250	250		-	125	(125)	-100.0%	250
Provincialisation of Libraries		-	6,546	6,546	739	2,031	3,273	(1,242)	-37.9%	6,546
Health subsidy		-	-	-		-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		1,050	-	-	-	-	-	-		-
COGTA Grant		-	-	-	-	-	-	-		-
<i>Tirelo Boshu Grant</i>		1,050	-	-	-	-	-	-		-
<i>EED Housing Grant</i>		27,393	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		391,158	527,375	544,190	47,137	217,906	240,958	(24,674)	-10.2%	544,190
Capital expenditure of Transfers and Grants										
National Government:		88,878	149,039	139,039	5,944	44,123	69,520	(25,397)	-36.5%	139,039
Neighbourhood Development Partnership		-	30,259	30,259	2,026	6,021	15,130	(9,109)	-60.2%	30,259
Municipal Infrastructure Grant (MIG)		53,648	89,580	89,580	3,580	35,692	44,790	(9,098)	-20.3%	89,580
Integrated National Electrification Programme		-	-	-		-	-	-		-
Emergy efficiency & demand side management		-	-	-		-	-	-		-
Water Services Infrastructure Grant (WSIG)		35,230	29,200	19,200	338	2,410	9,600	(7,190)	-74.9%	19,200
MWIG		-	-	-		-	-	-		-
Provincial Government:		12,138	9,471	9,471	163	1,110	4,736	(3,626)	-76.6%	9,471
Level 2 accreditation		-	-	-		-	-	-		-
Recapitalisation of Community Libraries		-	-	-		-	-	-		-
Sport and Recreation		636	8,243	8,243		-	4,122	-		8,243
Community Library		11,502	1,228	1,228	163	1,110	614	-		1,228
Museum		-	-	-		-	-	-		-
Sport and Recreation		-	-	-		-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
European Union		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		101,016	158,510	148,510	6,107	45,233	74,255	(29,022)	-39.1%	148,510
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		492,174	685,885	692,700	53,244	263,138	315,213	(53,696)	-17.0%	692,700

KZN252 Newcastle - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 December

Description	Ref	Budget Year 2019/20				
		Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		2,772	2,226	2,226	546	19.7%
Local Government Equitable Share					-	
Water Services Operating Subsidy					-	
EPWP Incentive					-	
Integrated National Electrification Programme					-	
Finance Management					-	
Museums Services					-	
Massification		2,772	2,226	2,226	546	19.7%
Provincial Government:		3,524	-	-	3,524	100.0%
Provincialisation of Libraries		2,181	-	-	2,181	100.0%
Museums Services		-	-	-	-	
Community Library Services Grant		1,344	-	-	1,344	100.0%
Sport and Recreation					-	
Health subsidy					-	
District Municipality:		-	-	-	-	
<i>[insert description]</i>					-	
Other grant providers:		-	-	-	-	
Grant skill development		-	-	-	-	
COGTA Grant					-	
Total operating expenditure of Approved Roll-overs		6,296	2,226	2,226	4,071	64.7%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Neighbourhood Development Partnership		-	-	-	-	
Water Services Infrastructure Grant (WSIG)		-	-	-	-	
Massification		-	-	-	-	
Other capital transfers <i>[insert description]</i>					-	
Provincial Government:		-	-	-	-	
Corridor Development					-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		6,296	2,226	2,226	4,071	64.7%

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		582,519	618,166	602,166	41,804	302,305	301,083	1,222	0%	602,166
% increase	4		6.1%	3.4%						3.4%
TOTAL MANAGERS AND STAFF		557,861	591,321	575,321	39,619	289,468	287,661	1,807	1%	575,321

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M06 December

Description	Ref	Budget Year 2019/20								
		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		287,110	313,499	308,338	27,122	160,408	154,169	6,239	4%	308,338
Service charges - electricity revenue		630,194	811,903	623,784	46,612	322,935	311,892	11,043	4%	623,784
Service charges - water revenue		176,507	186,097	158,182	14,808	89,090	79,091	9,999	13%	158,182
Service charges - sanitation revenue		108,894	110,794	124,838	8,931	56,166	62,419	(6,253)	-10%	124,838
Service charges - refuse revenue		88,291	83,960	97,127	6,549	39,858	48,564	(8,705)	-18%	97,127
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		8,141	8,661	8,661	696	3,976	4,331	(354)	-8%	8,661
Interest earned - external investments		4,961	4,041	4,041	141	869	2,020	(1,152)	-57%	4,041
Interest earned - outstanding debtors		8,015	9,780	9,780	513	4,165	4,890	(725)	-15%	9,780
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		8,589	8,117	8,117	1,287	7,082	4,059	3,024	75%	8,117
Licences and permits		12	14	14	1	5	7	(2)	-32%	14
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		498,547	431,718	533,109	799	260,608	385,157	(124,549)	-32%	533,109
Other revenue		23,627	31,810	36,084	727	5,051	18,042	(12,991)	-72%	36,084
Gains on disposal of PPE		-	2,332	2,332	-	4,714	1,166	3,548	304%	2,332
Total Revenue (excluding capital transfers and contributions)		1,842,887	2,002,724	1,914,407	108,188	954,927	1,075,806	(120,879)	-11%	1,914,407
Expenditure By Type										
Employee related costs		557,861	591,321	562,321	39,619	289,468	281,161	8,307	3%	562,321
Remuneration of councillors		24,657	26,845	26,845	2,185	12,837	13,422	(586)	-4%	26,845
Debt impairment		89,608	174,245	174,245	1,036	58,865	87,123	(28,257)	-32%	174,245
Depreciation & asset impairment		361,880	491,982	491,982	31,126	184,768	245,991	(61,222)	-25%	491,982
Finance charges		61,665	45,042	45,042	3,836	26,677	22,521	4,156	18%	45,042
Bulk purchases		524,211	684,074	631,074	41,288	283,030	315,537	(32,507)	-10%	631,074
Other materials		5,975	4,310	3,319	153	742	1,659	(918)	-55%	3,319
Contracted services		74,012	54,249	143,756	29,317	102,077	71,878	30,199	42%	143,756
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		306,101	332,640	287,331	19,712	89,084	143,666	(54,582)	-38%	287,331
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		2,005,971	2,404,708	2,365,915	168,272	1,047,548	1,182,957	(135,410)	-11%	2,365,915
Surplus/(Deficit)		(163,084)	(401,983)	(451,508)	(60,083)	(92,620)	(107,152)	14,531	-14%	(451,508)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		127,639	173,189	163,189	6,127	45,233	90,233	(45,000)	-50%	163,189
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		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(35,445)	(228,795)	(288,319)	(53,956)	(47,388)	(16,919)	(30,469)	180%	(288,319)

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M06 December

Description	Ref	Budget Year 2019/20								
		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 Municipal Entity										
Service charges - water revenue		95,286	114,940	119,081	8,998	9,335	57,470	(48,135)	-84%	119,081
Service charges - sanitation revenue								-		
Service charges - other								-		
Rental of facilities and equipment								-		
Interest earned - external Investments								-		
Interest earned - outstanding debtors								-		
Agency services								-		
Transfers recognised - operational								-		
Other revenue								-		
Gains on disposal of PPE								-		
Total Operating Revenue	1	95,286	114,940	119,081	8,998	9,335	57,470	(48,135)	-84%	119,081
Expenditure By Municipal Entity										
Employee Related Cost		12,269	12,907		1,574	7,251	6,454	797	12%	12,907
Debt Impairment		-	-		-	-	-	-		-
Collection Costs		-	-		-	-	-	-		-
Depreciation		681	896		61	365	448	(83)	-19%	896
Finance Charges		-	-		-	-	-	-		-
Bulk Purchases		24,261	24,557		3,495	13,555	12,278	1,276	10%	24,557
Other Material		5,550	5,465		148	2,769	2,733			5,465
Contracted services		3,628	9,849		112	963	4,925			9,849
Repairs & Maintenance		-	-		-	-	-	-		-
Other Expenditure		30,760	28,552		3,195	19,204	14,276	4,928	35%	28,552
Total Operating Expenditure	2	77,149	82,227	-	8,585	44,106	41,113	2,992	7%	82,227
Surplus/ (Deficit) for the yr/period		18,137	32,713	119,081	413	(34,771)	16,357	(45,142)	-276%	36,854
Capital Expenditure By Municipal Entity										
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - other								-		
Rental of facilities and equipment								-		
Interest earned - external Investments								-		
Interest earned - outstanding debtors								-		
Other revenue								-		
Gains on disposal of PPE								-		
#REF!								-		
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2018/19	Budget Year 2019/20							
	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	3,436	17,260	15,677	3,493	3,493	15,677	12,184	77.7%	2%
August	10,348	17,260	15,677	12,343	15,835	31,353	15,518	49.5%	8%
September	2,174	17,260	15,677	6,817	22,652	47,030	24,378	51.8%	11%
October	12,590	17,260	15,677	9,161	31,813	62,706	30,893	49.3%	15%
November	15,784	17,260	15,677	9,742	41,555	78,383	36,828	47.0%	20%
December	18,715	17,260	15,677	7,532	49,087	94,059	44,972	47.8%	24%
January	13,575	17,260	15,677			109,736	-		
February	5,177	17,260	15,677	-		125,412	-		
March	14,177	17,260	15,677	-		141,089	-		
April	7,248	17,260	15,677	-		156,766	-		
May	14,835	17,260	15,677	-		172,442	-		
June	40,833	17,260	12,427	-		184,869	-		
Total Capital expenditure	158,893	207,119	184,869	49,087					

KZN252 Newcastle - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		60,975	137,886	120,186	3,120	31,606	60,093	28,487	47.4%	120,186
Roads Infrastructure		37,899	115,966	108,266	3,120	31,606	54,133	22,527	41.6%	108,266
Roads		37,899	115,966	108,266	3,120	31,606	54,133	22,527	41.6%	108,266
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3,625	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		3,625	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		13,707	21,420	11,420	-	-	5,710	5,710	100.0%	11,420
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		13,707	5,420	5,420	-	-	2,710	2,710	100.0%	5,420
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	16,000	6,000	-	-	3,000	3,000	100.0%	6,000
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		5,943	500	500	-	-	250	250	100.0%	500
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		5,943	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	500	500	-	-	250	250	100.0%	500
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		23,948	11,442	11,442	-	-	5,721	5,721	100.0%	11,442
Community Facilities		23,948	11,442	11,442	-	-	5,721	5,721	100.0%	11,442
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		52	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		17,040	11,442	11,442	-	-	5,721	5,721	100.0%	11,442

Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	6,855	-	-	-	-	-	-	-	-
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	-	4,500	1,250	-	-	625	625	100.0%	1,250
Revenue Generating	-	4,500	1,250	-	-	625	625	100.0%	1,250
Improved Property	-	4,500	1,250	-	-	625	625	100.0%	1,250
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	-	500	500	-	-	250	250	100.0%	500
Operational Buildings	-	500	500	-	-	250	250	100.0%	500
Municipal Offices	-	500	500	-	-	250	250	100.0%	500
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	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	1,256	2,280	1,980	3	161	990	829	83.7%	1,980
Furniture and Office Equipment	1,256	2,280	1,980	3	161	990	829	83.7%	1,980
Machinery and Equipment	132	5,450	5,450	-	-	2,725	2,725	100.0%	5,450
Machinery and Equipment	132	5,450	5,450	-	-	2,725	2,725	100.0%	5,450
Transport Assets	-	700	700	-	-	350	350	100.0%	700
Transport Assets	-	700	700	-	-	350	350	100.0%	700
Land	-	2,000	2,000	1,302	1,302	1,000	(302)	-30.2%	2,000
Land	-	2,000	2,000	1,302	1,302	1,000	(302)	-30.2%	2,000
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	86,310	164,758	143,508	4,425	33,069	71,754	53.9%	143,508

Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Purts	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	46,912	21,400	20,400	952	6,544	10,200	3,656	35.8%	20,400

Zoo's Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Zoo's Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	1	85,873	118,817	118,817	9,252	37,924	59,408	21,484	36.2%	118,817

Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	361,880	491,982	491,982	31,126	184,766	245,991	61,222	24.9%	491,982

Crèches	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	-
Tasting Stations	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-
Libraries	3,335	-	-	-	-	-	-	-	-	-
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	561	8,243	8,243	-	-	4,122	4,122	100.0%	-	8,243
Indoor Facilities	561	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	8,243	8,243	-	-	4,122	4,122	100.0%	-	8,243
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	27	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Housing	27	-	-	-	-	-	-	-	-	-
Staff Housing	27	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	25,671	20,961	20,961	2,156	9,475	10,461	1,006	9.6%	20,961

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) plus Total Capital Expenditure on upgrading of existing assets (SC13c) must reconcile to total capital ex

check balance

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MUNICIPAL MANAGER'S QUALITY CERTIFICATE



I, **MJ Mayisela**, the Acting Municipal Manager of **Newcastle Municipality**, hereby certify that the monthly budget statement for the month of December 2019/20 financial year; have been prepared in accordance with the Municipal Finance Management Act, No56 of 2003; and Regulation 27 of the Budget and Reporting Regulations

Print Name : **MUZI JUSTICE MAYISELA**

Acting Municipal Manager : **NEWCASTLE MUNICIPALITY**

Signature :

Date :

A handwritten signature in black ink, appearing to be 'MJ Mayisela', is written over a dotted line.

15/01/2020