

SECTION 71: MONTHLY BUDGET STATEMENT: NATIONAL REPORTING STANDARD: MONTH TWO: 31 AUGUST 2020: (T 6/1/1-2020/2021): BUDGET AND TREASURY OFFICE



REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

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

FOR CONSIDERATION

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

SUBJECT: AUGUST 2020 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 August 2020 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 August 2020
- 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 differences between the Financial Statements and S71 report. The differences may be due to timing differences in closing the financial systems. It should also be noted that the figures presented on this report are preliminary, until the audited Annual Financial Statements are produced.

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 - M02 August

Description	2019/20	Budget Year 2020/21							
	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	319,656	396,522	-	26,722	63,097	66,087	(2,990)	-5%	396,522
Service charges	950,968	1,015,136	-	95,720	183,791	169,189	14,601	9%	1,015,136
Investment revenue	2,690	2,497	-	177	1,742	416	1,326	319%	2,497
Transfers and subsidies	611,725	662,833	-	182,116	183,890	183,890	-	-	662,833
Other own revenue	53,667	43,701	-	368	2,439	7,283	(4,845)	-67%	43,701
Total Revenue (excluding capital transfers and contributions)	1,938,707	2,120,688	-	305,102	434,959	426,866	8,093	2%	2,120,688
Employee costs	540,376	594,312	-	40,649	86,416	99,052	(12,636)	-13%	594,312
Remuneration of Councillors	25,106	28,466	-	2,095	4,210	4,743	(533)	-11%	28,466
Depreciation & asset impairment	338,886	420,387	-	28,399	56,798	70,065	(13,267)	-19%	420,387
Finance charges	51,592	42,882	-	3,594	7,188	7,147	41	1%	42,882
Materials and bulk purchases	526,370	665,230	-	131,114	128,543	110,872	17,671	16%	665,230
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	567,261	646,208	-	18,585	44,981	107,701	(62,720)	-58%	646,208
Total Expenditure	2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-18%	2,397,474
Surplus/(Deficit)	(110,884)	(276,785)	-	80,666	106,823	27,287	79,536	291%	(276,785)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)
Capital expenditure & funds sources									
Capital expenditure	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Capital transfers recognised	76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	29,029	35,000	-	-	-	5,833	(5,833)	-100%	35,000
Total sources of capital funds	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Financial position									
Total current assets	908,359	499,966	-	-	963,301	-	-	-	499,966
Total non current assets	7,175,844	7,212,080	-	-	7,136,162	-	-	-	7,212,080
Total current liabilities	978,251	429,185	-	-	878,741	-	-	-	429,185
Total non current liabilities	566,829	583,382	-	-	548,732	-	-	-	583,382
Community wealth/Equity	6,539,123	6,699,479	-	-	6,671,990	-	-	-	6,699,479
Cash flows									
Net cash from (used) operating	152,459	150,288	-	(98,921)	33,643	121,586	87,943	72%	150,288
Net cash from (used) investing	(101,042)	(107,548)	-	-	(831)	(17,925)	(17,094)	95%	(107,548)
Net cash from (used) financing	(25,871)	(26,757)	-	26,855	(2,396)	(4,459)	(2,063)	46%	(26,757)
Cash/cash equivalents at the month/year end	35,546	44,043	-	-	65,961	127,262	61,301	48%	51,528
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	86,870	33,562	42,900	30,968	32,665	30,724	167,340	1,161,089	1,586,118
Creditors Age Analysis									
Total Creditors	88,447	25,355	69,303	119,241	140,621	13,680	9,595	-	466,243

2.1 Operating budget performance-revenue

2.1.1 The municipality generated a total revenue of R434.9 million of the original budget of R2.1 billion, representing 20.5 percent. The variance between the year-to-date revenue budget and the actual revenue accrued for the same period amounts to R8 million. Although the aggregate performance on revenue generated shows a variance of 2 percent, it is however necessary to explain reasons which attributed to the figurative variance.

2.1.2 The municipality generated R14.6 million (9%) more revenue from service charges than the year-to-date budget of R169.1 million for the period under review. Electricity over-performed by R17.5 million. Water, sanitation and refuse are all under-performed below target by R1.4 million, R982 thousand and R477 thousand respectively.

2.1.3 The municipality generated R2.9 million (10%) less revenue from property rates than the year-to-date budget of R66 million during the period under review. The variance is attributable to government properties being billed for the full year. This variance is expected to reduce as the year progresses.

2.1.4 The municipality generated R1.3 million (319%) more revenue from interest on investments than the year-to-date budget of R416 thousand for the period under review.

2.1.5 The municipality recorded R183.8 million for operational and R831 thousand for capital transfers and subsidies. It is noted that capital grant expenditure is under-performing by 94%. The under spending is due to the SCM processes which are still at initial stages and well delays in opening the financial system due to mSCOA changes.

2.1.6 The municipality generated R4.8 million (-67%) less revenue from sundry revenue than a pro-rata budget of R7.2 million for the period under review.

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 August 2020, the municipality incurred the total expenditure of R328.1 million of the original budget of R2.3 billion, which represents 13.6 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R71.4 million, representing under-expenditure of 18 percent.

2.2.2 Depreciation has under-performed by R13.2 million (-19%) in the second 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 R15.3million (-50%) due to the indigent register being reviewed.

2.2.3 The municipality spent R17.9 million (16%) more on the bulk purchases than the year-to-date budget of R110.1 million. This could be due to cold winter months escalating the budget as a result of the more demand. This variance is expected to decrease as the season gets warmer.

2.2.4 The municipality spent R294 thousand (-39%) less on materials than the year-to-date budget of R760 thousand. This is mainly due to the culture of cost containment which has been inculcated.

2.2.5 The municipality spent R42.8 million (-76%) less on contracted services than the year-to-date budget of R56.2 million. This is mainly due to the SCM processes which are still at initial stages and the delays in opening the financial system due to the mSCOA changes.

2.2.6 The municipality spent R12.6 million (-13%) less on employee related costs than a pro-rata budget of R99million, mainly due certain positions budgeted for but not yet filled.

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) - M02 August

Vote Description	Ref	Budget Year 2020/21								
		2019/20 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 SETTLEMENT		-	-	-	-	-	-	-	-	-
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		1,964	1,865	-	-	-	311	(311)	-100%	1,865
Vote 3 - BUDGET AND TREASURY		360	1,000	-	-	-	167	(167)	-100%	1,000
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		19,038	18,000	-	-	-	3,000	(3,000)	-100%	18,000
Vote 6 - TECHNICAL SERVICES		83,819	104,683	-	831	831	17,447	(16,616)	-95%	104,683
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		424	-	-	-	-	-	-	-	-
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	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Total Capital Expenditure		105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Capital Expenditure - Functional Classification										
Governance and administration		360	1,000	-	-	-	167	(167)	-100%	1,000
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		360	1,000	-	-	-	167	(167)	-100%	1,000
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,719	1,865	-	-	-	311	(311)	-100%	1,865
Community and social services		861	365	-	-	-	61	(61)	-100%	365
Sport and recreation		230	1,500	-	-	-	250	(250)	-100%	1,500
Public safety		448	-	-	-	-	-	-	-	-
Housing		180	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		97,564	63,683	-	576	576	10,614	(10,038)	-95%	63,683
Planning and development		18,858	18,000	-	-	-	3,000	(3,000)	-100%	18,000
Road transport		78,706	45,683	-	576	576	7,614	(7,038)	-92%	45,683
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		5,962	59,000	-	255	255	9,833	(9,578)	-97%	59,000
Energy sources		424	-	-	-	-	-	-	-	-
Water management		5,113	43,000	-	255	255	7,167	(6,912)	-96%	43,000
Waste water management		425	16,000	-	-	-	2,667	(2,667)	-100%	16,000
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Funded by:										
National Government		76,576	90,183	-	831	831	15,030	(14,200)	-94%	90,183
Provincial Government		-	365	-	-	-	61	(61)	-100%	365
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Entities, Public Companies, etc.)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		29,029	35,000	-	-	-	5,833	(5,833)	-100%	35,000
Total Capital Funding		105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548

2.3.1 Capital expenditure for the second month of the financial year was R831 thousand which represents 0.01% of the original capital budget of R125.5 million. Comparison between the year-to-budget of R20.9 million and actual expenditure for the period reflects an under expenditure of (R20 million) which implies that the municipality spent 96% less than the year-to-date budget for the same period. This is due to SCM processes being at initial stages and the lays opening of the financial system due to implementation of mSCOA reforms.

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 - M02 August

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		–	44,043		12,079	44,043
Call investment deposits		35,545	28,510		53,882	28,510
Consumer debtors		617,310	377,278		805,768	377,278
Other debtors		241,621	36,838		78,417	36,838
Current portion of long-term receivables		0	1		0	1
Inventory		13,883	13,296		13,155	13,296
Total current assets		908,359	499,966	–	963,301	499,966
Non current assets						
Long-term receivables		–				
Investments		–	–			–
Investment property		355,564	355,564		355,564	355,564
Investments in Associate		234,928	204,693		234,928	204,693
Property, plant and equipment		6,573,347	6,638,512		6,533,719	6,638,512
Biological		–				
Intangible		517	1,823		281	1,823
Other non-current assets		11,488	11,488		11,670	11,488
Total non current assets		7,175,844	7,212,080	–	7,136,162	7,212,080
TOTAL ASSETS		8,084,203	7,712,046	–	8,099,463	7,712,046
LIABILITIES						
Current liabilities						
Bank overdraft		–	–			–
Borrowing		12,149	28,757		29,194	28,757
Consumer deposits		24,493	24,738		24,980	24,738
Trade and other payables		932,941	367,022		814,815	367,022
Provisions		8,668	8,668		9,752	8,668
Total current liabilities		978,251	429,185	–	878,741	429,185
Non current liabilities						
Borrowing		389,630	375,896		346,268	375,896
Provisions		177,199	207,485		202,464	207,485
Total non current liabilities		566,829	583,382	–	548,732	583,382
TOTAL LIABILITIES		1,545,080	1,012,567	–	1,427,473	1,012,567
NET ASSETS	2	6,539,123	6,699,479	–	6,671,990	6,699,479
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,510,091	6,670,969		6,643,363	6,670,969
Reserves		29,032	28,510		28,627	28,510
TOTAL COMMUNITY WEALTH/EQUITY	2	6,539,123	6,699,479	–	6,671,990	6,699,479

2.4.1 As at end the end of the second 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 R1.5 billion as at the end of the second month. The bulk of this amount (R1.4 billion) is debt owing for more than 90 days, while R1.2 billion of the total debt is owed by households. When you drill into aged debtors less than 30 days there is a increase of R39 million from R47 million in July to R86.8 million in August. This is the result of the outreach programme run by finance urging consumers to pay their current account. It must be noted that the total figure of debtors is inclusive of indigent

2.4.3 Property Plant and Equipment (Assets) comprise of R6.5 billion of the total assets of R8billion 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 R65.9million as at the end of the second month of the financial year which was from the call investments. It must be noted that the municipality had an obligation of R28 million relating to the HDF. The short-term obligations are sitting at R466.2 million as illustrated on SC4, while unspent conditional grants amount to R80.2 million, representing a cash short-fall of R508.5 million. Table SC4 reflects that the municipality was owing creditors to the tune of R466.2 million. Included under creditors is Eskom for R324.3 million, uThukela Water for R78.8 million, SARS – PAYE for R7.8million, pension and other employee benefits for R14.8million and other trade creditors for R40.4 million.

It must be mentioned that the liquidity position of the municipality keeps not favourable. 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 R84.5 million. The net current ratio indicates that the municipality's current assets are will be adequate to cover for the current liabilities 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 7.5% as reflected in table SC2. 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 0.13%, since the municipality needs R466.2 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

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 - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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		247,108	318,058		32,766	76,561	53,010	23,552	44%	318,058
Service charges		1,096,265	832,349		149,282	217,275	138,725	78,550	57%	832,349
Other revenue		84,390	27,620		629	2,265	4,603	(2,338)	-51%	27,620
Transfers and Subsidies - Operational		535,551	662,833		724	182,102	182,102	-		662,833
Transfers and Subsidies - Capital		119,740	90,548		-	40,000	40,000	-		90,548
Interest		8,444	2,497		592	1,205	416	789	190%	2,497
Dividends		-	-		-	-	-	-		-
Payments										
Suppliers and employees		(1,887,448)	(1,740,736)		(279,320)	(478,577)	(290,123)	188,454	-65%	(1,740,736)
Finance charges		(51,592)	(42,882)		(3,594)	(7,188)	(7,147)	41	-1%	(42,882)
Transfers and Grants		-	-		-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		152,459	150,288	-	(98,921)	33,643	121,586	87,943	72%	150,288
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	18,000		-	-	3,000	(3,000)	-100%	18,000
Decrease (increase) in non-current receivables		4,563	-		-	-	-	-		-
Decrease (increase) in non-current investments		-	-		-	-	-	-		-
Payments										
Capital assets		(105,605)	(125,548)		-	(831)	(20,925)	(20,094)	96%	(125,548)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(101,042)	(107,548)	-	-	(831)	(17,925)	(17,094)	95%	(107,548)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-		-	-	-	-		-
Borrowing long term/refinancing		-	-		-	-	-	-		-
Increase (decrease) in consumer deposits		-	2,000		-	-	333	(333)	-100%	2,000
Payments										
Repayment of borrowing		(25,871)	(28,757)		28,855	(2,396)	(4,793)	(2,397)	50%	(28,757)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(25,871)	(26,757)	-	26,855	(2,396)	(4,459)	(2,063)	46%	(26,757)
NET INCREASE/ (DECREASE) IN CASH HELD		25,547	15,983	-	(72,066)	30,416	99,202			15,983
Cash/cash equivalents at beginning:		9,999	28,060			35,545	28,060			35,545
Cash/cash equivalents at month/year end:		35,546	44,043			65,961	127,262			51,528

- 2.5.1 The municipality opened with a cash and cash equivalent balance of R35.5 million at the beginning of the financial year and closed with a balance of R65.9 million as at the end of August 2020 which represents a cash increase of R30.4 million since the beginning of the financial year.
- 2.5.2 Cash flows from operating activities yielded a net cash inflow of R33.6million 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 R 831 thousand due to capital expenditure not being incurred during the month.
- 2.5.4 Cash flows from financing activities recorded net cash outflows of R2.3 million. This was due to the capital repayment of loans by the municipality during the period.

3. CONCLUSION

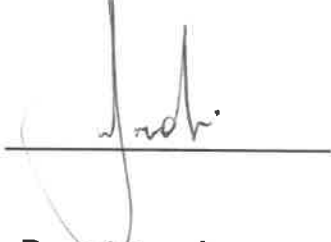
The under-expenditure on operational budget is acceptable if it is due to the introduction of cost-containment. However, it is important to emphasise that the expenditure on maintenance should not be compromised as it seems to be under-performing by 95.6%. The issues that still reflect material variances 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 widen the revenue and cash base as these seem to be the solution to turn the cash-flow situation around.


4. RECOMMENDED

(a) That the MFMA Section 71 report for the month ended 31 August 2020 be noted;

Report prepared by:



Report seen by:



COUNICLLOR DR NNG MAHLABA
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE



SM NKOSI
STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE



KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M02 August

Description	2019/20	Budget Year 2020/21							
	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	319,656	396,522	-	26,722	63,097	66,087	(2,990)	-5%	396,522
Service charges	950,968	1,015,136	-	95,720	183,791	169,189	14,601	9%	1,015,136
Investment revenue	2,690	2,497	-	177	1,742	416	1,326	319%	2,497
Transfers and subsidies	611,725	662,833	-	182,116	183,890	183,890	-		662,833
Other own revenue	53,667	43,701	-	368	2,439	7,283	(4,845)	-67%	43,701
Total Revenue (excluding capital transfers and contributions)	1,938,707	2,120,688	-	305,102	434,959	426,866	8,093	2%	2,120,688
Employee costs	540,376	594,312	-	40,649	86,416	99,052	(12,636)	-13%	594,312
Remuneration of Councillors	25,106	28,456	-	2,095	4,210	4,743	(533)	-11%	28,456
Depreciation & asset impairment	338,886	420,387	-	28,399	56,798	70,065	(13,267)	-19%	420,387
Finance charges	51,592	42,882	-	3,594	7,188	7,147	41	1%	42,882
Materials and bulk purchases	526,370	665,230	-	131,114	128,543	110,872	17,671	16%	665,230
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	567,261	646,208	-	18,585	44,981	107,701	(62,720)	-58%	646,208
Total Expenditure	2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-18%	2,397,474
Surplus/(Deficit)	(110,884)	(276,785)	-	80,666	106,823	27,287	79,536	291%	(276,785)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
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	(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)
Capital expenditure & funds sources									
Capital expenditure	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Capital transfers recognised	76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	29,029	35,000	-	-	-	5,833	(5,833)	-100%	35,000
Total sources of capital funds	105,605	125,548	-	831	831	20,925	(20,094)	-96%	125,548
Financial position									
Total current assets	908,359	499,966	-	-	963,301	-	-		499,966
Total non current assets	7,175,844	7,212,080	-	-	7,136,162	-	-		7,212,080
Total current liabilities	978,251	429,185	-	-	878,741	-	-		429,185
Total non current liabilities	566,829	583,382	-	-	548,732	-	-		583,382
Community wealth/Equity	6,539,123	6,699,479	-	-	6,671,990	-	-		6,699,479
Cash flows									
Net cash from (used) operating	152,459	150,288	-	(98,921)	33,643	121,586	87,943	72%	150,288
Net cash from (used) investing	(101,042)	(107,548)	-	-	(831)	(17,925)	(17,094)	95%	(107,548)
Net cash from (used) financing	(25,871)	(26,757)	-	26,855	(2,396)	(4,459)	(2,063)	46%	(26,757)
Cash/cash equivalents at the month/year end	35,546	44,043	-	-	65,961	127,262	61,301	48%	51,528
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	86,870	33,562	42,900	30,968	32,665	30,724	167,340	1,161,089	1,586,118
Creditors Age Analysis									
Total Creditors	88,269	25,355	69,303	119,241	140,621	13,680	9,595	-	466,064

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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>		435,104	515,968	-	70,542	109,842	85,995	23,847	28%	515,968
Executive and council		8,859	8,310	-	2,334	4,176	1,385	2,791	202%	8,310
Finance and administration		426,246	507,658	-	68,208	105,665	84,610	21,056	25%	507,658
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		106,328	202,896	-	1,331	2,752	33,816	(31,064)	-92%	202,896
Community and social services		12,704	9,917	-	974	2,012	1,653	359	22%	9,917
Sport and recreation		410	697	-	(3)	-	116	(116)	-100%	697
Public safety		10,596	14,176	-	25	89	2,363	(2,274)	-96%	14,176
Housing		82,579	178,045	-	331	646	29,674	(29,028)	-98%	178,045
Health		39	61	-	4	5	10	(5)	-49%	61
<i>Economic and environmental services</i>		180,902	73,475	-	656	1,078	12,246	(11,168)	-91%	73,475
Planning and development		18,647	42,324	-	81	502	7,054	(6,552)	-93%	42,324
Road transport		162,256	31,151	-	576	576	5,192	(4,616)	-89%	31,151
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,292,795	1,418,730	-	233,392	322,092	309,873	12,219	4%	1,418,730
Energy sources		655,124	698,157	-	96,652	152,839	164,623	(11,784)	-7%	698,157
Water management		309,037	347,971	-	53,028	68,320	59,018	9,302	16%	347,971
Waste water management		209,851	237,307	-	58,261	67,728	63,683	4,045	6%	237,307
Waste management		118,782	135,295	-	25,451	33,206	22,549	10,657	47%	135,295
Other	4	154	167	-	12	26	28	(2)	-8%	167
Total Revenue - Functional	2	2,015,283	2,211,236	-	305,933	435,790	441,957	(6,168)	-1%	2,211,236
Expenditure - Functional										
<i>Governance and administration</i>		392,249	472,252	-	37,968	67,379	78,709	(11,330)	-14%	472,252
Executive and council		65,659	70,540	-	6,768	12,943	11,757	1,187	10%	70,540
Finance and administration		325,857	393,755	-	31,200	54,436	65,626	(11,190)	-17%	393,755
Internal audit		733	7,956	-	-	-	1,326	(1,326)	-100%	7,956
<i>Community and public safety</i>		266,880	300,685	-	15,153	28,493	50,114	(21,622)	-43%	300,685
Community and social services		27,069	38,388	-	2,367	4,542	6,398	(1,856)	-29%	38,388
Sport and recreation		67,072	73,485	-	4,981	9,949	12,247	(2,298)	-19%	73,485
Public safety		68,334	63,029	-	3,133	7,422	10,505	(3,083)	-29%	63,029
Housing		98,365	117,341	-	3,992	5,286	19,557	(14,271)	-73%	117,341
Health		6,040	8,442	-	681	1,294	1,407	(113)	-8%	8,442
<i>Economic and environmental services</i>		304,847	342,130	-	34,225	41,111	57,022	(15,910)	-28%	342,130
Planning and development		86,389	102,357	-	5,790	12,610	17,059	(4,449)	-26%	102,357
Road transport		218,450	239,763	-	28,435	28,494	39,961	(11,467)	-29%	239,763
Environmental protection		8	10	-	-	7	2	5	324%	10
<i>Trading services</i>		1,083,921	1,280,641	-	137,058	191,122	213,440	(22,319)	-10%	1,280,641
Energy sources		552,417	680,599	-	105,592	124,598	113,433	11,165	10%	680,599
Water management		408,372	495,718	-	23,998	57,033	82,620	(25,587)	-31%	495,718
Waste water management		56,658	53,129	-	5,462	5,529	8,855	(3,326)	-38%	53,129
Waste management		66,474	51,196	-	2,006	3,962	8,533	(4,571)	-54%	51,196
Other		1,694	1,766	-	31	31	294	(263)	-89%	1,766
Total Expenditure - Functional	3	2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-18%	2,397,474
Surplus/ (Deficit) for the year		(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - CORPORATE SERVICES	1	73,749	78,201	-	33,702	35,570	13,034	22,537	172.9%	78,201
Vote 2 - COMMUNITY SERVICES		142,531	160,511	-	26,451	35,312	26,752	8,560	32.0%	160,511
Vote 3 - BUDGET AND TREASURY		361,355	436,267	-	36,840	74,271	72,711	1,560	2.1%	436,267
Vote 4 - MUNICIPAL MANAGER		-	1,500	-	-	-	250	(250)	-100.0%	1,500
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		101,380	187,341	-	423	1,174	31,224	(30,050)	-96.2%	187,341
Vote 6 - TECHNICAL SERVICES		681,144	649,259	-	111,864	136,623	157,496	(20,873)	-13.3%	649,259
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		655,124	698,157	-	96,652	152,839	140,491	12,348	8.8%	698,157
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	2,015,283	2,211,236	-	305,933	435,790	441,957	(6,168)	-1.4%	2,211,236
Expenditure by Vote										
Vote 1 - CORPORATE SERVICES	1	121,205	152,785	-	13,669	19,788	25,464	(5,676)	-22.3%	152,785
Vote 2 - COMMUNITY SERVICES		287,455	271,386	-	17,603	33,034	45,231	(12,197)	-27.0%	271,386
Vote 3 - BUDGET AND TREASURY		139,996	176,376	-	11,875	28,329	29,396	(1,067)	-3.6%	176,376
Vote 4 - MUNICIPAL MANAGER		78,740	82,435	-	6,619	11,073	13,739	(2,666)	-19.4%	82,435
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		125,741	150,587	-	6,059	9,388	25,098	(15,709)	-62.6%	150,587
Vote 6 - TECHNICAL SERVICES		744,037	859,324	-	61,625	99,564	143,221	(43,656)	-30.5%	859,324
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		552,417	704,582	-	106,985	126,959	117,430	9,529	8.1%	704,582
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	2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-17.9%	2,397,474
Surplus/ (Deficit) for the year	2	(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154.0%	(186,237)

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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		319,656	396,522		26,722	63,097	66,087	(2,990)	-5%	396,522
Service charges - electricity revenue		581,207	609,866		62,623	119,191	101,644	17,547	17%	609,866
Service charges - water revenue		178,594	190,579		15,996	30,276	31,763	(1,487)	-5%	190,579
Service charges - sanitation revenue		108,915	118,793		9,345	18,817	19,799	(982)	-5%	118,793
Service charges - refuse revenue		82,251	95,898		7,755	15,506	15,983	(477)	-3%	95,898
Rental of facilities and equipment		7,817	8,495		608	1,221	1,416	(195)	-14%	8,495
Interest earned - external investments		2,690	2,497		177	1,742	416	1,326	319%	2,497
Interest earned - outstanding debtors		5,754	6,325		(972)	(537)	1,054	(1,591)	-151%	6,325
Dividends received		-	-		-	-	-	-	-	-
Fines, penalties and forfeits		9,054	13,114		92	77	2,186	(2,108)	-96%	13,114
Licences and permits		8	38		8	11	6	5	77%	38
Agency services		-	-		-	-	-	-	-	-
Transfers and subsidies		611,725	662,833		182,116	183,890	183,890	-	-	662,833
Other revenue		31,034	15,729		629	1,664	2,621	(958)	-37%	15,729
Gains		-	-		2	2	-	2	#DIV/0!	-
Total revenue (excluding capital transfers and contributions)		1,938,707	2,120,688	-	305,102	434,959	426,866	8,093	2%	2,120,688
Expenditure By Type										
Employee related costs		540,376	594,312		40,649	86,416	99,052	(12,636)	-13%	594,312
Remuneration of councillors		25,106	28,456		2,095	4,210	4,743	(533)	-11%	28,456
Debt impairment		137,893	184,700		1,216	15,397	30,783	(15,387)	-50%	184,700
Depreciation & asset impairment		338,886	420,387		28,399	56,798	70,065	(13,267)	-19%	420,387
Finance charges		51,592	42,882		3,594	7,188	7,147	41	1%	42,882
Bulk purchases		524,253	660,671		130,866	128,077	110,112	17,965	16%	660,671
Other materials		2,117	4,559		248	465	760	(294)	-39%	4,559
Contracted services		215,154	337,719		11,272	13,469	56,287	(42,818)	-76%	337,719
Transfers and subsidies		-	-		-	-	-	-	-	-
Other expenditure		214,115	123,788		6,097	16,116	20,631	(4,515)	-22%	123,788
Losses		100	1		-	-	0	(0)	-100%	1
Total Expenditure		2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-18%	2,397,474
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(110,884)	(276,785)		80,666	106,823	27,287	79,536	0	(276,785)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, or Educational Institutions)		76,576	90,548		831	831	15,091	(14,261)	(0)	90,548
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(34,308)	(186,237)	-	81,497	107,654	42,378			(186,237)
Taxation										
Surplus/(Deficit) after taxation		(34,308)	(186,237)	-	81,497	107,654	42,378			(186,237)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(34,308)	(186,237)	-	81,497	107,654	42,378			(186,237)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(34,308)	(186,237)	-	81,497	107,654	42,378			(186,237)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description	Ref	Budget Year 2020/21								
		2019/20 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 SETTLEMENT		-	-	-	-	-	-	-	-	-
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		1,964	1,865	-	-	311	(311)	-100%	1,865	
Vote 3 - BUDGET AND TREASURY		360	1,000	-	-	167	(167)	-100%	1,000	
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		19,036	18,000	-	-	3,000	(3,000)	-100%	18,000	
Vote 6 - TECHNICAL SERVICES		83,819	104,683	-	831	831	17,447	(16,616)	-95%	104,683
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		424	-	-	-	-	-	-	-	
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	105,605	125,548	-	831	831	20,925	(20,094)	-98%	125,548
Total Capital Expenditure		105,605	125,548	-	831	831	20,925	(20,094)	-98%	125,548
Capital Expenditure - Functional Classification										
Governance and administration		360	1,000	-	-	167	(167)	-100%	1,000	
Executive and council		-	-	-	-	-	-	-	-	
Finance and administration		360	1,000	-	-	167	(167)	-100%	1,000	
Internal audit		-	-	-	-	-	-	-	-	
Community and public safety		1,719	1,865	-	-	311	(311)	-100%	1,865	
Community and social services		861	365	-	-	61	(61)	-100%	365	
Sport and recreation		230	1,500	-	-	250	(250)	-100%	1,500	
Public safety		448	-	-	-	-	-	-	-	
Housing		180	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	
Economic and environmental services		97,564	63,683	-	576	576	10,614	(10,036)	-95%	63,683
Planning and development		18,858	18,000	-	-	3,000	(3,000)	-100%	18,000	
Road transport		78,706	45,683	-	576	576	7,614	(7,036)	-92%	45,683
Environmental protection		-	-	-	-	-	-	-	-	
Trading services		5,962	59,000	-	255	255	9,833	(9,578)	-97%	59,000
Energy sources		424	-	-	-	-	-	-	-	
Water management		5,113	43,000	-	255	255	7,167	(6,812)	-96%	43,000
Waste water management		425	16,000	-	-	-	2,667	(2,667)	-100%	16,000
Waste management		-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification	3	105,605	125,548	-	831	831	20,925	(20,094)	-98%	125,548
Funded by:										
National Government		76,576	90,183	-	831	831	15,030	(14,200)	-94%	90,183
Provincial Government		-	365	-	-	-	61	(61)	-100%	365
District Municipality		-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	
Transfers recognised - capital		76,576	90,548	-	831	831	15,091	(14,261)	-94%	90,548
Borrowing	6	-	-	-	-	-	-	-	-	
Internally generated funds		29,029	35,000	-	-	-	5,833	(5,833)	-100%	35,000
Total Capital Funding		105,605	125,548	-	831	831	20,925	(20,094)	-98%	125,548

References

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

2. Include capital component of PPP unitary payment

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

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

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

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		–	44,043		12,079	44,043
Call investment deposits		35,545	28,510		53,882	28,510
Consumer debtors		617,310	377,278		805,768	377,278
Other debtors		241,621	36,838		78,417	36,838
Current portion of long-term receivables		0	1		0	1
Inventory		13,883	13,296		13,155	13,296
Total current assets		908,359	499,966	–	963,301	499,966
Non current assets						
Long-term receivables		–	–		–	–
Investments		–	–		–	–
Investment property		355,564	355,564		355,564	355,564
Investments in Associate		234,928	204,693		234,928	204,693
Property, plant and equipment		6,573,347	6,638,512		6,533,719	6,638,512
Biological		–	–		–	–
Intangible		517	1,823		281	1,823
Other non-current assets		11,488	11,488		11,670	11,488
Total non current assets		7,175,844	7,212,080	–	7,136,162	7,212,080
TOTAL ASSETS		8,084,203	7,712,046	–	8,099,463	7,712,046
LIABILITIES						
Current liabilities						
Bank overdraft		–	–		–	–
Borrowing		12,149	28,757		29,194	28,757
Consumer deposits		24,493	24,738		24,980	24,738
Trade and other payables		932,941	367,022		814,815	367,022
Provisions		8,668	8,668		9,752	8,668
Total current liabilities		978,251	429,185	–	878,741	429,185
Non current liabilities						
Borrowing		389,630	375,896		346,268	375,896
Provisions		177,199	207,485		202,464	207,485
Total non current liabilities		566,829	583,382	–	548,732	583,382
TOTAL LIABILITIES		1,545,080	1,012,567	–	1,427,473	1,012,567
NET ASSETS	2	6,539,123	6,699,479	–	6,671,990	6,699,479
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,510,091	6,670,969		6,643,363	6,670,969
Reserves		29,032	28,510		28,627	28,510
TOTAL COMMUNITY WEALTH/EQUITY	2	6,539,123	6,699,479	–	6,671,990	6,699,479

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2019/20	Budget Year 2020/21							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		247,108	318,058		32,766	76,561	53,010	23,552	44%	318,058
Service charges		1,096,265	832,349		149,282	217,275	138,725	78,550	57%	832,349
Other revenue		84,390	27,620		629	2,265	4,603	(2,338)	-51%	27,620
Transfers and Subsidies - Operational		535,551	662,833		724	182,102	182,102	-		662,833
Transfers and Subsidies - Capital		119,740	90,548		-	40,000	40,000	-		90,548
Interest		8,444	2,497		592	1,205	416	789	190%	2,497
Dividends		-	-		-	-	-	-		-
Payments										
Suppliers and employees		(1,887,448)	(1,740,736)		(279,320)	(478,577)	(290,123)	188,454	-65%	(1,740,736)
Finance charges		(51,592)	(42,882)		(3,594)	(7,188)	(7,147)	41	-1%	(42,882)
Transfers and Grants		-	-		-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		152,459	150,288	-	(98,921)	33,643	121,586	87,943	72%	150,288
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	18,000		-	-	3,000	(3,000)	-100%	18,000
Decrease (increase) in non-current receivables		4,563	-		-	-	-	-		-
Decrease (increase) in non-current investments		-	-		-	-	-	-		-
Payments										
Capital assets		(105,605)	(125,548)		-	(831)	(20,925)	(20,094)	96%	(125,548)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(101,042)	(107,548)	-	-	(831)	(17,925)	(17,094)	95%	(107,548)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-		-	-	-	-		-
Borrowing long term/refinancing		-	-		-	-	-	-		-
Increase (decrease) in consumer deposits		-	2,000		-	-	333	(333)	-100%	2,000
Payments										
Repayment of borrowing		(25,871)	(28,757)		26,855	(2,396)	(4,793)	(2,397)	50%	(28,757)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(25,871)	(26,757)	-	26,855	(2,396)	(4,459)	(2,063)	46%	(26,757)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		9,999	28,060		(72,066)	30,416	99,202			35,548
Cash/cash equivalents at month/year end:		35,546	44,043		-	65,961	127,262			51,528

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - M02 August

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<p>R thousands</p> <p>Revenue By Source</p> <p>Service charges - electricity revenue</p> <p>Rental of facilities and equipment</p> <p>Interest earned - external investments</p> <p>Interest earned - outstanding debtors</p> <p>Fines, penalties and forfeits</p> <p>Licences and permits</p> <p>Other revenue</p> <p>Expenditure By Type</p> <p>Remuneration of councillors</p> <p>Employee related costs</p> <p>Debt impairment</p> <p>Depreciation & asset impairment</p> <p>Bulk purchases</p> <p>Other materials</p> <p>Contracted services</p> <p>Other expenditure</p> <p>Capital Expenditure</p> <p>Grant funded projects</p> <p>Internally funded projects</p> <p>Repairs and maintenance</p> <p>Financial Position</p>	<p>17%</p> <p>-14%</p> <p>319%</p> <p>-151%</p> <p>-96%</p> <p>77%</p> <p>-27%</p> <p>-11%</p> <p>-13%</p> <p>-50%</p> <p>-19%</p> <p>16%</p> <p>-39%</p> <p>-76%</p> <p>-22%</p> <p>72%</p> <p>95%</p> <p>46%</p>	<p>The over performance of this service is due to consumers reaction during the cold winter month. The variance is due to there being vacant facilities, furthermore due to the lockdown restrictions certain municipal facilities aren't being utilized to generate revenue.</p> <p>Due to slow spending investments are accumulating more interest then anticipated</p> <p>Due to an increase on our debtors book.</p> <p>Dependent on the consumers reaction</p> <p>Dependent on the consumers reaction</p> <p>Other revenue is dependent on levels of consumption and therefore fluctuates every month.</p> <p>Death and dismissal of two councillors respectively has resulted to this variance.</p> <p>mainly due certain positions budgeted for but not yet filled</p> <p>Only debt impairment for indigents is calculated monthly all other debtors is Biannually</p> <p>This is due to the very low capital expenditure and projects still under work in progress (not yet capitalised)</p> <p>This could be due to cold winter months escalating the budget as a result of the demand associated with the lockdown, this variance is expected to decrease as it gets warmer.</p> <p>Cross cut measures are implemented to reduce the expenditure for material</p> <p>Invoice from service providers haven't yet received</p> <p>Coost containment measures</p> <p>Due to SCM processe being at initial stages</p> <p>Due to SCM processe being at initial stages</p> <p>Due to SCM processe being at initial stages</p> <p>Equitable Share and other grants bulk of it received early in the financial year</p> <p>Slow capital expenditure</p> <p>Based on amortisation schedules</p>	<p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>This item will be monitored during the course of the year whether an adjustment would be required.</p> <p>Fast track SCM processes and management of contractors</p> <p>Fast track SCM processes and management of contractors</p> <p>Fast track SCM processes and management of contractors</p> <p>None</p> <p>None</p> <p>None</p>
2	<p>Cash Flow</p> <p>Net Cash from Operating Activities</p> <p>Net Cash Used from Investing Activities</p> <p>Net Cash Used from Financial Activities</p> <p>Measureable performance</p>			
3	<p>Municipal Entities</p>			
4				
5				
6				
7				

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August

Description of financial indicator	Basis of calculation	Ref	2019/20	Budget Year 2020/21			
			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		1.3%	19.3%	0.0%	2.2%	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		20.4%	11.5%	0.0%	17.8%	11.5%
Gearing	Long Term Borrowing/ Funds & Reserves		1342.1%	1318.5%	0.0%	1209.6%	1318.5%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	92.9%	116.5%	0.0%	109.6%	116.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		3.6%	16.9%	0.0%	7.5%	16.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		44.3%	19.5%	0.0%	203.3%	19.5%
Outstanding 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					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		27.9%	28.0%	0.0%	19.9%	28.0%
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		20.1%	21.8%	0.0%	1.7%	3.4%
<u>Additional 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 - M02 August

Description	NT Code	Budget Year 2020/21										Total	Total over 90 days	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 Dye	151-180 Dye	181 Dye-1 Yr	Over 1Yr	Total						
R thousands																
Debtors Age Analysis By Income Source																
Trade and Other Receivables from Exchange Transactions - Water	1200	24,851	8,023	10,143	8,082	8,105	8,622	45,036	314,210	426,872	384,055	231				
Trade and Other Receivables from Exchange Transactions - Electricity	1300	49,425	1,707	7,521	940	1,160	1,029	3,634	50,386	115,802	57,149	311				
Receivables from Non-exchange Transactions - Property Rates	1400	46,997	9,735	9,071	8,700	8,465	7,793	39,717	178,866	309,334	243,531	226				
Receivables from Exchange Transactions - Waste Water Management	1500	15,891	5,825	6,238	5,600	5,613	5,435	33,691	244,590	322,884	294,929	195				
Receivables from Exchange Transactions - Waste Management	1600	12,146	4,477	4,654	4,230	4,168	4,100	24,493	122,121	180,388	159,111	107				
Receivables from Exchange Transactions - Property Rental Debtors	1700	660	177	170	153	145	286	717	3,406	5,703	4,707	-				
Interest on Arrear Debtor Accounts	1810	1,042	385	389	373	441	448	2,566	37,006	42,649	40,833	-				
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-				
Other	1900	(63,831)	3,232	4,714	2,889	4,568	3,013	17,487	210,514	182,485	238,470	128				
Total By Income Source	2000	86,870	33,562	42,900	30,968	32,665	30,724	167,340	1,181,089	1,566,118	1,422,786	1,198				
2019/20 - totals only																
Debtors Age Analysis By Customer Group																
Organs of State	2200	11,404	1,617	802	514	2,035	473	2,631	17,703	37,180	23,356	-				
Commercial	2300	(10,130)	4,143	10,264	3,434	3,668	3,233	12,394	108,916	135,922	131,645	-				
Households	2400	85,576	27,755	31,758	26,992	26,868	26,992	152,245	1,033,763	1,411,968	1,266,879	1,197				
Other	2500	19	47	76	28	93	27	70	667	1,048	906	1				
Total By Customer Group	2600	86,870	33,562	42,900	30,968	32,665	30,724	167,340	1,181,089	1,566,118	1,422,786	1,198				

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

R thousands	Description	NT Code	Budget Year 2020/21										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	50,282	10,615	30,000	106,522	126,927	-	-	-	-	-	-	324,346	
	Bulk Water	0200	12,350	12,868	21,547	10,933	10,231	10,877	-	-	-	-	-	78,806	
	PAYE deductions	0300	7,821	-	-	-	-	-	-	-	-	-	-	7,821	
	VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	
	Pensions / Retirement deductions	0500	14,837	-	-	-	-	-	-	-	-	-	-	14,837	
	Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	
	Trade Creditors	0700	3,157	1,872	17,756	1,786	3,463	2,803	9,595	-	-	-	40,432		
	Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-	
	Other	0900	-	-	-	-	-	-	-	-	-	-	-	-	
	Total By Customer Type	1000	88,447	25,355	69,303	119,241	140,621	13,680	9,595	-	-	-	466,243		

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months													
R thousands															
Municipality															
Nedbank		12 months		Call Account						Call account	1,332	222	(125,000)	140,000	16,555
Standard Bank		12 months		Call Account						Call account	36,546	183	(26,000)	26,000	36,729
ABSA		12 months		Call Account						Call account	595	5	-	-	599
Municipality sub-total											38,473		(151,000)	166,000	53,883
Entities															
Entities sub-total	2										-				
TOTAL INVESTMENTS AND INTEREST											38,473		(151,000)	166,000	53,883

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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:		463,996	477,793	-	724	182,102	182,102	-		477,793
Local Government Equitable Share		373,648	403,064			181,378	181,378	-		403,064
Energy Efficiency and Demand Management		6,000	-							-
Integrated National Electrification Programme		14,000	12,000							12,000
Finance Management		1,700	1,700							1,700
Municipal Systems Improvement		1,750	1,500							1,500
Water Services Infrastructure Grant (WSIG)		20,800	19,000							19,000
Municipal Infrastructure Grant (MIG)	3	23,000	37,634							37,634
Massification		20,000	-							-
EPWP Incentive		3,098	2,895		724	724	724			2,895
Other transfers and grants [insert description]										
Provincial Government:		105,944	184,562	-	-	-	-	-		184,562
Health subsidy		-	-							-
Level 2 accreditation		7,620	-							-
Museums Services		386	42							42
Community Library Services Grant		-	2,312							2,312
Sport and Recreation		-	-							-
Spatial Development Framework Support		-	1,500							1,500
Housing		91,392	170,140							170,140
COGTA Support Scheme		-	-							-
Provincialisation of Libraries	4	6,546	6,729							6,729
Neighbourhood Development Partnership		-	-							-
Accredited municipalities		-	3,839							3,839
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Tirelo Boshha Grant		-	-							-
EED Housing Grant		-	-							-
Total Operating Transfers and Grants	5	569,940	662,355	-	724	182,102	182,102	-		662,355
Capital Transfers and Grants										
National Government:		139,039	90,183	-	-	40,000	40,000	-		90,183
Neighbourhood Development Partnership		30,259	-							-
Municipal Infrastructure Grant (MIG)		89,580	74,183			30,000	30,000			74,183
Integrated National Electrification Programme		-	-							-
Emergency efficiency & demand side management		-	-							-
Municipal water infrastructure		-	16,000							16,000
Water Services Infrastructure Grant (WSIG)		19,200	-			10,000	10,000			-
Other capital transfers [insert description]										
Provincial Government:		1,228	365	-	-	-	-	-		365
Level 2 accreditation		-	-							-
Recapitalisation of Community Libraries		-	-							-
Sport and Recreation		-	-							-
Museum		-	365							365
Community Library Service		1,228	-							-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Capital Transfers and Grants	5	140,267	90,548	-	-	40,000	40,000	-		90,548
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	710,207	752,903	-	724	222,102	222,102	-		752,903

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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:		463 996	477 793	-	1 066	182 487	193 833	(10 864)	-5.6%	477 793
Local Government Equitable Share		373 648	403 064			181 378	181 378	-		403 064
Integrated National Electrification Programme		14 000	12 000				2 000	(2 000)	-100.0%	12 000
Finance Management		1 700	1 700		42	86	283	(198)	-69.8%	1 700
Municipal Systems Improvement		1 750	1 500				250	(250)	-100.0%	1 500
Water Services Infrastructure Grant (WSIG)		20 800	19 000				3 167	(3 167)	-100.0%	19 000
Municipal Infrastructure Grant (MIG)		23 000	37 634		1 023	1 023	6 272	(5 249)	-83.7%	37 634
Massification		20 000	-				-	-		-
EPWP Incentive		3 098	2 895				483	-		2 895
Energy Efficiency and Demand Management		6 000	-				-	-		-
Provincial Government:		105 944	184 562	-	674	1 364	30 760	(1 255)	-4.1%	184 562
Health subsidy		-	-				-	-		-
Housing		91 392	170 140				28 357	-		170 140
Spatial Development Framework Support		-	1 500				250	(250)	-100.0%	1 500
Provincialisation of Libraries		6 546	6 729		384	756	1 122	(365)	-32.6%	6 729
Level 2 Accreditation		7 620	-				-	-		-
Museum Services		386	42				7	-		42
Community Services		-	2 312		290	608	385	-		2 312
Accredited municipalities		-	3 839				640	(640)	-100.0%	3 839
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<i>Tirelo Bosha Grant</i>		-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		569 940	662 355	-	1 739	183 851	224 593	(12 119)	-5.4%	662 355
Capital expenditure of Transfers and Grants										
National Government:		139 039	90 183	-	-	-	15 030	(15 030)	-100.0%	90 183
Neighbourhood Development Partnership		30 259	-				-	-		-
Water Services Infrastructure Grant (WSIG)		19 200	-				-	-		-
Municipal Infrastructure Grant(MIG)		89 580	74 183				12 364	(12 364)	-100.0%	74 183
Municipal water infrastructure		-	16 000				2 667	(2 667)	-100.0%	16 000
Emergency efficiency & demand side management		-	-				-	-		-
Other capital transfers [insert description]		-	-				-	-		-
Provincial Government:		1 228	365	-	-	-	61	(61)	-100.0%	365
Level 2 accreditation		-	-				-	-		-
Museums Services		-	365				61	-		365
Provincialisation of Libraries		-	-				-	-		-
Housing		-	-				-	-		-
GOGTA Support Scheme		-	-				-	-		-
Sport and Recreation		-	-				-	-		-
Community Library Service		1 228	-				-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		140 267	90 548	-	-	-	15 091	(15 091)	-100.0%	90 548
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		710 207	752 903	-	1 739	183 851	239 685	(27 210)	-11.4%	752 903

KZN252 Newcastle - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		15 302	16 060		1 145	2 304	2 677	(373)	-14%	16 060
Pension and UIF Contributions		1 839	1 949		159	314	325	(11)	-3%	1 949
Medical Aid Contributions		103	109		7	13	18	(5)	-26%	109
Motor Vehicle Allowance		5 525	6 137		462	929	1 023	(94)	-9%	6 137
Cellphone Allowance		2 870	3 042		221	445	507	(62)	-12%	3 042
Housing Allowances		1 092	1 158		102	204	183	11	6%	1 158
Other benefits and allowances		114	-		-	-	-	-	-	-
Sub Total - Councillors		26 845	28 456	-	2 095	4 210	4 743	(533)	-11%	28 456
% increase	4		6,0%							6,0%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	7 349	7 985		498	1 146	1 331	(185)	-14%	7 985
Pension and UIF Contributions		1 673	1 817		60	145	303	(157)	-52%	1 817
Medical Aid Contributions		150	163		9	19	27	(8)	-30%	163
Overtime		-	-		-	-	-	-	-	-
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		840	912		81	190	152	38	26%	912
Cellphone Allowance		-	-		-	-	-	-	-	-
Housing Allowances		-	-		-	-	-	-	-	-
Other benefits and allowances		241	262		0	148	44	104	238%	-
Payments in lieu of leave		-	-		-	-	-	-	-	262
Long service awards		-	-		-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-		-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 253	11 139	-	649	1 648	1 856	(208)	-11%	11 139
% increase	4		8,6%							8,6%
Other Municipal Staff										
Basic Salaries and Wages		320 850	355 595		26 557	54 336	59 266	(4 929)	-9%	355 595
Pension and UIF Contributions		64 726	70 324		5 087	10 162	11 721	(1 559)	-13%	70 324
Medical Aid Contributions		27 690	30 085		2 272	4 526	5 014	(489)	-10%	30 085
Overtime		31 791	34 601		287	2 631	5 767	(3 136)	-64%	34 601
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		24 197	26 290		1 760	3 498	4 382	(884)	-20%	26 290
Cellphone Allowance		-	-		-	-	-	-	-	-
Housing Allowances		9 422	10 237		581	1 161	1 706	(545)	-32%	10 237
Other benefits and allowances		50 328	19 311		3 059	7 447	3 219	4 229	131%	19 311
Payments in lieu of leave		29 258	31 788		-	-	5 298	(5 298)	-100%	31 788
Long service awards		4 552	4 946		397	1 008	824	183	22%	4 946
Post-retirement benefit obligations	2	-	-		-	-	-	-	-	-
Sub Total - Other Municipal Staff		562 813	583 177	-	40 000	84 768	97 196	(12 428)	-13%	583 177
% increase	4		3,6%							3,6%
Total Parent Municipality		599 911	622 772	-	42 744	90 626	103 795	(13 169)	-13%	622 772
% increase			3,8%							3,8%
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		-	-		-	-	-	-	-	-
Pension and UIF Contributions		-	-		-	-	-	-	-	-
Medical Aid Contributions		-	-		-	-	-	-	-	-
Overtime		-	-		-	-	-	-	-	-
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		-	-		-	-	-	-	-	-
Cellphone Allowance		-	-		-	-	-	-	-	-
Housing Allowances		-	-		-	-	-	-	-	-
Other benefits and allowances		-	-		-	-	-	-	-	-
Board Fees		-	-		-	-	-	-	-	-
Payments in lieu of leave		-	-		-	-	-	-	-	-
Long service awards		-	-		-	-	-	-	-	-
Post-retirement benefit obligations		-	-		-	-	-	-	-	-
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		-	-		-	-	-	-	-	-
Pension and UIF Contributions		-	-		-	-	-	-	-	-
Medical Aid Contributions		-	-		-	-	-	-	-	-
Overtime		-	-		-	-	-	-	-	-
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		-	-		-	-	-	-	-	-
Cellphone Allowance		-	-		-	-	-	-	-	-
Housing Allowances		-	-		-	-	-	-	-	-
Other benefits and allowances		-	-		-	-	-	-	-	-
Payments in lieu of leave		-	-		-	-	-	-	-	-
Long service awards		-	-		-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-		-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		-	-		-	-	-	-	-	-
Pension and UIF Contributions		-	-		-	-	-	-	-	-
Medical Aid Contributions		-	-		-	-	-	-	-	-
Overtime		-	-		-	-	-	-	-	-
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		-	-		-	-	-	-	-	-
Cellphone Allowance		-	-		-	-	-	-	-	-
Housing Allowances		-	-		-	-	-	-	-	-
Other benefits and allowances		-	-		-	-	-	-	-	-
Payments in lieu of leave		-	-		-	-	-	-	-	-
Long service awards		-	-		-	-	-	-	-	-
Post-retirement benefit obligations		-	-		-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		599 911	622 772	-	42 744	90 626	103 795	(13 169)	-13%	622 772
% increase	4		3,8%							3,8%
TOTAL MANAGERS AND STAFF		573 066	594 316	-	40 649	86 416	99 033	(12 637)	-13%	594 316

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M02 August

Description	Ref	2019/20	Budget Year 2020/21							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue By Source										
Property rates		319,656	396,522		26,722	63,097	66,087	(2,990)	-5%	396,522
Service charges - electricity revenue		581,207	609,866		62,623	119,191	101,644	17,547	17%	609,866
Service charges - water revenue		178,594	190,579		15,996	30,276	31,763	(1,487)	-5%	190,579
Service charges - sanitation revenue		108,915	118,793		9,345	18,817	19,799	(982)	-5%	118,793
Service charges - refuse revenue		82,251	95,898		7,755	15,506	15,983	(477)	-3%	95,898
Rental of facilities and equipment		7,817	8,495		608	1,221	1,416	(195)	-14%	8,495
Interest earned - external investments		2,690	2,497		177	1,742	416	1,326	319%	2,497
Interest earned - outstanding debtors		5,754	6,325		(972)	(537)	1,054	(1,591)	-151%	6,325
Dividends received		-	-		-	-	-	-		-
Fines, penalties and forfeits		9,054	13,114		92	77	2,186	(2,108)	-96%	13,114
Licences and permits		8	38		8	11	6	5	77%	38
Agency services		-	-		-	-	-	-		-
Transfers and subsidies		611,725	662,833		182,116	183,890	183,890	-		662,833
Other revenue		31,034	15,729		629	1,664	2,621	(958)	-37%	15,729
Losses		-	-		2	2	-	2	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		1,938,707	2,120,688	-	305,102	434,959	426,866	8,093	2%	2,120,688
Expenditure By Type										
Employee related costs		540,376	594,312		40,649	86,416	99,052	(12,636)	-13%	594,312
Remuneration of councillors		25,106	28,456		2,095	4,210	4,743	(533)	-11%	28,456
Debt impairment		137,893	184,700		1,216	15,397	30,783	(15,387)	-50%	184,700
Depreciation & asset impairment		338,886	420,387		28,399	56,798	70,065	(13,267)	-19%	420,387
Finance charges		51,592	42,882		3,594	7,188	7,147	41	1%	42,882
Bulk purchases		524,253	660,671		130,866	128,077	110,112	17,965	16%	660,671
Other materials		2,117	4,559		248	465	760	(294)	-39%	4,559
Contracted services		215,154	337,719		11,272	13,469	56,287	(42,818)	-76%	337,719
Transfers and subsidies		-	-		-	-	-	-		-
Other expenditure		214,115	123,788		6,097	16,116	20,631	(4,515)	-22%	123,788
Losses		100	1		-	-	0	(0)	-100%	1
Total Expenditure		2,049,591	2,397,474	-	224,436	328,136	399,579	(71,443)	-18%	2,397,474
Surplus/(Deficit)		(110,884)	(276,785)	-	80,666	106,823	27,287	79,536	291%	(276,785)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		76,576	90,548		831	831	15,091	(14,261)	-94%	90,548
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-		-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)
Taxation		-	-		-	-	-	-		-
Surplus/(Deficit) after taxation		(34,308)	(186,237)	-	81,497	107,654	42,378	65,275	154%	(186,237)

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M02 August

Description	Ref	2019/20	Budget Year 2020/21							
		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		111,420	126,581		11,190	21,929	21,097	832	4%	126,581
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Revenue	1	111,420	126,581	-	11,190	21,929	21,097	832	4%	126,581
Expenditure By Municipal Entity										
Employee related costs		13,643	14,462		1,472	2,594	2,410	184	8%	2,594
Remuneration of Directors		-	-		-	-	-	-		-
Depreciation & asset impairment		729	780		65	130	130			130
Finance charges		-	-		-	-	-	-		-
Bulk purchases		24,507	26,276		2,190	4,379	4,379	0	0%	4,379
Materials and Supplies		5,248	5,848		579	753	975	(221)	-23%	753
Contracted services		3,203	10,494		297	642	1,749	(1,107)	-63%	642
Transfers and grants		-	-		-	-	-	-		-
Other expenditure		35,830	31,364		3,405	6,823	5,227	1,595	31%	6,823
Loss on disposal of PPE		-	-		-	-	-	-		-
								-		
								-		
Total Operating Expenditure	2	83,160	89,224	-	8,008	15,321	14,871	451	3%	15,321
Surplus/ (Deficit) for the yr/period		28,260	37,357	-	3,182	6,608	6,226	1,283	21%	111,260
Capital Expenditure By Municipal Entity										
Service charges - water revenue								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	3,493	10,462		0	0	10,462	10,462	100.0%	0%
August	12,343	10,462		831	831	20,925	20,094	96.0%	1%
September	6,817	10,462				31,387	-		
October	9,161	10,462				41,849	-		
November	9,742	10,462				52,312	-		
December	7,532	10,462				62,774	-		
January	3,516	10,462				73,236	-		
February	9,896	10,462				83,699	-		
March	5,713	10,462				94,161	-		
April	3,101	10,462				104,623	-		
May	7,252	10,462				115,086	-		
June	27,039	10,462				125,548	-		
Capital expenditure	105,605	125,548	-	831					

Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	
Testing Stations	-	-	-	-	-	-	-	-	-	
Museums	-	-	-	-	-	-	-	-	-	
Galleries	-	-	-	-	-	-	-	-	-	
Theatres	-	-	-	-	-	-	-	-	-	
Libraries	861	-	-	-	-	-	-	-	-	
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	-	350	-	-	-	58	58	100.0%	350	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	300	-	-	-	50	50	100.0%	300	
Works of Art	-	50	-	-	-	8,333.33	8	100.0%	50	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
Investment properties	55	3,254	-	-	-	542	542	100.0%	3,254	
Revenue Generating	-	3,254	-	-	-	542	542	100.0%	3,254	
Improved Property	-	3,254	-	-	-	542,333.33	542	100.0%	3,254	
Unimproved Property	-	-	-	-	-	-	-	-	-	
Non-revenue Generating	55	-	-	-	-	-	-	-	-	
Improved Property	55	-	-	-	-	-	-	-	-	
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	471	1,200	-	-	-	200	200	100.0%	1,200	
Furniture and Office Equipment	471	1,200	-	-	-	200	200	100.0%	1,200	
Machinery and Equipment	1,716	2,515	-	-	-	419	419	100.0%	2,515	
Machinery and Equipment	1,716	2,515	-	-	-	419,166.67	419	100.0%	2,515	
Transport Assets	-	-	-	-	-	-	-	-	-	
Transport Assets	-	-	-	-	-	-	-	-	-	
Land	1,302	-	-	-	-	-	-	-	-	
Land	1,302	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on new assets	1	58,569	42,071	-	576	576	7,012	6,438	91.8%	42,071

Purfs	-	-	-	-	-	-	-	-	-	-
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	69	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Housing	69	-	-	-	-	-	-	-	-	-
Staff Housing	66	-	-	-	-	-	-	-	-	-
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 renewal of existing assets	1	14,092	32,746	-	-	-	5,458	5,458	100.0%	32,746

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 exp

check balance

Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	1	73,296	96,637	-	643	708	16,106	15,398	95.6%	96,637

Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
Total Depreciation	1	338,886	420,387	-	28,399	56,798	70,065	13,267	18.9%	420,387

Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Play/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										
Lead 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	32,943	50,731	-	255	255	8,455	8,200	97.0%	50,731

References

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NEWCASTLE MUNICIPALITY

(Registration number KZ252)

INTERIM FINANCIAL STATEMENTS FOR THE 2 MONTHS ENDED 31 AUGUST 2020

Newcastle Municipality

Interim Financial Statements for the 2 months ended 31 August 2020

Statement of Financial Position as at 31 August 2020

	Note(s)	August 2020	June 2020
Assets			
Current Assets			
Inventories	9	13 154 856	13 882 980
Other financial assets	7	157	277
Receivables from exchange transactions	10	62 935 581	82 165 224
Receivables from non-exchange transactions	11	15 481 463	22 499 156
Consumer debtors from exchange transactions	12	678 977 677	617 309 583
Consumer debtors from non-exchange transactions	12	126 790 337	136 956 485
Cash and cash equivalents	13	65 961 335	38 511 005
		963 301 406	911 324 710
Non-Current Assets			
Investment property	2	355 563 618	355 563 618
Property, plant and equipment	3	6 533 718 550	6 573 346 702
Intangible assets	4	281 348	517 384
Heritage assets	5	11 670 232	11 488 232
Investments in associates	6	234 927 851	234 927 851
		7 136 161 599	7 175 843 787
Total Assets		8 099 463 005	8 087 168 497
Liabilities			
Current Liabilities			
Other financial liabilities	16	28 812 977	11 747 226
Finance lease obligation	14	380 764	401 398
Payables from exchange transactions	19	733 898 194	871 381 348
VAT payable	20	688 703	2 571 095
Consumer deposits	21	24 980 201	24 493 127
Unspent conditional grants and receipts	15	80 228 191	58 988 630
Defined benefit plan	17	9 752 000	8 667 735
Bank overdraft	13	-	2 965 923
		878 741 030	981 216 482
Non-Current Liabilities			
Other financial liabilities	16	346 060 978	388 785 921
Finance lease obligation	14	207 241	844 044
Defined benefit plan	17	150 357 002	148 355 252
Provision for rehabilitation of landfill site	18	52 106 817	28 843 889
		548 732 038	566 829 106
Total Liabilities		1 427 473 068	1 548 045 588
Net Assets		6 671 989 937	6 539 122 909
Reserves			
Housing Development fund		28 107 748	28 515 270
Self insurance reserve		519 451	516 824
Accumulated surplus		6 643 362 738	6 510 090 815
Total Net Assets		6 671 989 937	6 539 122 909

Newcastle Municipality

Interim Financial Statements for the 2 months ended 31 August 2020

Statement of Financial Performance

	Note(s)	Month ended August 2020	Year ended June 2020
Revenue			
Service charges	23	183 046 506	950 967 805
Rental of facilities and equipment	24	1 225 693	7 817 357
Sundry revenue	26	404 491	8 760 957
Other income	26	141 306	663 785
Fee income	26	1 871 227	6 027 710
Interest received	27	1 204 812	8 444 465
Property Rates	28	63 097 238	319 656 446
Government grants & subsidies	29	183 890 116	611 724 961
Donation received		-	15 589 293
Fines	25	77 350	9 054 231
Total revenue		434 958 739	1 938 707 010
Expenditure			
Employee costs	30	86 415 993	540 376 159
Remuneration of councillors	31	4 210 034	25 106 016
Depreciation and amortisation	32	56 797 910	338 885 720
Finance costs	34	7 187 915	51 591 650
Debt Impairment	35	15 396 773	137 893 104
Collection costs		219 068	1 175 179
Bulk purchases	36	128 077 314	524 253 064
Contracted services	37	9 756 548	215 153 722
General Expenses	38	20 220 832	215 156 167
Total expenditure		328 282 387	2 049 590 781
Operating surplus (deficit)		106 676 352	(110 883 771)
Impairment loss	33	-	(10 821)
Profit/(Loss) on Sale of Assets		-	(99 739)
		-	(110 560)
Surplus (deficit) for the 2 months		106 676 352	(110 994 331)

Newcastle Municipality

Interim Financial Statements for the 2 months ended 31 August 2020

Statement of Changes in Net Assets

	Housing Development Fund	Self Insurance Reserves	Total reserves	Accumulated surplus	Total net assets
Balance at 01 July 2019	28 021 720	497 014	28 518 734	6 621 085 146	6 649 603 880
Changes in net assets					
Deficit for the year	-	-	-	(110 994 331)	(110 994 331)
Transfer to Housing Development Fund	493 550	-	493 550	-	493 550
Transfer to self Insurance Reserves	-	19 810	19 810	-	19 810
Total changes	493 550	19 810	513 360	(110 994 331)	(110 480 971)
Balance at 01 July 2020	28 515 270	516 824	29 032 094	6 536 686 386	6 565 718 480
Deficit for the year	-	-	-	106 676 352	106 676 352
Transfer of Housing Development Fund	(407 522)	-	(407 522)	-	(407 522)
Transfer to Self Insurance Reserves	-	2 627	2 627	-	2 627
Total changes	(407 522)	2 627	(404 895)	106 676 352	106 271 457
Balance at 31 August 2020	28 107 748	519 451	28 627 199	6 643 362 738	6 671 989 937

Newcastle Municipality

Interim Financial Statements for the 2 months ended 31 August 2020

Cash Flow Statement

	Note(s)	Month ended August 2020	Year ended June 2020
Cash flows from operating activities			
Receipts			
Sale of goods and services		296 101 520	1 139 410 108
Grants		222 102 000	654 534 604
Interest income		1 204 812	8 444 465
		<u>519 408 332</u>	<u>1 802 389 177</u>
Payments			
Employee costs and Councillors remuneration		(90 626 027)	(565 482 175)
Suppliers		(387 951 077)	(1 032 857 335)
Finance costs		(7 187 915)	(51 591 650)
		<u>(485 765 019)</u>	<u>(1 649 931 160)</u>
Net cash flows from operating activities	41	<u>33 643 313</u>	<u>152 458 017</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(830 796)	(105 604 812)
Proceeds from sale of Investment property	2	-	4 563 304
		<u>(830 796)</u>	<u>(101 041 508)</u>
Cash flows from financing activities			
Net movements in long term loans		(25 659 192)	(25 870 628)
Movement in provision for landfill rehabilitation costs		23 262 928	-
		<u>(2 396 264)</u>	<u>(25 870 628)</u>
Net increase/(decrease) in cash and cash equivalents		30 416 253	25 545 881
Cash and cash equivalents at the beginning of the year		35 545 082	9 999 201
Cash and cash equivalents at the end of the year	13	<u>65 961 335</u>	<u>35 545 082</u>

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 Aug 2020

NEWCASTLE MUNICIPALITY									
Description	2019/20	Current Year 2020/21							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Service charges - water revenue	111,420	126,581		11,190	21,929	21,097	832	3.9%	126,581
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)	111,420	126,581	-	11,190	21,929	21,097	832	3.9%	126,581
Expenditure By Type									
Employee related costs	13,643	14,462		1,472	2,594	2,410	184	7.6%	2,594
Remuneration of Directors	-	-		-	-	-	-		-
Debt impairment	-	-		-	-	-	-		-
Depreciation & asset impairment	729	780		65	130	130	0	0.0%	130
Finance charges	-	-		-	-	-	-		-
Bulk purchases	24,507	26,276		2,190	4,379	4,379	0	0.0%	4,379
Materials and Supplies	5,248	5,848		579	753	975	(221)	-22.7%	753
Contracted services	3,203	10,494		297	642	1,749	(1,107)	-63.3%	642
Transfers and grants	-	-		-	-	-	-		-
Other expenditure	35,830	31,364		3,405	6,823	5,227	1,595	30.5%	6,823
Loss on disposal of PPE	-	-		-	-	-	-		-
Total Expenditure	83,160	89,224	-	8,008	15,321	14,871	451	3.0%	15,321
Recharge									
Head Office Recharge	31,131	26,235		3,050	5,300	4,372	927	21.2%	46,840
Surplus/(Deficit)	(2,871)	11,122	-	132	1,308	1,854			64,420
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) for the year	(2,871)	11,122	-	132	1,308	1,854			64,420

SUMMARY OF INVESTMENTS FOR NEWCASTLE FOR JULY 2020

Name Of Investment	Account Number	Opening Balance	Investment Made	Investment Matured	Withdrawals Made	Interest Received	Interest Capitalized	Bank Charges Vat & Other	Balance
Self Insurance Reserve Fund	Standard Bank 068450354/015	R 1,089,089.93					R 6,385.72		R 1,095,475.65
Housing Development Fund	Standard Bank 068450354/016	R 28,701,727.14	R 26,000,000.00		R 26,000,000.00		R 137,428.33		R 28,839,155.47
Provincialisation	Standard Bank 068450354/035	R 43,254.44	R 0.00		R 0.00		R 44.69		R 43,299.13
MIG	Standard Bank 068450354/036	R 598,081.34	R 0.00		R 0.00		R 3,506.77		R 601,588.11
NDPG	Standard Bank 068450354/037	R 422,224.02	R 0.00		R 0.00		R 2,475.65		R 424,699.67
Electrification Grant	Standard Bank 068450354/038	R 60,264.43	R 0.00		R 0.00		R 113.49		R 60,377.92
FGM	Standard Bank 068450354/039	R 78,433.71	R 0.00		R 0.00		R 147.69		R 78,581.40
Titel deed low cost housing	Standard Bank 068450354/040	R 5,553,011.13	R 0.00		R 0.00	R 317.20	R 32,559.29	R 32.00	R 5,585,570.42
Capacity Building	Absa: 9288456248	R 64,919.53			R 0.00				R 64,887.53
VAT Refund	Absa 9300506428	R 529,582.25	R 0.00		R 0.00		R 4,371.87		R 533,954.12
Council Funds	Nedbank 037648555441 46	R 113.40	R 0.00		R 0.00		R 0.62		R 114.02
Council Funds	Nedbank 037648555441 47	R 113.40	R 0.00		R 0.00		R 0.62		R 114.02
Council Funds	Nedbank 037648555441 48	R 113.40	R 0.00		R 0.00		R 0.62		R 114.02
Council Funds	Nedbank 037648555441 49	R 113.40	R 0.00		R 0.00		R 0.62		R 114.02
Council Funds	Nedbank 037648555441 52	R 965,440.32	R 140,000,000.00		R 125,000,000.00		R 219,131.35		R 16,184,571.67
Council Funds	Nedbank 037648555441 53	R 46.87	R 0.00		R 0.00	R 0.00	R 0.00		R 46.87
Post Office Guarantee	Nedbank 037648555441 54	R 366,308.77	R 0.00		R 0.00		R 3,241.04		R 369,549.81
Total as '2020/06/30		R 38,472,837.48	R 166,000,000.00	R 0.00	R 151,000,000.00	R 317.20	R 409,408.37	R 32.00	R 53,882,213.85

(not added to capital)

C MOORE
CHIEF CLARK: FINANCIAL ACCOUNTING
2020/02/05

N KHUMALO
ACTING MANAGER: FINANCIAL REPORTING

MS NDLOVU
DIRECTOR: BUDGET & FINANCIAL REFORMS

S M NKOSI
SED: BUDGET & TREASURY OFFICE

BALANCE PER GENERAL LEDGER '2020/02/29 (030997010001)					
Interest capitalised	2020/03/04	JV31174	Standard Bank	0684503540/015	36,728,378.38
Interest capitalised		JV31173	Standard Bank	0684503540/016	5,174.96
Interest capitalised	2020/03/04	JV31172	Standard Bank	0684503540/035	136,380.09
Interest capitalised		JV31171	Standard Bank	0684503540/036	207.51
Interest capitalised	2020/03/04	JV31170	Standard Bank	0684503540/037	75,607.23
Interest capitalised		JV31175	Standard Bank	0684503540/038	2,006.25
Interest capitalised	2020/03/04	JV31169	Standard Bank	0684503540/039	288.82
Interest capitalised		JV31168	Standard Bank	0684503540/040	176.23
Interest capitalised	2020/03/04	JV31227	Nedbank	37648555411 46	26,385.87
Interest capitalised		JV31228	Nedbank	37648555411 47	0.58
Interest capitalised	2020/03/04	JV31229	Nedbank	37648555411 48	0.58
Interest capitalised	2020/02/12	JV31230	Nedbank	37648555411 49	0.58
Interest capitalised	2020/02/12	JV31179	Nedbank	37648555411 51	2,367.80
Bank charges	2020/02/12	JV31166	ABSA	9288456248	(32.00)
Interest capitalised	2020/02/12	JV31009	ABSA	9300506428	2,327.70
					36,979,271.16

BALANCE PER GENERAL LEDGER '2020/02/29 (020101000064)					
Interest received	2020/03/04	JV31167	ABSA	9288456248	(2,291.88)
					(293.28)
					(2,585.16)

BALANCE PER GENERAL LEDGER '2020/02/29 (020101000075)					
Interest Capitalised	2020/02/12	JV31010	Standard Bank	068450351/015	(692,622.16)
Interest Capitalised	2020/02/12	JV31174	Standard Bank	068450351/016	(5,174.96)
Interest Capitalised	2020/02/12	JV31173	Standard Bank	068450351/035	(136,380.09)
Interest Capitalised	2020/02/12	JV31172	Standard Bank	068450351/036	(207.51)
Interest Capitalised	2020/02/12	JV31171	Standard Bank	068450351/037	(75,607.23)
Interest Capitalised	2020/02/12	JV31175	Standard Bank	068450351/038	(2,006.25)
Interest Capitalised	2020/02/12	JV31169	Standard Bank	068450351/039	(288.82)
Interest Capitalised	2020/02/12	JV31168	Standard Bank	068450351/040	(176.23)
Interest Capitalised	2020/02/12	JV31011	ABSA	9300506428	(26,385.87)
Interest Capitalised	2020/02/12	JV31002	Nedbank	37648555411 46	(2,536.14)
Interest Capitalised	2020/02/12	JV31001	Nedbank	37648555411 47	(0.62)
Interest Capitalised	2020/02/12	JV30999	Nedbank	37648555411 48	(0.62)
Interest Capitalised	2020/02/12	JV31000	Nedbank	37648555411 49	(0.62)
Interest Capitalised	2020/02/12	JV30998	Nedbank	37648555411 51	(0.62)
					(943,918.83)

Newcastle Municipality Grant Register for August 2020

Number	Vote number	Description	Opening balance	Receipts	Expenditure for AUG	Total Expenditure before Vat	VAT FOR THE MONTH	Total Vat Amount	Total Expenditure after Vat	Closing balance
1	03095200109	Environmental Management Framework	(602 871,43)							(602 871,43)
2	03095200109	IT - Trade Books Project								
3	03095200109	Checked Town	(823 975,11)							(823 975,11)
4	03095200109	Electification Grant								
5	03095200109	Fire Dredge Rehabilitation Grant	(9 707 443,45)	(724 000,00)	21 015,04	39 032,40			39 032,40	(9 726 361,05)
6	03095200109	Expanded PTW Ona Incubator	(8 736,27)							(8 736,27)
7	03095200109	Financial Management Grant: FMG								
8	03095200109	Grant Skill Development	(805 465,80)							(805 465,80)
9	03095200109	Community Library Services Grant	(1 343 705,37)							(1 343 705,37)
10	03095200109	Ingoor Fresh Produce	(10 220,00)							(10 220,00)
11	03095200109	Sports Maintenance Facilities Grant								
12	03095200109	MIG		(30 000 000,00)	898 435,41	898 435,41	124 618,45		1 023 053,86	(28 879 945,14)
13	03095200109	Chawen Arts Centre	(39 920,00)							(39 920,00)
14	03095200109	Coastal Development	(131 074,64)							(131 074,64)
15	03095200109	Provincialisation	(2 158 316,58)							(2 158 316,58)
16	03095200109	Cambridge Art Gallery	(378 121,34)							(378 121,34)
17	03095200109	Fort Armid Museum	(381 453,83)							(381 453,83)
18	03095200109	Capacity Building - Housing	0,00							0,00
19	03095200109	Newcastle Airport	(1 415 281,36)							(1 415 281,36)
20	03095200109	Neighbourhood Development Partnership Grant								
21	03095200109	Municipal Water Infra Grant	(17 198 147,55)	(10 000 000,00)						(27 198 147,55)
22	03095200109	Manufacturing								
23	03095200109	All Housing Grants	(4 288 812,79)							(4 288 812,79)
24	03095200109	Sport and Recreation	(1 880 417,88)							(1 880 417,88)
25	03095200109	Energy Efficiency and Demand Side Management Grant								
26	03095200109	Disaster Relief Grant								
		TOTAL	(42 018 308,12)	(40 724 000,00)	1 834 451,41	2 367 467,01	124 618,45	124 618,45	2 512 116,46	(80 225 191,66)

PREPARED BY:

C HARIPARSAD

ACCOUNTANT

DATE:

REVIEWED BY:

B.N KHUMALO

MANAGER

DATE:

REVIEWED BY:

M.S NDLOVU

DIRECTOR: BUDGET & FINANCIAL REFORMS

DATE:

AUTHORIZED BY:

S.M NKOSI

STRATEGIC EXECUTIVE DIRECTOR: BUDGET & TREASURY OFFICE

DATE:

ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
 VAT REG NO 4740101508

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

TEL: 08600 37566
SMS: 35328

 NEWCASTLE MUNICIPALITY
 PRIVATE BAG X6621
 NEWCASTLE
 2940

YOUR ACCOUNT NO	5578885631
SECURITY HELD	1.36
BILLING DATE	2020-09-02
TAX INVOICE NO	557970243115
ACCOUNT MONTH	AUGUST 2020
CURRENT DUE DATE	2020-10-02
VAT REG NO	4000791824

CUSTOMER SELF SERVICE WEBSITE
<https://csonline.eskom.co.za>

 EASTERN REGION
 PRIVATE BAG X16 WESTVILLE 3630

DIRECT DEPOSIT DETAIL
BANK: First National Bank
BRANCH CODE: 223626
BANK ACC NO: 5085014329

TAX INVOICE

E-MAIL: amanda.ngcobo@newcastle.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	4,567.54
TRANSMISSION NETWORK CAPACITY		R	1,452,500.00
URBAN LOW VOLTAGE SUBSIDY		R	2,068,750.00
ANCILLARY SERVICE (ALL)		R	151,962.25
ENERGY CHARGE (OFF)	16,700,056.00	R	9,156,640.70
ENERGY CHARGE (PEAK)	5,736,771.00	R	19,121,805.10
ENERGY CHARGE (STD)	14,627,137.00	R	14,770,482.94
ELECTRIFICATION AND RURAL SUBS (ALL)		R	3,398,765.50
REACTIVE ENERGY	81,156.00	R	13,439.43
REACTIVE ENERGY SERVICE CHARGE		R	143,024.39

TOTAL CHARGES FOR BILLING PERIOD R **50,281,937.85**
ACCOUNT SUMMARY FOR AUGUST 2020

BALANCE BROUGHT FORWARD	(Due Date 2020-09-04)	R	343,770,375.08
PAYMENT(S) RECEIVED	Cash - 2020-08-14	R	-69,706,455.99
TOTAL CHARGES FOR BILLING PERIOD		R	50,281,937.85
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	7,542,290.68

COPY ONLY

ACCOUNT NO / REFERENCE NO
5578885631
NAME

NEWCASTLE MUNICIPALITY

FAX NUMBER

0343129697


0934 5578885631

11341 5578885631

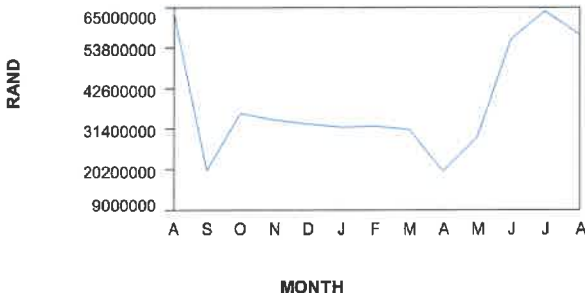


> 9207 0557 8885 6313 >


TOTAL AMOUNT DUE
331,888,147.60

ARREARS					CURRENT	TOTAL DUE R	331,888,147.62
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS				
152,102,619.	57,490,482.88	0.00	64,406,455.99	57,888,589.51			

Account OVERDUE - Subject to Disconnection



Message
 Eskom can optimise your electrical load to free up energy you could use to expand your business. Eskom can suggest funding agencies for your expansion. E mail advisorieservice@eskom.co.za. To fast track a reply, write "URGENT ENQUIRY" in the subject line

PAGE RUN NO	EP 1
BILL GROUP	
BILL PAGE	1 OF 2

PAYMENT ARRANGEMENT
INSTALMENT

0.00

ARREARS (Due Immediately)

273,999,558.1

DUE DATE (For Current Amount)

2020-10-02

AMOUNT PAID
LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2020-09-02
TAX INVOICE NO	557970243115
ACCOUNT MONTH	AUGUST 2020
CURRENT DUE DATE	2020-10-02
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2020-08-01 - 2020-08-31)

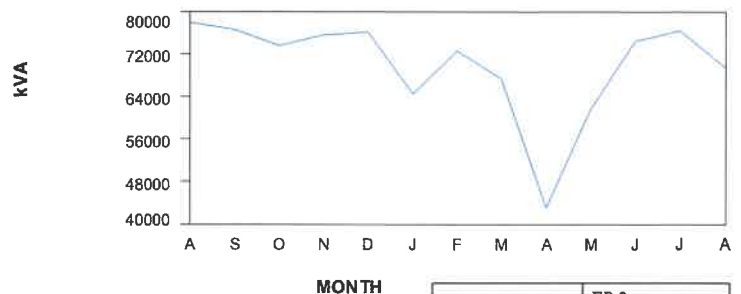
ENERGY CONSUMPTION OFF PEAK kWh	16,700,055.92
ENERGY CONSUMPTION STD kWh	14,627,136.52
ENERGY CONSUMPTION PEAK kWh	5,736,771.16
ENERGY CONSUMPTION ALL kWh	37,063,963.60
DEMAND CONSUMPTION - OFF PEAK	60,904.17
DEMAND CONSUMPTION - STD	69,660.34
DEMAND CONSUMPTION - PEAK	69,161.48
DEMAND READING - KW/KVA	69,660.34
ACTIVE ENERGY - OFF PEAK	4,626,894.46
ACTIVE ENERGY - STD	4,080,768.80
REACTIVE ENERGY - PEAK	1,413,760.62
EXCESS REACTIVE ENERGY	81,156.30
LOAD FACTOR	73.00

PREMISE ID NUMBER 5578885383 **TARIFF NAME:** Megaflex

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

Administration Charge @ R147.34 per day for 31 days	R	4,567.54
TX Network Capacity Charge 125,000 kVa @ R11.62 : = R11.62/kVA	R	1,452,500.00
Urban Low Voltage Subsidy 125,000 kVa @ R16.55 : = R16.55/kVA	R	2,068,750.00
Ancillary Service Charge 37,063,964 kWh @ R0.0041 /kWh	R	151,962.25
High Season Off Peak Energy Charge 16,700,056 kWh @ R0.5483 /kWh	R	9,156,640.70
High Season Peak Energy Charge 5,736,771 kWh @ R3.3332 /kWh	R	19,121,805.10
High Season Standard Energy Charge 14,627,137 kWh @ R1.0098 /kWh	R	14,770,482.94
Electrification and Rural Subsidy 37,063,964 kWh @ R0.0917 /kWh	R	3,398,765.50
High Season Reactive energy Charge 81,156 kvarh @ R0.1656 /kvarh	R	13,439.43
SERVICE CHARGE	R	143,024.39

TOTAL CHARGES R **50,281,937.85**



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

Tax Invoice

uThukela Water (Pty) Ltd
79 Harding Street
Newcastle
2940
Email: debtors@uthukelawater.co.za



uthukela
water

Tax Registration	4270212725
Telephone	034 328 5000
Invoice No	INV00002456
Date	03/08/2020

Bill to:

N003
Newcastle Municipality - WSA
Private Bag X 6621
Newcastle

VAT No: 4000791824

<u>Item Description</u>	<u>Quantity</u>	<u>Price (Ex)</u>	<u>Tax</u>
AUGUST 2020 BULK INVOICE	2,803,984.00	3.83	1,610,888.81

Deposit Banking Details

uThukela Water (Pty) Ltd
Acc No: 061938939 Standard Bank Newcastle
Branch Code: 057724
Terms strictly 30 days from date of invoice

Total (Excl)	10,739,258.72
Tax	1,610,888.81
Total	12,350,147.53

F. MOOLA
ACT. CHIEF FINANCIAL OFFICER
for and on behalf of uThukela Water (Pty) Ltd

Directors: P.S. Naidoo (Chairperson); B. Ndlovu; A. Ewetts; M.Msiwa

uThukela Water (Pty) Ltd Reg No. 2003/0299/16/07 Shareholders: Amajuba, Newcastle and Umzinyathi Municipalities

Statement

uThukela Water (Pty) Ltd
79 Harding Street
Newcastle
2940



**uthukela
water**

Telephone	034 328 5000
Fax	034 326 3388
Date	04/08/2020
Amount Due	89,605,355.89

N003
Newcastle Municipality - WSA
Private Bag X 6621
Newcastle
2940

<u>Date</u>	<u>Reference</u>	<u>Description</u>	<u>Allocated To</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
01/07/2019		Balance Brought Forward		61,896,146.04		61,896,146.04
01/07/2019	INV00002339	Invoice		12,384,333.07		74,280,479.11
09/07/2019	Newcastle Munic	Newcastle Municipality - WSA			15,895,716.30	58,384,762.81
10/07/2019	Newcastle Munic	Newcastle Municipality - WSA			7,947,858.15	50,436,904.66
01/08/2019	INV00002349	Invoice		10,026,522.76		60,463,427.42
02/09/2019	INV00002350	Invoice		10,367,809.31		70,831,236.73
11/09/2019	Newcastle Munic	Newcastle Municipality - WSA			8,900,060.28	61,931,176.45
01/10/2019	INV00002362	Invoice		9,889,318.19		71,820,494.64
17/10/2019	Newcastle Munic	Newcastle Municipality - WSA			9,106,915.09	62,713,579.55
01/11/2019	INV00002376	Invoice		10,347,491.16		73,061,070.71
22/11/2019	Newcastle Munic	Newcastle Municipality - WSA			9,711,555.48	63,349,515.23
02/12/2019	INV00002391	Invoice		10,735,457.05		74,084,972.28
13/12/2019	Newcastle Munic	Newcastle Municipality - WSA			10,329,237.27	63,755,735.01
02/01/2020	INV00002407	Invoice		10,497,514.13		74,253,249.14
17/01/2020	Newcastle Munic	Newcastle Municipality - WSA			12,384,333.07	61,868,916.07

0 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
42,759,228.90	10,230,824.86	10,932,591.56	10,919,120.83	10,628,271.48	(8,214,829.27)	12,350,147.53	89,605,355.89

Deposit Banking Details

uThukela Water (Pty) Ltd
Account Number: 61938939
Bank Name: Standard Bank
Branch Code: 057724

180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
42,759,228.90	10,230,824.86	10,932,591.56	10,919,120.83	10,628,271.48	(8,214,829.27)	12,350,147.53	89,605,355.89

Statement

uThukela Water (Pty) Ltd
79 Harding Street
Newcastle
2940



**uthukela
water**

Telephone	034 328 5000
Fax	034 326 3388
Date	04/08/2020
Amount Due	89,605,355.89

N003
Newcastle Municipality - WSA
Private Bag X 6621
Newcastle
2940

<u>Date</u>	<u>Reference</u>	<u>Description</u>	<u>Allocated To</u>	<u>Debit</u>	<u>Credit</u>	<u>Balance</u>
		Brought forward from previous page				61,868,916.07
03/02/2020	INV00002418	Invoice		9,772,654.32		71,641,570.39
07/02/2020	CRN0049	Invoice			9,772,654.32	61,868,916.07
03/02/2020	INV00002421	Invoice		11,173,963.09		73,042,879.16
03/02/2020	INV00002430	Invoice		10,230,824.86		83,273,704.02
17/03/2020	Newcastle Munic	Newcastle Municipality - WSA			30,283,650.26	52,990,053.76
03/04/2020	INV00002433	Invoice		10,932,591.56		63,922,645.32
01/05/2020	INV00002443	Invoice		10,919,120.83		74,841,766.15
01/06/2020	INV00002447	Invoice		10,628,271.48		85,470,037.63
01/07/2020	INV00002452	Invoice		12,726,481.22		98,196,518.85
01/07/2020	CRN0054	Invoice			12,726,481.22	85,470,037.63
01/07/2020	INV00002454	Invoice		12,868,118.94		98,338,156.57
13/07/2020	Newcastle Munic	Newcastle Municipality - WSA			21,082,948.21	77,255,208.36
03/08/2020	INV00002456	Invoice		12,350,147.53		89,605,355.89

180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
42,759,228.90	10,230,824.86	10,932,591.56	10,919,120.83	10,628,271.48	(8,214,829.27)	12,350,147.53	89,605,355.89

Deposit Banking Details

uThukela Water (Pty) Ltd
Account Number: 61938939
Bank Name: Standard Bank
Branch Code: 057724

180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
42,759,228.90	10,230,824.86	10,932,591.56	10,919,120.83	10,628,271.48	(8,214,829.27)	12,350,147.53	89,605,355.89



Statement Enquiry

Date: 09/09/2020 Time: 1:07:44 PM

Account description: *NEWCASTLE LOCAL MUNICIPALITY

Account number: 1162660066

Statement: 11640

Date	Transactions	Debit	Credit	Balance	VAT # ENC *
31/08/2020	BROUGHT FORWARD			1,862,205.84	
31/08/2020	420005649688		650.00	1,862,855.84	
31/08/2020	240010018715		530.46	1,863,386.30	
31/08/2020	200003606217		411.81	1,863,798.11	
31/08/2020	200010025229		249.76	1,864,047.87	
31/08/2020	200010025237		232.91	1,864,280.78	
31/08/2020	130010025230		55.63	1,864,336.41	
31/08/2020	CM SWP TO-1162667338	-1,864,336.41		0.00	
31/08/2020	CARRIED FORWARD			0.00	

Notice

Whilst every effort has been made to ensure that the information on this statement is accurate, Nedbank Limited takes no responsibility for any loss or damage suffered by any person as a result of their reliance upon the information contained in this statement and the contents should be verified against the final statement to be provided by Nedbank to the client.

- VAT is applicable for this transaction

* - Uncleared Effect (ENC) is applicable for this transaction

Profile name:NEWCASTLE LOCAL MUNICIPALITY
Profile number:4000449203

User name:CHRISTA MOORE
User ID:18



Statement Enquiry

Date: 09/09/2020 Time: 1:08:38 PM

Account description: *NEWCASTLE LOCAL MUNICIPALITY

Account number: 1162667338

Statement: 1396

Date	Transactions	Debit	Credit	Balance	VAT # ENC *
31/08/2020	BROUGHT FORWARD			10,217,557.76	
31/08/2020	MERCH D - 02960698	-844.10		10,216,713.66	
31/08/2020	MERCH D - 02997799	-460.00		10,216,253.66	
31/08/2020	MERCH D - 02960672	-384.10		10,215,869.56	
31/08/2020	CM SWP FROM-1162660066		1,864,336.41	12,080,205.97	
31/08/2020	TRANSFER TO 1180366085	-15,870.20		12,064,335.77	
31/08/2020	CARRIED FORWARD			12,064,335.77	

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* - Uncleared Effect (ENC) is applicable for this transaction

Profile name:NEWCASTLE LOCAL MUNICIPALITY
Profile number:4000449203

User name:CHRISTA MOORE
User ID:18



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630



ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

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

TEL: 08600 37566
SMS: 35328

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

YOUR ACCOUNT NO	5578885631
SECURITY HELD	1.36
BILLING DATE	2020-09-02
TAX INVOICE NO	557970243115
ACCOUNT MONTH	AUGUST 2020
CURRENT DUE DATE	2020-10-02
VAT REG NO	4000791824

DIRECT DEPOSIT DETAIL	
BANK:	First National Bank
BRANCH CODE:	223626
BANK ACC NO:	50850143295

TAX INVOICE

E-MAIL: amanda.ngcobo@newcastle.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	4,567.54
TRANSMISSION NETWORK CAPACITY		R	1,452,500.00
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ENERGY CHARGE (PEAK)	5,736,771.00	R	19,121,805.10
ENERGY CHARGE (STD)	14,627,137.00	R	14,770,482.94
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SERVICE CHARGE		R	143,024.39

TOTAL CHARGES FOR BILLING PERIOD R **50,281,937.85**

ACCOUNT SUMMARY FOR AUGUST 2020

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TOTAL CHARGES FOR BILLING PERIOD		R	50,281,937.85
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	7,542,290.68

ACCOUNT NO / REFERENCE NO

5578885631
NAME
NEWCASTLE MUNICIPALITY
FAX NUMBER
0343129697
0934 5578885631

COPY ONLY

11341 5578885631



9207 0557 8885 6313

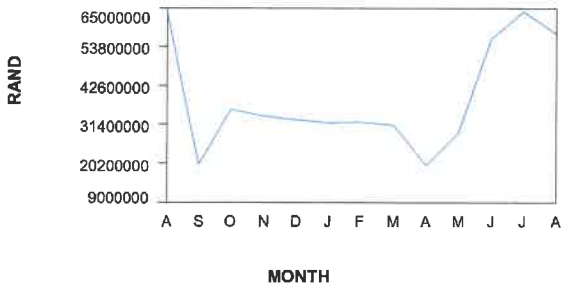


TOTAL AMOUNT DUE

331,888,147.60

ARREARS					CURRENT	TOTAL DUE	R	331,888,147.62
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS					
152,102,619.	57,490,482.88	0.00	64,406,455.99	57,888,589.51				

Account OVERDUE - Subject to Disconnection



Message
Eskom can optimise your electrical load to free up energy you could use to expand your business. Eskom can suggest funding agencies for your expansion. E mail advisoryservice@eskom.co.za. To fast track a reply, write "URGENT ENQUIRY" in the subject!

PAGE RUN NO	EP 1
BILL GROUP	
BILL PAGE	1 OF 2

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS (Due Immediately)	273,999,558.11
DUE DATE (For Current Amount)	2020-10-02
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2020-09-02
TAX INVOICE NO	557970243115
ACCOUNT MONTH	AUGUST 2020
CURRENT DUE DATE	2020-10-02
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2020-08-01 - 2020-08-31)

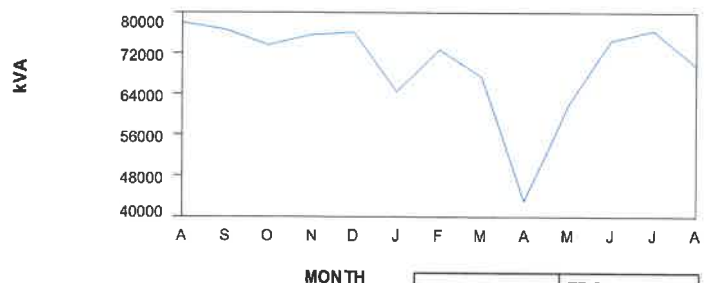
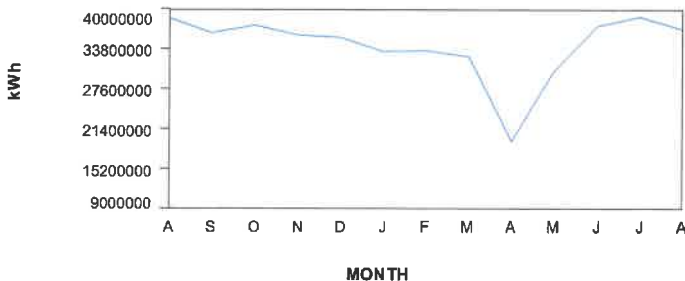
ENERGY CONSUMPTION OFF PEAK kWh	16,700,055.92
ENERGY CONSUMPTION STD kWh	14,627,136.52
ENERGY CONSUMPTION PEAK kWh	5,736,771.16
ENERGY CONSUMPTION ALL kWh	37,063,963.60
DEMAND CONSUMPTION - OFF PEAK	60,904.17
DEMAND CONSUMPTION - STD	69,660.34
DEMAND CONSUMPTION - PEAK	69,161.48
DEMAND READING - kW/KVA	69,660.34
REACTIVE ENERGY - OFF PEAK	4,626,894.46
REACTIVE ENERGY - STD	4,080,768.80
REACTIVE ENERGY - PEAK	1,413,760.62
EXCESS REACTIVE ENERGY	81,156.30
LOAD FACTOR	73.00

PREMISE ID NUMBER 5578885383 **TARIFF NAME:** Megaflex

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

Administration Charge @ R147.34 per day for 31 days	R	4,567.54
TX Network Capacity Charge 125,000 kVa @ R11.62 : = R11.62/kVA	R	1,452,500.00
Urban Low Voltage Subsidy 125,000 kVa @ R16.55 : = R16.55/kVA	R	2,068,750.00
Ancillary Service Charge 37,063,964 kWh @ R0.0041 /kWh	R	151,962.25
High Season Off Peak Energy Charge 16,700,056 kWh @ R0.5483 /kWh	R	9,156,640.70
High Season Peak Energy Charge 5,736,771 kWh @ R3.3332 /kWh	R	19,121,805.10
High Season Standard Energy Charge 14,627,137 kWh @ R1.0098 /kWh	R	14,770,482.94
Electrification and Rural Subsidy 37,063,964 kWh @ R0.0917 /kWh	R	3,398,765.50
High Season Reactive energy Charge 81,156 kvarh @ R0.1656 /kvarh	R	13,439.43
SERVICE CHARGE	R	143,024.39

TOTAL CHARGES R **50,281,937.85**



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ESKOM HOLDINGS SOC LTD REG NO 2002/015527/30
VAT REG NO 4740101508

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

TEL: 08600 37566
SMS: 35328

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
SECURITY HELD	1.36
BILLING DATE	2020-08-05
TAX INVOICE NO	557478819184
ACCOUNT MONTH	JULY 2020
CURRENT DUE DATE	2020-09-04
VAT REG NO	4000791824

CUSTOMER SELF SERVICE WEBSITE:
<https://csonline.eskom.co.za>

EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

DIRECT DEPOSIT DETAIL	
BANK:	First National Bank
BRANCH CODE:	223626
BANK ACC NO:	50850143295

TAX INVOICE

E-MAIL: amanda.ngcobo@newcastle.gov.za

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	4,567.54
TRANSMISSION NETWORK CAPACITY		R	1,452,500.00
URBAN LOW VOLTAGE SUBSIDY		R	2,068,750.00
ANCILLARY SERVICE (ALL)		R	159,601.81
ENERGY CHARGE (OFF)	15,381,942.00	R	8,433,918.80
ENERGY CHARGE (PEAK)	6,997,660.00	R	23,324,600.31
ENERGY CHARGE (STD)	16,547,669.00	R	16,709,836.16
ELECTRIFICATION AND RURAL SUBS (ALL)		R	3,569,630.75
REACTIVE ENERGY	8,735.00	R	1,446.52
SERVICE CHARGE		R	143,024.39

TOTAL CHARGES FOR BILLING PERIOD R **55,867,876.28**

ACCOUNT SUMMARY FOR JULY 2020

BALANCE BROUGHT FORWARD	(Due Date 2020-08-01)	R	342,414,237.95
PAYMENT(S) RECEIVED	Cash - 2020-07-16	R	-62,790,482.88
TOTAL CHARGES FOR BILLING PERIOD		R	55,867,876.28
ADJUSTMENT	WHEELING/3RD PARTY WHEELING CHARGES	R	-42,686.70
ADJUSTMENT	WHEELING/3RD PARTY WHEELING CHARGES	R	-45,520.00
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	8,366,950.43

COPY ONLY

ACCOUNT NO / REFERENCE NO

5578885631
NAME
NEWCASTLE MUNICIPALITY
FAX NUMBER
0343129697

	0934 5578885631
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11341 5578885631



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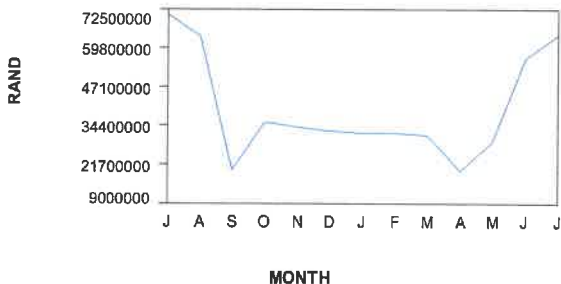


TOTAL AMOUNT DUE

343,770,375.05

ARREARS					CURRENT	TOTAL DUE	R	343,770,375.08
>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	0.00				
191,630,888.	30,242,547.44	57,490,482.88	0.00	64,406,455.99				

Account OVERDUE - Subject to Disconnection



Message
Eskom can optimise your electrical load to free up energy you could use to expand your business. Eskom can suggest funding agencies for your expansion. E mail advisorieservice@eskom.co.za. To fast track a reply, write "URGENT ENQUIRY" in the subject |

PAYMENT ARRANGEMENT

INSTALMENT	0.00
ARREARS (Due Immediately)	279,363,919.09
DUE DATE (For Current Amount)	2020-09-04
AMOUNT PAID	

LATE PAYMENT CHARGES WILL BE ADDED TO OVERDUE ACCOUNT

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CONTACT CENTRE: (0860) 037566
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WEB: WWW.ESKOM.CO.ZA

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2020-08-05
TAX INVOICE NO	557478819184
ACCOUNT MONTH	JULY 2020
CURRENT DUE DATE	2020-09-04
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2020-07-01 - 2020-07-31)

ENERGY CONSUMPTION OFF PEAK kWh	15,381,942.46
ENERGY CONSUMPTION STD kWh	16,547,669.04
ENERGY CONSUMPTION PEAK kWh	6,997,659.60
ENERGY CONSUMPTION ALL kWh	38,927,271.10
DEMAND CONSUMPTION - OFF PEAK	66,096.37
DEMAND CONSUMPTION - STD	76,649.00
DEMAND CONSUMPTION - PEAK	75,631.59
DEMAND READING - KW/KVA	76,649.00
REACTIVE ENERGY - OFF PEAK	3,791,527.82
REACTIVE ENERGY - STD	4,232,184.58
REACTIVE ENERGY - PEAK	1,597,021.76
EXCESS REACTIVE ENERGY	8,735.02
LOAD FACTOR	70.00

PREMISE ID NUMBER

5578885383

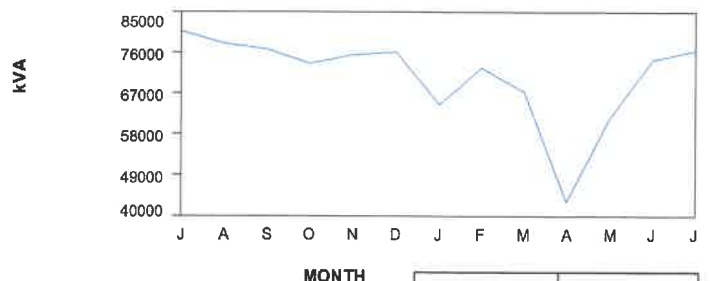
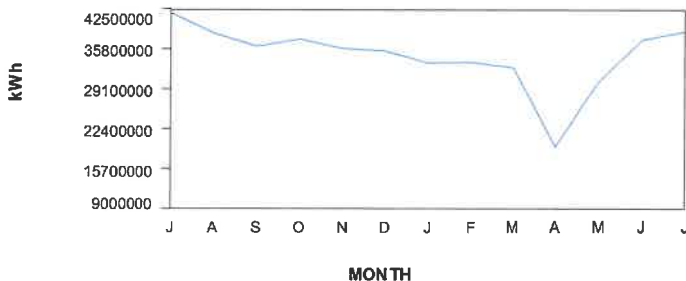
TARIFF NAME: Megaflex

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Ancillary Service Charge 38,927,271 kWh @ R0.0041 /kWh	R	159,601.81
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High Season Peak Energy Charge 6,997,660 kWh @ R3.3332 /kWh	R	23,324,600.31
High Season Standard Energy Charge 16,547,669 kWh @ R1.0098 /kWh	R	16,709,836.16
Electrification and Rural Subsidy 38,927,271 kWh @ R0.0917 /kWh	R	3,569,630.75
High Season Reactive energy Charge 8,735 kvarh @ R0.1656 /kvarh	R	1,446.52
SERVICE CHARGE	R	143,024.39

TOTAL CHARGES

R **55,867,876.28**



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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 August 2020/2021 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 : 7/9/2020