

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



REPORT TO THE NEWCASTLE MUNICIPAL COUNCIL

File Reference:
Report Number:

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FOR CONSIDERATION

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

SUBJECT: OCTOBER 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 October 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 October 2020
- 1.5. Investment register
- 1.6. Loan register
- 1.7. Grant register
- 1.8. 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 - M04 October

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	319,666	396,522	396,522	27,852	120,001	132,174	(12,173)	-9%	396,522
Service charges	950,968	1,015,136	1,015,136	86,298	365,057	338,379	26,679	8%	1,015,136
Investment revenue	2,690	2,497	2,497	0	519	832	(314)	-38%	2,497
Transfers and subsidies	611,725	662,833	730,951	31,222	248,654	248,654	-	-	730,951
Other own revenue	53,667	43,701	43,701	2,322	9,552	15,094	(5,542)	-37%	43,701
Total Revenue (excluding capital transfers and contributions)	1,938,707	2,120,688	2,188,806	147,695	743,782	735,133	8,650	1%	2,188,806
Employee costs	540,376	594,312	596,287	45,050	178,273	198,762	(20,489)	-10%	596,287
Remuneration of Councillors	25,106	28,456	28,456	2,165	8,488	9,485	(998)	-11%	28,456
Depreciation & asset impairment	338,886	420,387	420,387	27,455	111,287	140,129	(28,842)	-21%	420,387
Finance charges	51,592	42,882	42,882	3,579	14,322	14,294	28	0%	42,882
Materials and bulk purchases	526,370	665,230	665,230	72,553	213,418	221,743	(8,325)	-4%	665,230
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	567,261	646,208	634,914	50,716	154,611	211,638	(57,027)	-27%	634,914
Total Expenditure	2,049,591	2,397,474	2,388,156	201,517	680,400	796,052	(115,652)	-15%	2,388,156
Surplus/(Deficit)	(110,884)	(276,785)	(199,349)	(53,823)	63,382	(60,919)	124,301	-204%	(199,349)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	-75%	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)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)
Capital expenditure & funds sources									
Capital expenditure	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Capital transfers recognised	76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	-75%	90,548
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	29,029	35,000	48,931	479	1,268	16,310	(15,043)	-92%	48,931
Total sources of capital funds	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Financial position									
Total current assets	908,359	499,966	708,718		797,173				708,718
Total non current assets	7,175,844	7,212,080	7,241,364		6,973,076				7,241,364
Total current liabilities	978,251	429,185	539,088		881,411				539,088
Total non current liabilities	566,829	583,382	791,498		555,107				791,498
Community wealth/Equity	6,539,123	6,699,479	6,619,496		6,333,731				6,619,496
Cash flows									
Net cash from (used) operating	152,459	150,288	115,865	(30,806)	39,605	65,830	26,225	40%	115,865
Net cash from (used) investing	(101,042)	(107,548)	(121,479)	(2,034)	(8,960)	(40,493)	(31,533)	78%	(121,479)
Net cash from (used) financing	(25,871)	(26,757)	(26,757)	3,694	(20,920)	(9,086)	11,834	-130%	(26,757)
Cash/cash equivalents at the month/year end	35,546	44,043	3,873	-	45,270	52,496	7,226	14%	3,174
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	56,177	39,721	37,658	30,155	40,752	29,348	170,810	1,260,919	1,665,541
Creditors Age Analysis									
Total Creditors	69,609	13,829	20,903	14,650	21,884	11,372	105,605	204,111	461,964

2.1 Operating budget performance-revenue

2.1.1 The municipality generated a total revenue of R743.7 million of the adjusted budget of R2.1 billion, representing 33.9 percent. The variance between the year-to-date revenue budget and the actual revenue accrued for the same period amounts to R8.6 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 R26.6 million (8%) more revenue from service charges than the year-to-date budget of R338.3 million for the period under review. Electricity, water and refuse over-performed by R26.3 million, R763 thousand and R238 thousand respectively. Sanitation under-performed below target by R718 thousand.

2.1.3 The municipality generated R12.1 million (-9%) less revenue from property rates than the year-to-date budget of R132.1 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 R314 thousand (-38%) less revenue from interest on investments than the year-to-date budget of R832 thousand for the period under review.

2.1.5 The municipality recorded R248.6 million for operational and R7.6 million for capital transfers and subsidies. It is noted that capital grant expenditure is under-performing by 75%. The under spending is due to the SCM processes which are still at initial stages.

2.1.6 The municipality generated R5.5 million (-37%) less revenue from sundry revenue than a pro-rata budget of R15 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 October 2020, the municipality incurred the total expenditure of R680.4 million of the adjusted budget of R2.3 billion, which represents 28.4 percent. The variance between the pro-rata expenditure budget and the actual expenditure incurred for the same period amounts to R115.6 million, representing under-expenditure of 15 percent.

2.2.2 Depreciation has under-performed by R28.8 million (-21%) in the fourth 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 R42million (-68%) due to the indigent register being reviewed.

2.2.3 The municipality spent R7.8 million (-4%) less on the bulk purchases than the year-to-date budget of R220.2 million. This is due to the fact that warm spring months declined the consumption as a result of the less consumption.

2.2.4 The municipality spent R459 thousand (-30%) less on materials than the year-to-date budget of R1.5 million. This is mainly due to the journalising the expenditure accordingly.

2.2.5 The municipality spent R50.5 million (-45%) less on contracted services than the year-to-date budget of R111.7 million. This is mainly due to the SCM processes which are still at initial stages.

2.2.6 The municipality spent R20.4 million (-10%) less on employee related costs than a pro-rata budget of R198.7 million, which is mainly due to 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) - M04 October

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 SETTLEMENTS		-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		1,964	1,865	6,299	273	418	2,100	(1,682)	-80%	6,299
Vote 3 - BUDGET AND TREASURY		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		19,038	18,000	21,722	-	283	7,241	(6,957)	-96%	21,722
Vote 6 - TECHNICAL SERVICES		83,819	104,683	108,054	1,506	7,631	36,018	(28,387)	-79%	108,054
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	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Total Capital Expenditure		105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Capital Expenditure - Functional Classification										
Governance and administration		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,719	1,865	6,871	273	701	2,290	(1,590)	-69%	6,871
Community and social services		861	365	3,982	77	222	1,327	(1,106)	-83%	3,982
Sport and recreation		230	1,500	198	196	196	66	130	196%	198
Public safety		448	-	1,969	-	-	656	(656)	-100%	1,969
Housing		180	-	722	-	283	241	43	18%	722
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		97,564	63,683	68,554	387	2,258	22,851	(20,593)	-90%	68,554
Planning and development		18,858	18,000	21,000	-	-	7,000	(7,000)	-100%	21,000
Road transport		78,706	45,683	47,554	387	2,258	15,851	(13,593)	-86%	47,554
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		5,962	59,000	60,650	1,119	5,373	20,217	(14,844)	-73%	60,650
Energy sources		424	-	-	-	-	-	-	-	-
Water management		5,113	43,000	43,000	2,327	2,745	14,333	(11,588)	-81%	43,000
Waste water management		425	16,000	17,500	(1,208)	2,628	5,833	(3,205)	-55%	17,500
Waste management		-	-	150	-	-	50	(50)	-100%	150
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Funded by:										
National Government		76,576	90,183	90,183	1,506	7,631	30,061	(22,430)	-75%	90,183
Provincial Government		-	365	365	49	62	122	(60)	-49%	365
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		76,576	90,548	90,548	1,555	7,693	30,183	(22,480)	-75%	90,548
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		29,029	35,000	48,931	479	1,268	16,310	(15,043)	-92%	48,931
Total Capital Funding		105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479

2.3.1 Capital expenditure for the fourth month of the financial year was R8.9 million which represents 6.4% of the adjusted capital budget of R139.4 million. Comparison between the year-to-budget of R46.4 million and actual expenditure for the period reflects an under expenditure of (R37.5 million) which implies that the municipality spent 81% less than the year-to-date budget for the same period. This is due to SCM processes being at initial stages.

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 - M04 October

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	3,873	7,144	3,873
Call investment deposits		35,545	28,510	–	38,125	–
Consumer debtors		617,310	377,278	691,330	654,344	691,330
Other debtors		241,621	36,838	–	84,252	–
Current portion of long-term receivables		0	1	1	0	1
Inventory		13,883	13,296	13,514	13,307	13,514
Total current assets		908,359	499,966	708,718	797,173	708,718
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		355,564	355,564	355,564	256,891	355,564
Investments in Associate		234,928	204,693	234,928	217,333	234,928
Property, plant and equipment		6,573,347	6,638,512	6,638,512	6,486,428	6,638,512
Biological		–	–	–	–	–
Intangible		517	1,823	690	1,754	690
Other non-current assets		11,488	11,488	11,670	11,670	11,670
Total non current assets		7,175,844	7,212,080	7,241,364	6,973,076	7,241,364
TOTAL ASSETS		8,084,203	7,712,046	7,950,082	7,770,249	7,950,082
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		12,149	28,757	28,757	27,499	28,757
Consumer deposits		24,493	24,738	24,914	26,143	24,914
Trade and other payables		932,941	367,022	475,665	818,017	475,665
Provisions		8,668	8,668	9,752	9,752	9,752
Total current liabilities		978,251	429,185	539,088	881,411	539,088
Non current liabilities						
Borrowing		389,630	375,896	584,012	352,643	584,012
Provisions		177,199	207,485	207,485	202,464	207,485
Total non current liabilities		566,829	583,382	791,498	555,107	791,498
TOTAL LIABILITIES		1,545,080	1,012,567	1,330,585	1,436,518	1,330,585
NET ASSETS	2	6,539,123	6,699,479	6,619,496	6,333,731	6,619,496
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,510,091	6,670,969	6,590,056	6,304,650	6,590,056
Reserves		29,032	28,510	29,441	29,081	29,441
TOTAL COMMUNITY WEALTH/EQUITY	2	6,539,123	6,699,479	6,619,496	6,333,731	6,619,496

2.4.1 As at end the end of the fourth month of the financial year, the municipality showed a favourable equity position, with a net asset effect of R6.3 billion. It must mentioned that financial statements were still in the process of being finalized which is why there has been a fluctuation under non-current assets in relation to last month's financial statement. 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 R1.6 billion as at the end of the fourth month. The bulk of this amount (R1.5 billion) is debt owing for more than 90 days, while R1.3 billion of the total debt is owed by households. When you drill into aged debtors less than 30 days there was a decrease of R17.6 million from R73.7 million in September to R56.1 million in October. Due to the easing of Covid 19 lockdown. It must be noted that the total figure of debtors is inclusive of indigent

2.4.3 Property Plant and Equipment (Assets) comprise of R6.4 billion of the total assets of R7 billion as reflected in table C6. These assets comprise of roads, community assets, water infrastructure, electricity infrastructure, other plants and equipment which the municipality has acquired for service delivery as well as for its own use. Service delivery of the municipal is majored by its ability to provide these services to communities. It is however important to note that the majority of these assets may not be easily converted to cash and cash equivalent.

2.4.4 The municipality closed with a balance of cash and cash equivalent of R45.2 million as at the end of the fourth month of the financial year, of which R7.1 million was at the current account and R38.1 million was from 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 R461.9 million as illustrated on SC4, while unspent conditional grants amount to R98 million, representing a cash short-fall of R542.7 million. Table SC4 reflects that the municipality was owing creditors to the tune of R461.9 million. Included under creditors is Eskom for R295.8 million, uThukela Water for R102.1 million, SARS – PAYE for R15.7 million, pension and other employee benefits for R7.7 million and other trade creditors for R40.4 million.

It must be mentioned that the liquidity position of the municipality keeps not being favourable. Looking at the cash position as mentioned above the municipality is currently not in the position to cover its 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 R6.3 billion, while the net current asset is –R84.2 million. The net current ratio indicates that the municipality's current will not 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 5.1% 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 0.10%, since the municipality needs R461.9 million in order to pay all its short term obligations. Again this is a bad reflecting on the state of finances of the municipality. As with the going concern principle, the liquidity state of the municipality is more like to negatively impact the image of the municipality to public, business sector and other spheres of government.

2.5 Cash flow analysis

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 - M04 October

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	277,259	34,041	144,644	92,420	52,224	57%	277,259
Service charges		1,096,265	832,349	839,506	81,104	371,864	279,835	92,028	33%	839,506
Other revenue		84,390	27,620	27,771	1,137	6,847	9,257	(2,410)	-26%	27,771
Transfers and Subsidies - Operational		535,551	662,833	730,951	12,562	220,677	220,677	-		730,951
Transfers and Subsidies - Capital		119,740	90,548	90,548	365	80,365	80,365	-		90,548
Interest		8,444	2,497	2,497	419	2,168	832	1,336	160%	2,497
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,887,448)	(1,740,736)	(1,809,786)	(156,856)	(772,637)	(603,262)	169,375	-28%	(1,809,786)
Finance charges		(51,592)	(42,882)	(42,882)	(3,579)	(14,322)	(14,294)	28	0%	(42,882)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		152,459	150,288	115,865	(30,806)	39,605	65,830	26,225	40%	115,865
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	18,000	18,000	-	-	6,000	(6,000)	-100%	18,000
Decrease (increase) in non-current receivables		4,563	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(105,605)	(125,548)	(139,479)	(2,034)	(8,960)	(46,493)	(37,533)	81%	(139,479)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(101,042)	(107,548)	(121,479)	(2,034)	(8,960)	(40,493)	(31,533)	78%	(121,479)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	2,000	2,000	-	-	500	(500)	-100%	2,000
Payments										
Repayment of borrowing		(25,871)	(28,757)	(28,757)	3,694	(20,920)	(9,586)	11,334	-118%	(28,757)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(25,871)	(26,757)	(26,757)	3,694	(20,920)	(9,086)	11,834	-130%	(26,757)
NET INCREASE/ (DECREASE) IN CASH HELD		25,547	15,983	(32,372)	(29,146)	9,725	16,251			(32,372)
Cash/cash equivalents at beginning:		9,999	28,060	36,244		35,545	36,244			35,545
Cash/cash equivalents at month/year end:		35,546	44,043	3,873		45,270	52,496			3,174

- 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 R45.2 million as at the end of October 2020 which represents a cash increase of R9.7 million since the beginning of the financial year.
- 2.5.2 Cash flows from operating activities yielded a net cash inflow of R39.6 million as result of receipts from services charges, property rates, and government grants as well as other sundry receipts. This net cash inflows was after the municipality paid its suppliers for services rendered, remunerated its employees and councillors and paid the portion of the outstanding interest on loans.
- 2.5.3 Cash flows from investing activities recorded net cash outflows of R8.9 million due to capital expenditure not being incurred during the month.
- 2.5.4 Cash flows from financing activities recorded net cash outflows of R20.9 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 87.1%. 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. RECOMMENDATIONS

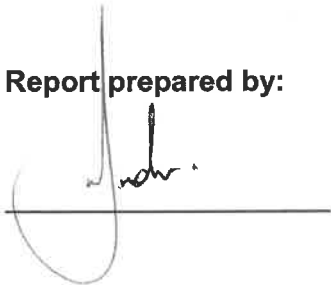
4.1 That the municipality implements the costs containment strategies in line with its regulations and the policies of Council;

4.2 That municipality prioritise the payment of Eskom, Uthukela Water, SARS and external loans in order to reduce its debts and not incur fruitless and wasteful expenditure;

4.3 That the municipality prioritise the payment of grant related invoices in order not to revert funds to National Treasury;

4.3 That the municipality resuscitate its debt collection strategies in order to improve its collection rate;

Report prepared by:

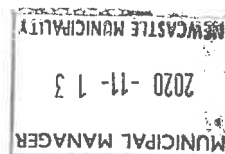


Report seen by:

**COUNICLLOR DR NNG MAHLABA
PORTFOLIO COUNICLLOR
BUDGET AND TREASURY OFFICE**



**SM NKOSI
STRATEGIC EXECUTIVE DIRECTOR:
BUDGET AND TREASURY OFFICE**



KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - M04 October

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	396,522	27,852	120,001	132,174	(12,173)	-9%	396,522
Service charges	950,968	1,015,136	1,015,136	86,298	365,057	338,379	26,679	8%	1,015,136
Investment revenue	2,690	2,497	2,497	0	519	832	(314)	-38%	2,497
Transfers and subsidies	611,725	662,833	730,951	31,222	248,654	248,654	-		730,951
Other own revenue	53,667	43,701	43,701	2,322	9,552	15,094	(5,542)	-37%	43,701
Total Revenue (excluding capital transfers and contributions)	1,938,707	2,120,688	2,188,806	147,695	743,782	735,133	8,650	1%	2,188,806
Employee costs	540,376	594,312	596,287	45,050	178,273	198,762	(20,489)	-10%	596,287
Remuneration of Councillors	25,106	28,456	28,456	2,165	8,488	9,485	(998)	-11%	28,456
Depreciation & asset impairment	338,886	420,387	420,387	27,455	111,287	140,129	(28,842)	-21%	420,387
Finance charges	51,592	42,882	42,882	3,579	14,322	14,294	28	0%	42,882
Materials and bulk purchases	526,370	665,230	665,230	72,553	213,418	221,743	(8,325)	-4%	665,230
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	567,261	646,208	634,914	50,716	154,611	211,638	(57,027)	-27%	634,914
Total Expenditure	2,049,591	2,397,474	2,388,156	201,517	680,400	796,052	(115,652)	-15%	2,388,156
Surplus/(Deficit)	(110,884)	(276,785)	(199,349)	(53,823)	63,382	(60,919)	124,301	-204%	(199,349)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	-75%	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)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)
Capital expenditure & funds sources									
Capital expenditure	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Capital transfers recognised	76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	-75%	90,548
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	29,029	35,000	48,931	479	1,268	16,310	(15,043)	-92%	48,931
Total sources of capital funds	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Financial position									
Total current assets	908,359	499,966	708,718		797,173				708,718
Total non current assets	7,175,844	7,212,428	7,241,364		6,973,076				7,241,364
Total current liabilities	978,251	429,185	539,088		881,411				539,088
Total non current liabilities	566,829	583,382	791,498		555,107				791,498
Community wealth/Equity	6,539,123	6,699,479	6,619,496		6,333,731				6,619,496
Cash flows									
Net cash from (used) operating	152,459	150,288	115,865	(30,806)	39,605	65,830	26,225	40%	115,865
Net cash from (used) investing	(101,042)	(107,548)	(121,479)	(2,034)	(8,960)	(40,493)	(31,533)	78%	(121,479)
Net cash from (used) financing	(25,871)	(26,757)	(26,757)	3,694	(20,920)	(9,086)	11,834	-130%	(26,757)
Cash/cash equivalents at the month/year end	35,546	44,043	3,873	-	45,270	52,496	7,226	14%	3,174
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	56,177	39,721	37,658	30,155	40,752	29,348	170,810	1,260,919	1,665,541
Creditors Age Analysis									
Total Creditors	69,609	13,829	20,903	14,650	21,884	11,372	105,605	204,111	461,964

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

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	584,867	29,509	170,202	194,956	(24,753)	-13%	584,867
Executive and council		8,859	8,310	77,209	503	3,836	25,736	(21,900)	-85%	77,209
Finance and administration		426,246	507,658	507,658	29,006	166,366	169,219	(2,853)	-2%	507,658
Internal audit		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		106,328	202,896	202,115	25,781	31,331	67,372	(36,040)	-53%	202,115
Community and social services		12,704	9,917	9,917	854	3,889	3,306	583	18%	9,917
Sport and recreation		410	697	697	10	10	232	(223)	-96%	697
Public safety		10,596	14,176	14,176	291	414	4,725	(4,311)	-91%	14,176
Housing		82,579	178,045	177,264	24,620	26,983	59,088	(32,106)	-54%	177,264
Health		39	61	61	7	36	20	16	79%	61
<i>Economic and environmental services</i>		180,902	73,475	73,475	11,137	24,945	24,492	454	2%	73,475
Planning and development		18,647	42,324	42,324	11,137	17,319	14,108	3,211	23%	42,324
Road transport		162,256	31,151	31,151	-	7,626	10,384	(2,757)	-27%	31,151
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		1,292,795	1,418,730	1,418,730	82,799	524,926	478,441	46,485	10%	1,418,730
Energy sources		655,124	698,157	698,157	51,899	264,041	232,719	31,322	13%	698,157
Water management		309,037	347,971	347,971	13,859	106,869	116,518	(9,649)	-8%	347,971
Waste water management		209,851	237,307	237,307	9,298	104,099	84,106	19,993	24%	237,307
Waste management		118,782	135,295	135,295	7,743	49,917	45,098	4,819	11%	135,295
<i>Other</i>	4	154	167	167	23	70	56	15	26%	167
Total Revenue - Functional	2	2,015,283	2,211,236	2,279,354	149,250	751,475	765,315	(13,840)	-2%	2,279,354
Expenditure - Functional										
<i>Governance and administration</i>		392,249	472,252	472,338	31,467	135,528	157,446	(21,918)	-14%	472,338
Executive and council		65,659	70,540	70,540	6,342	30,900	23,513	7,386	31%	70,540
Finance and administration		325,857	393,755	393,842	25,035	104,538	131,281	(26,742)	-20%	393,842
Internal audit		733	7,956	7,956	90	90	2,652	(2,563)	-97%	7,956
<i>Community and public safety</i>		266,880	300,685	300,212	29,201	95,425	100,071	(4,646)	-5%	300,212
Community and social services		27,069	38,388	38,388	2,316	9,134	12,796	(3,662)	-29%	38,388
Sport and recreation		67,072	73,485	73,485	6,744	23,048	24,495	(1,447)	-6%	73,485
Public safety		68,334	63,029	63,029	4,661	16,813	21,010	(4,197)	-20%	63,029
Housing		98,365	117,341	116,868	14,742	43,669	38,956	4,713	12%	116,868
Health		6,040	8,442	8,442	738	2,762	2,814	(52)	-2%	8,442
<i>Economic and environmental services</i>		304,847	342,130	343,665	33,087	118,872	114,555	4,317	4%	343,665
Planning and development		86,389	102,357	102,357	13,150	41,199	34,119	7,080	21%	102,357
Road transport		218,450	239,763	241,298	19,936	77,665	80,433	(2,768)	-3%	241,298
Environmental protection		8	10	10	2	9	3	6	169%	10
<i>Trading services</i>		1,083,921	1,280,641	1,270,175	107,761	330,544	423,392	(92,848)	-22%	1,270,175
Energy sources		552,417	680,599	671,919	72,873	204,930	223,973	(19,043)	-9%	671,919
Water management		408,372	495,718	495,718	21,535	99,317	165,239	(65,922)	-40%	495,718
Waste water management		56,658	53,129	51,342	11,116	16,851	17,114	(263)	-2%	51,342
Waste management		66,474	51,196	51,196	2,238	9,445	17,065	(7,620)	-45%	51,196
<i>Other</i>		1,694	1,766	1,766	-	31	589	(557)	-95%	1,766
Total Expenditure - Functional	3	2,049,591	2,397,474	2,388,156	201,517	680,400	796,052	(115,652)	-15%	2,388,156
Surplus/ (Deficit) for the year		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

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	1									
Vote 1 - CORPORATE SERVICES		73,749	78,201	147,100	250	34,757	49,033	(14,276)	-29.1%	147,100
Vote 2 - COMMUNITY SERVICES		142,531	160,511	160,511	8,905	54,266	53,504	763	1.4%	160,511
Vote 3 - BUDGET AND TREASURY		361,355	436,267	436,267	29,259	135,466	145,422	(9,957)	-6.8%	436,267
Vote 4 - MUNICIPAL MANAGER		-	1,500	1,500	-	-	500	(500)	-100.0%	1,500
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		101,380	187,341	186,560	24,902	39,152	62,187	(23,035)	-37.0%	186,560
Vote 6 - TECHNICAL SERVICES		681,144	649,259	649,259	34,036	223,794	221,950	1,843	0.8%	649,259
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		655,124	698,157	698,157	51,899	264,041	232,719	31,322	13.5%	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	2,279,354	149,250	751,475	765,315	(13,840)	-1.8%	2,279,354
Expenditure by Vote	1									
Vote 1 - CORPORATE SERVICES		121,205	152,785	152,785	5,559	36,432	50,928	(14,496)	-28.5%	152,785
Vote 2 - COMMUNITY SERVICES		287,455	271,386	271,386	21,938	75,867	90,462	(14,595)	-16.1%	271,386
Vote 3 - BUDGET AND TREASURY		139,996	176,376	176,463	17,349	58,462	58,821	(358)	-0.6%	176,463
Vote 4 - MUNICIPAL MANAGER		78,740	82,435	82,435	5,379	23,443	27,478	(4,036)	-14.7%	82,435
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		125,741	150,587	150,114	16,807	51,825	50,038	1,787	3.6%	150,114
Vote 6 - TECHNICAL SERVICES		744,037	859,324	859,072	63,667	226,873	286,357	(59,484)	-20.8%	859,072
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		552,417	704,582	695,902	70,819	207,497	231,967	(24,470)	-10.5%	695,902
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	2,388,156	201,517	680,400	796,052	(115,652)	-14.5%	2,388,156
Surplus/ (Deficit) for the year	2	(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331.2%	(108,801)

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	396,522	27,852	120,001	132,174	(12,173)	-9%	396,522
Service charges - electricity revenue		581,207	609,866	609,866	51,899	229,685	203,289	26,396	13%	609,866
Service charges - water revenue		178,594	190,579	190,579	17,357	64,290	63,526	763	1%	190,579
Service charges - sanitation revenue		108,915	118,793	118,793	9,308	38,879	39,598	(718)	-2%	118,793
Service charges - refuse revenue		82,251	95,898	95,898	7,734	32,204	31,966	238	1%	95,898
Rental of facilities and equipment		7,817	8,495	8,495	647	2,439	2,832	(392)	-14%	8,495
Interest earned - external investments		2,690	2,497	2,497	0	519	832	(314)	-38%	2,497
Interest earned - outstanding debtors		5,754	6,325	6,325	445	1,649	2,108	(459)	-22%	6,325
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		9,054	13,114	13,114	86	213	4,371	(4,159)	-95%	13,114
Licences and permits	8	-	38	38	8	31	13	19	148%	38
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		611,725	662,833	730,951	31,222	248,654	248,654	-	-	730,951
Other revenue		31,034	15,729	15,729	1,137	4,941	5,243	(302)	-6%	15,729
Gains		-	-	-	-	278	527	(249)	-47%	-
Total Revenue (excluding capital transfers and contributions)		1,938,707	2,120,688	2,188,806	147,695	743,782	735,133	8,650	1%	2,188,806
Expenditure By Type										
Employee related costs		540,376	594,312	596,287	45,050	178,273	198,762	(20,489)	-10%	596,287
Remuneration of councillors		25,106	28,456	28,456	2,165	8,488	9,485	(998)	-11%	28,456
Debt impairment		137,893	184,700	184,700	2,538	19,469	61,567	(42,098)	-68%	184,700
Depreciation & asset impairment		338,886	420,387	420,387	27,455	111,287	140,129	(28,842)	-21%	420,387
Finance charges		51,592	42,882	42,882	3,579	14,322	14,294	28	0%	42,882
Bulk purchases		524,253	660,671	660,671	74,408	212,358	220,224	(7,866)	-4%	660,671
Other materials		2,117	4,559	4,559	(1,855)	1,061	1,520	(459)	-30%	4,559
Contracted services		215,154	337,719	335,209	40,225	61,147	111,736	(50,589)	-45%	335,209
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		214,115	123,788	115,005	7,954	73,995	38,335	35,660	93%	115,005
Losses		100	1	1	-	-	0	(0)	-100%	1
Total Expenditure		2,049,591	2,397,474	2,388,156	201,517	680,400	796,052	(115,652)	-15%	2,388,156
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(110,884)	(276,785)	(199,349)	(53,823)	63,382	(60,919)	124,301	(0)	(199,349)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Other Educational Institutions)		76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	(0)	90,548
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)			(108,801)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)			(108,801)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)			(108,801)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)			(108,801)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

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	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	6,299	273	418	2,100	(1,682)	-80%	6,299
Vote 3 - BUDGET AND TREASURY		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		19,038	18,000	21,722	-	283	7,241	(6,957)	-96%	21,722
Vote 6 - TECHNICAL SERVICES		83,819	104,683	108,054	1,506	7,631	36,018	(28,387)	-79%	108,054
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	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Total Capital Expenditure		105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Capital Expenditure - Functional Classification										
Governance and administration		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		360	1,000	3,404	255	628	1,135	(506)	-45%	3,404
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,719	1,865	6,871	273	701	2,290	(1,590)	-89%	6,871
Community and social services		861	365	3,982	77	222	1,327	(1,105)	-83%	3,982
Sport and recreation		230	1,500	198	196	196	130	196%	198	
Public safety		448	-	1,969	-	-	856	(656)	-100%	1,969
Housing		180	-	722	-	283	241	43	18%	722
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		97,564	63,683	68,554	387	2,258	22,851	(20,593)	-90%	68,554
Planning and development		18,858	18,000	21,000	-	-	7,000	(7,000)	-100%	21,000
Road transport		78,706	45,683	47,554	387	2,258	15,851	(13,593)	-86%	47,554
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		5,962	59,000	60,650	1,119	5,373	20,217	(14,844)	-73%	60,650
Energy sources		424	-	-	-	-	-	-	-	-
Water management		5,113	43,000	43,000	2,327	2,745	14,333	(11,588)	-81%	43,000
Waste water management		425	16,000	17,500	(1,208)	2,628	5,833	(3,205)	-55%	17,500
Waste management		-	-	150	-	-	50	(50)	-100%	150
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479
Funded by:										
National Government		76,576	90,183	90,183	1,506	7,631	30,061	(22,430)	-75%	90,183
Provincial Government		-	365	365	49	62	122	(60)	-49%	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	90,548	1,555	7,693	30,183	(22,490)	-75%	90,548
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		29,029	35,000	48,931	479	1,268	16,310	(15,043)	-92%	48,931
Total Capital Funding		105,605	125,548	139,479	2,034	8,960	46,493	(37,533)	-81%	139,479

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 - M04 October

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	3,873	7,144	3,873
Call investment deposits		35,545	28,510	–	38,125	–
Consumer debtors		617,310	377,278	691,330	654,344	691,330
Other debtors		241,621	36,838	–	84,252	–
Current portion of long-term receivables		0	1	1	0	1
Inventory		13,883	13,296	13,514	13,307	13,514
Total current assets		908,359	499,966	708,718	797,173	708,718
Non current assets						
Long-term receivables		–	348	–	–	–
Investments		–	–	–	–	–
Investment property		355,564	355,564	355,564	256,891	355,564
Investments in Associate		234,928	204,693	234,928	217,333	234,928
Property, plant and equipment		6,573,347	6,638,512	6,638,512	6,485,428	6,638,512
Biological		–	–	–	–	–
Intangible		517	1,823	690	1,754	690
Other non-current assets		11,488	11,488	11,670	11,670	11,670
Total non current assets		7,175,844	7,212,428	7,241,364	6,973,076	7,241,364
TOTAL ASSETS		8,084,203	7,712,393	7,950,082	7,770,249	7,950,082
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		12,149	28,757	28,757	27,499	28,757
Consumer deposits		24,493	24,738	24,914	26,143	24,914
Trade and other payables		932,941	367,022	475,665	818,017	475,665
Provisions		8,668	8,668	9,752	9,752	9,752
Total current liabilities		978,251	429,185	539,088	881,411	539,088
Non current liabilities						
Borrowing		389,630	375,896	584,012	352,643	584,012
Provisions		177,199	207,485	207,485	202,464	207,485
Total non current liabilities		566,829	583,382	791,498	555,107	791,498
TOTAL LIABILITIES		1,545,080	1,012,567	1,330,585	1,436,518	1,330,585
NET ASSETS	2	6,539,123	6,699,827	6,619,496	6,333,731	6,619,496
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,510,091	6,670,969	6,590,056	6,304,650	6,590,056
Reserves		29,032	28,510	29,441	29,081	29,441
TOTAL COMMUNITY WEALTH/EQUITY	2	6,539,123	6,699,479	6,619,496	6,333,731	6,619,496

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	277,259	34,041	144,644	92,420	52,224	57%	277,259
Service charges		1,096,265	832,349	839,506	81,104	371,864	279,835	92,028	33%	839,506
Other revenue		84,390	27,620	27,771	1,137	6,847	9,257	(2,410)	-26%	27,771
Transfers and Subsidies - Operational		535,551	662,833	730,951	12,562	220,677	220,677	-		730,951
Transfers and Subsidies - Capital		119,740	90,548	90,548	365	80,365	80,365	-		90,548
Interest		8,444	2,497	2,497	419	2,168	832	1,336	160%	2,497
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,887,448)	(1,740,736)	(1,809,786)	(156,856)	(772,637)	(603,262)	169,375	-28%	(1,809,786)
Finance charges		(51,592)	(42,882)	(42,882)	(3,579)	(14,322)	(14,294)	28	0%	(42,882)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		152,459	150,288	115,865	(30,806)	39,605	65,830	26,225	40%	115,865
€ FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	18,000	18,000	-	-	6,000	(6,000)	-100%	18,000
Decrease (increase) in non-current receivables		4,563	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(105,605)	(125,548)	(139,479)	(2,034)	(8,960)	(46,493)	(37,533)	81%	(139,479)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(101,042)	(107,548)	(121,479)	(2,034)	(8,960)	(40,493)	(31,533)	78%	(121,479)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	2,000	2,000	-	-	500	(500)	-100%	2,000
Payments										
Repayment of borrowing		(25,871)	(28,757)	(28,757)	3,694	(20,920)	(9,586)	11,334	-118%	(28,757)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(25,871)	(26,757)	(26,757)	3,694	(20,920)	(9,086)	11,834	-130%	(26,757)
NET INCREASE/ (DECREASE) IN CASH HELD		25,547	15,983	(32,372)	(29,146)	9,725	16,251			(32,372)
Cash/cash equivalents at beginning:		9,999	28,060	36,244		35,545	36,244			35,545
Cash/cash equivalents at month/year end:		35,546	44,043	3,873		45,270	52,496			3,174

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - M04 October

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>13%</p> <p>-14%</p> <p>-38%</p> <p>-22%</p> <p>-95%</p> <p>148%</p>	<p>The over performance of this service is due to consumers reaction during the cold winter month.</p> <p>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 than 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>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>
2	<p>Expenditure By Type</p> <p>Remuneration of councillors</p> <p>Debt impairment</p> <p>Depreciation & asset impairment</p> <p>Other materials</p> <p>Contracted services</p> <p>Other expenditure</p>	<p>-11%</p> <p>-68%</p> <p>-21%</p> <p>-30%</p> <p>-45%</p> <p>93%</p>	<p>Death and dismissal of two councillors respectively has resulted to this variance.</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>Cost cutting measures are implemented to reduce the expenditure for material</p> <p>Invoice from service providers haven't yet been received</p> <p>Coost containment measures</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>
3	<p>Capital Expenditure</p> <p>Grant funded projects</p> <p>Internally funded projects</p> <p>Repairs and maintenance</p>	<p>-75%</p> <p>-92%</p> <p>87%</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>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>
4	<p>Financial Position</p>			
5	<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>40%</p> <p>78%</p> <p>-130%</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>None</p> <p>None</p> <p>None</p>
6	<p>Measureable performance</p>			
7	<p>Municipal Entities</p>			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October

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%	19.4%	2.1%	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%	16.4%	18.9%	16.4%
Gearing	Long Term Borrowing/ Funds & Reserves		1342.1%	1318.5%	1983.7%	1212.6%	1983.7%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	92.9%	116.5%	131.5%	90.4%	131.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		3.6%	16.9%	0.7%	5.1%	0.7%
<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%	31.6%	99.3%	31.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
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%	27.2%	24.0%	27.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		20.1%	21.8%	21.2%	1.9%	3.3%
<u>Regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

KZN252 Newcastle - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description		Budget Year 2020/21										Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.o Council Policy	
		NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Over 1Yr	Total					
R thousands																
Debtors Age Analysis By Income Source																
	1200	26,228	10,407	7,775	7,491	9,767	7,820	46,265	339,896	465,649	411,239	73				
	1300	44,349	2,000	1,174	889	7,087	663	3,633	54,987	114,981	67,458	17				
	1400	36,828	10,756	14,570	8,539	8,345	8,025	40,867	196,774	324,705	262,550	-				
	1500	15,082	6,960	6,035	5,580	6,094	5,494	33,267	285,046	343,558	315,480	66				
	1600	12,041	4,848	4,413	4,253	4,511	4,101	24,408	135,518	194,094	172,793	27				
	1700	575	183	171	157	155	137	777	3,871	6,026	5,097	-				
	1810	917	580	392	363	373	358	2,532	40,631	46,145	44,256	-				
	1820	-	-	-	-	-	-	-	-	-	-	-				
	1900	(79,843)	3,988	3,127	2,882	4,421	2,750	18,862	224,196	180,384	253,111	1,673				
	2000	56,177	39,721	37,658	30,155	40,752	29,348	170,810	1,260,919	1,665,541	1,531,984	1,856				
	2019/20 - totals only															
Debtors Age Analysis By Customer Group																
	2200	(583)	1,311	5,982	660	553	454	3,960	18,218	30,565	23,844	-				
	2300	(19,360)	4,563	3,818	3,200	9,560	2,747	13,501	118,608	136,637	147,616	-				
	2400	76,139	33,771	27,812	26,272	30,598	26,136	153,257	1,122,663	1,496,646	1,358,925	1,856				
	2500	(19)	76	35	24	40	13	92	1,430	1,693	1,600	-				
	2600	56,177	39,721	37,658	30,155	40,752	29,348	170,810	1,260,919	1,665,541	1,531,984	1,856				

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

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	32,461	-	-	-	-	-	-	-	-	70,125	193,289	295,876	
	Bulk Water	0200	10,149	11,351	12,350	12,868	10,628	10,919	-	-	-	32,337	1,527	102,130	
	PAYE deductions	0300	15,771	-	-	-	-	-	-	-	-	-	-	15,771	
	VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	
	Pensions / Retirement deductions	0500	7,747	-	-	-	-	-	-	-	-	-	-	7,747	
	Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	
	Trade Creditors	0700	3,481	2,478	8,553	1,782	11,256	453	-	-	3,143	9,295	40,440		
	Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-	
	Other	0900	-	-	-	-	-	-	-	-	-	-	-	-	
	Total By Customer Type	1000	69,609	13,829	20,903	14,650	21,884	11,372	105,605	204,111	461,964				

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M04 October

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 ^a	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	256	(141,000)	140,000	569
Standard Bank		12	months	Call Account						Call account	36,546	388	(26,000)	26,000	36,934
ABSA		12	months	Call Account						Call account	595	9	-	-	603
Municipality sub-total											38,473	653	(167,000)	166,000	38,126
Entities															
Entities sub-total															
TOTAL INVESTMENTS AND INTEREST	2										38,473	653	(167,000)	166,000	38,126

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

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	546,692	-	183,802	183,802	-		546,692
Local Government Equitable Share		373,648	403,064	471,963		181,378	181,378	-		471,963
Energy Efficiency and Demand Management		6,000	-	-						-
Integrated National Electrification Programme		14,000	12,000	12,000						12,000
Finance Management		1,700	1,700	1,700	-	1,700	1,700			1,700
Municipal Systems Improvement		1,750	1,500	1,500						1,500
Water Services Infrastructure Grant (WSIG)		20,800	19,000	19,000						19,000
Municipal Infrastructure Grant (MIG)	3	23,000	37,634	37,634				-		37,634
Massification		20,000	-	-				-		-
EPWP Incentive		3,098	2,895	2,895	-	724	724	-		2,895
Other transfers and grants [insert description]										
Provincial Government:		105,944	187,562	187,562	12,562	36,875	36,875	-		187,562
Health subsidy		-	-	-				-		-
Level 2 accreditation		7,620	-	-						-
Museums Services		386	42	42	42	42	42			42
Community Library Services Grant		-	2,312	2,312						2,312
Sport and Recreation		-	-	-						-
Spatial Development Framework Support		-	1,500	1,500				-		1,500
Housing		91,392	170,140	170,140	12,520	36,833	36,833			170,140
Title Deeds		-	3,000	3,000						3,000
COGTA Support Scheme		-	-	-						-
Provincialisation of Libraries	4	6,546	6,729	6,729				-		6,729
Neighbourhood Development Partnership		-	-	-				-		-
Accredited municipalities		-	3,839	3,839				-		3,839
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Tirelo Basha Grant		-	-	-						-
EED Housing Grant		-	-	-						-
Total Operating Transfers and Grants	5	569,940	665,355	734,254	12,562	220,677	220,677	-		734,254
Capital Transfers and Grants										
National Government:		139,039	90,183	90,183	-	80,000	80,000	-		90,183
Neighbourhood Development Partnership		30,259	-	-				-		-
Municipal Infrastructure Grant (MIG)		89,580	74,183	74,183	-	70,000	70,000			74,183
Integrated National Electrification Programme		-	-	-						-
Emergency efficiency & demand side management		-	-	-						-
Municipal water infrastructure		-	16,000	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	365	365	365	-		365
Level 2 accreditation		-	-	-				-		-
Recapitalisation of Community Libraries		-	-	-						-
Sport and Recreation		-	-	-						-
Museum		-	365	365	365	365	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	90,548	365	80,365	80,365	-		90,548
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	710,207	755,903	824,802	12,927	301,042	301,042	-		824,802

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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	546,692	432	197,676	206,288	(8,036)	-3.9%	546,692
Local Government Equitable Share		373,648	403,064	471,963		181,378	181,378	-		471,963
Integrated National Electrification Programme		14,000	12,000	12,000			4,000	(4,000)	-100.0%	12,000
Finance Management		1,700	1,700	1,700	43	172	567	(394)	-69.6%	1,700
Municipal Systems Improvement		1,750	1,500	1,500			500	(500)	-100.0%	1,500
Water Services Infrastructure Grant (WSIG)		20,800	19,000	19,000			6,333	(6,333)	-100.0%	19,000
Municipal Infrastructure Grant (MIG)		23,000	37,634	37,634	-	15,737	12,545	3,192	25.4%	37,634
Massification		20,000	-	-			-	-		-
EPWP Incentive		3,098	2,895	2,895	389	389	965			2,895
Energy Efficiency and Demand Management		6,000	-	-			-	-		-
Provincial Government:		105,944	184,562	187,562	13,429	39,790	62,521	(2,499)	-4.0%	187,562
Health subsidy		-	-	-			-	-		-
Housing		91,392	170,140	170,140	12,520	36,833	56,713			170,140
Spatial Development Framework Support		-	1,500	1,500			500	(500)	-100.0%	1,500
Title Deeds		-	-	3,000	216	273	1,000			3,000
Provincialisation of Libraries		6,546	6,729	6,729	396	1,524	2,243	(719)	-32.1%	6,729
Level 2 Accreditation		7,620	-	-			-	-		-
Museum Services		386	42	42			14			42
Community Services		-	2,312	2,312	296	1,161	771			2,312
Accredited municipalities		-	3,839	3,839			1,280	(1,280)	-100.0%	3,839
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<i>Tirelo Boshia Grant</i>		-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		569,940	662,355	734,254	13,861	237,467	268,808	(10,535)	-3.9%	734,254
Capital expenditure of Transfers and Grants										
National Government:		139,039	90,183	90,183	387	10,058	30,061	(20,003)	-66.5%	90,183
Neighbourhood Development Partnership		30,259	-	-			-	-		-
Water Services Infrastructure Grant (WSIG)		19,200	-	-			-	-		-
Municipal Infrastructure Grant(MIG)		89,580	74,183	74,183	-	7,381	24,728	(17,346)	-70.1%	74,183
Municipal water infrastructure		-	16,000	16,000	387	2,676	5,333	(2,657)	-49.8%	16,000
Energy efficiency & demand side management		-	-	-			-	-		-
Other capital transfers [insert description]		-	-	-			-	-		-
Provincial Government:		1,228	365	365	62	62	122	(59)	-48.8%	365
Level 2 accreditation		-	-	-			-	-		-
Museums Services		-	365	365	62	62	122			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	90,548	450	10,120	30,183	(20,063)	-66.5%	90,548
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		710,207	752,903	824,802	14,310	247,587	298,991	(30,598)	-10.2%	824,802

KZN252 Newcastle - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	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	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		15,302	16,060	16,050	1,208	4,667	5,353	(686)	-13%	16,060
Pension and UIF Contributions		1,839	1,949	1,949	150	640	650	(10)	-2%	1,949
Medical Aid Contributions		103	109	109	7	27	36	(9)	-26%	109
Motor Vehicle Allowance		5,525	6,137	6,137	485	1,858	2,048	(189)	-9%	6,137
Cellphone Allowance		2,870	3,042	3,042	223	890	1,014	(125)	-12%	3,042
Housing Allowances		1,092	1,158	1,158	102	408	386	22	6%	1,158
Other benefits and allowances		114	-	-	-	-	-	-	-	-
Sub Total - Councillors		26,845	28,456	28,456	2,165	8,488	9,485	(998)	-11%	28,456
% increase	4		6.0%	6.0%						6.0%
Senior Managers of the Municipality										
Basic Salaries and Wages		7,348	7,985	7,985	435	2,031	2,662	(631)	-24%	7,985
Pension and UIF Contributions		1,673	1,817	1,817	50	239	606	(367)	-81%	1,817
Medical Aid Contributions		150	163	163	8	34	54	(20)	-37%	163
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		840	912	912	62	315	304	11	4%	912
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		1	-	-	-	-	-	-	-	-
Other benefits and allowances		241	282	282	90	368	87	310	355%	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	262
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10,253	11,139	11,139	645	3,016	3,713	(697)	-19%	11,139
% increase	4		8.6%	8.6%						8.6%
Other Municipal Staff										
Basic Salaries and Wages		320,850	355,595	357,565	27,518	110,057	119,188	(9,131)	-8%	355,595
Pension and UIF Contributions		64,728	70,324	70,324	4,967	20,163	23,441	(3,278)	-14%	70,324
Medical Aid Contributions		27,680	30,085	30,085	2,280	9,176	10,028	(852)	-9%	30,085
Overtime		31,791	34,601	34,601	3,388	9,939	11,534	(1,594)	-14%	34,601
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		24,197	26,290	26,290	1,428	6,733	8,763	(2,030)	-23%	26,290
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		9,422	10,237	10,237	577	2,314	3,412	(1,098)	-32%	10,237
Other benefits and allowances		50,328	19,311	19,311	3,648	15,213	6,437	8,776	138%	19,311
Payments in lieu of leave		25,258	31,788	31,788	-	-	10,568	(10,568)	-100%	31,788
Long service awards		4,552	4,946	4,946	358	1,661	1,649	12	1%	4,946
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		562,813	583,177	585,148	44,404	175,257	195,049	(19,792)	-10%	583,177
% increase	4		3.6%	4.0%						3.6%
Total Parent Municipality		599,911	622,772	624,743	47,215	186,761	208,248	(21,487)	-10%	622,772
			3.8%	4.1%						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		-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% 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	624,743	47,215	186,761	208,248	(21,487)	-10%	622,772
% increase	4		3.6%	4.1%						3.6%
TOTAL MANAGERS AND STAFF		573,068	594,316	596,287	45,050	178,273	198,762	(20,489)	-10%	594,316

KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement Actuals and revised targets for cash receipts - M04 October

R thousands	Description	Ref	Budget Year 2020/21												2020/21 Medium Term Revenue & Expenditure Framework				
			July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23		
			Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget				
	Cash Receipts By Source	1																	
	Property rates		43,795	32,766	34,041	34,041											277,259	349,864	349,864
	Service charges - electricity revenue		34,802	62,979	59,863	31,467											589,705	646,752	672,822
	Service charges - water revenue		13,347	16,755	16,650	16,650											115,945	112,074	117,678
	Service charges - sanitation revenue		10,877	10,764	10,752	10,752											66,988	68,967	73,105
	Service charges - refuse		8,968	8,981	8,964	8,964											66,868	64,139	64,139
	Rental of facilities and equipment		611	608	566	647											8,495	9,005	9,545
	Interest earned - external investments		178	1,564	233	0											2,497	2,647	2,806
	Interest earned - outstanding debtors		435	(972)	1,742	445											-	6,704	7,106
	Dividends received		-	-	-	-											-	-	-
	Fines, penalties and forfeits		59	92	17	86											3,410	9,737	10,321
	Licences and permits		3	8	15	8											4	16	17
	Agency services		-	-	-	-											-	-	-
	Transfers and Subsidies - Operational		181,378	724	26,013	12,562											730,951	620,150	675,031
	Other revenue		963	1,664	1,465	1,137											15,862	20,738	21,962
	Cash Receipts by Source		295,415	135,933	160,321	116,759											1,877,984	1,910,792	2,004,216
	Other Cash Flows by Source																		
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		40,000		40,000	365											90,548	112,015	105,827
	Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																		
	Proceeds on Disposal of Fixed and Intangible Assets																		
	Short term loans																		
	Borrowing long term/financing																		
	Increase (decrease) in consumer deposits																		
	Decrease (increase) in non-current receivables																		
	Decrease (increase) in non-current investments																		
	Total Cash Receipts by Source		335,415	135,933	200,321	117,124											1,988,532	2,044,807	2,132,043
	Cash Payments by Type																		
	Employee related costs		45,767	40,649	46,068	45,050											665,887	622,352	665,917
	Remuneration of councillors		2,115	2,095	2,112	2,165											28,456	30,163	31,973
	Interest paid		3,594	3,594	3,556	3,579											42,882	38,754	35,346
	Bulk purchases - Electricity		55,868	69,706	63,124	41,703											534,445	566,512	623,163
	Bulk purchases - Water & Sewer		11,190	12,350	-												126,226	133,799	140,489
	Other materials		217	248	2,450	40,225											4,559	3,195	3,387
	Contracted services		2,197	11,272	44,492	40,225											335,209	355,133	335,031
	Grants and subsidies paid - other municipalities																		
	Grants and subsidies paid - other																		
	General expenses		10,019	6,097	13,626	7,954											115,005	123,080	129,234
	Cash Payments by Type		130,966	146,012	175,429	140,675											1,852,667	1,872,989	1,964,640
	Other Cash Flows/Payments by Type																		
	Capital assets			831	5,971	1,909													
	Repayment of borrowing		29,251	(26,855)	(27,010)	3,694											139,479	123,015	124,827
	Other Cash Flows/Payments		71,885	88,841	37,467												28,757	31,884	32,106
	Total Cash Payments by Type		232,102	208,829	191,856	146,278											2,020,903	2,027,888	2,121,472
	NET INCREASE/(DECREASE) IN CASH HELD		103,312	(72,896)	8,463	(29,155)											(32,372)	16,919	10,571
	Cash/cash equivalents at the monthly/year beginning:		35,545	138,858	65,961	74,424	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	35,545	3,174	20,093
	Cash/cash equivalents at the monthly/year end:		138,858	65,961	74,424	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	45,269	3,174	20,093	30,663

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M04 October

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									
Revenue By Source										
Property rates		319,656	396,522	396,522	27,852	120,001	132,174	(12,173)	-9%	396,522
Service charges - electricity revenue		581,207	609,866	609,866	51,899	229,685	203,289	26,396	13%	609,866
Service charges - water revenue		178,594	190,579	190,579	17,357	64,290	63,526	763	1%	190,579
Service charges - sanitation revenue		108,915	118,793	118,793	9,308	38,879	39,598	(718)	-2%	118,793
Service charges - refuse revenue		82,251	95,898	95,898	7,734	32,204	31,966	238	1%	95,898
Rental of facilities and equipment		7,817	8,495	8,495	647	2,439	2,832	(392)	-14%	8,495
Interest earned - external investments		2,690	2,497	2,497	0	519	832	(314)	-38%	2,497
Interest earned - outstanding debtors		5,754	6,325	6,325	445	1,649	2,108	(459)	-22%	6,325
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		9,054	13,114	13,114	86	213	4,371	(4,159)	-95%	13,114
Licences and permits		8	38	38	8	31	13	19	148%	38
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		611,725	662,833	730,951	31,222	248,654	248,654	-	-	730,951
Other revenue		31,034	15,729	15,729	1,137	4,941	5,243	(302)	-6%	15,729
Gains		-	-	-	-	278	527	(249)	-47%	-
Total Revenue (excluding capital transfers and contributions)		1,938,707	2,120,688	2,188,806	147,695	743,782	735,133	8,650	1%	2,188,806
Expenditure By Type										
Employee related costs		540,376	594,312	596,287	45,050	178,273	198,762	(20,489)	-10%	596,287
Remuneration of councillors		25,106	28,456	28,456	2,165	8,488	9,485	(998)	-11%	28,456
Debt impairment		137,893	184,700	184,700	2,538	19,469	61,567	(42,098)	-68%	184,700
Depreciation & asset impairment		338,886	420,387	420,387	27,455	111,287	140,129	(28,842)	-21%	420,387
Finance charges		51,592	42,882	42,882	3,579	14,322	14,294	28	0%	42,882
Bulk purchases		524,253	660,671	660,671	74,408	212,358	220,224	(7,866)	-4%	660,671
Other materials		2,117	4,559	4,559	(1,855)	1,061	1,520	(459)	-30%	4,559
Contracted services		215,154	337,719	335,209	40,225	61,147	111,736	(50,589)	-45%	335,209
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		214,115	123,788	115,005	7,954	73,995	38,335	35,660	93%	115,005
Losses		100	1	1	-	-	0	(0)	-100%	1
Total Expenditure		2,049,591	2,397,474	2,388,156	201,517	680,400	796,052	(115,652)	-15%	2,388,156
Surplus/(Deficit)		(110,884)	(276,785)	(199,349)	(53,823)	63,382	(60,919)	124,301	-204%	(199,349)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		76,576	90,548	90,548	1,555	7,693	30,183	(22,490)	-75%	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)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(34,308)	(186,237)	(108,801)	(52,268)	71,075	(30,737)	101,812	-331%	(108,801)

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M04 October

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										
<i>Service charges - water revenue</i>		111,420	126,581		10,149	41,948	42,194	(246)	-1%	126,581
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Revenue	1	111,420	126,581	-	10,149	41,948	42,194	(246)	-1%	126,581
Expenditure By Municipal Entity										
<i>Employee related costs</i>		13,643	14,462		1,085	4,854	4,821	34	1%	14,462
<i>Remuneration of Directors</i>		-	-		-	-	-	-		-
<i>Debt impairment</i>		-	-		-	-	-	-		-
<i>Depreciation & asset impairment</i>		729	780		65	260	260			780
<i>Finance charges</i>		-	-		-	-	-	-		-
<i>Bulk purchases</i>		24,507	26,276		1,909	8,478	8,759	(281)	-3%	26,276
<i>Materials and Supplies</i>		5,248	5,848		(23)	1,470	1,949	(479)	-25%	5,848
<i>Contracted services</i>		3,203	10,494		104	1,123	3,498	(2,375)	-68%	10,494
<i>Transfers and grants</i>		-	-		-	-	-	-		-
<i>Other expenditure</i>		35,830	31,364		2,726	12,548	10,455	2,093	20%	31,364
<i>Loss on disposal of PPE</i>		-	-		-	-	-	-		-
								-		
								-		
Total Operating Expenditure	2	83,160	89,224	-	5,866	28,733	29,741	(1,008)	-3%	89,224
Surplus/ (Deficit) for the yr/period		28,260	37,357	-	4,283	13,215	12,452	(1,254)	-10%	37,357
Capital Expenditure By Municipal Entity										
<i>Service charges - water revenue</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

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	10,462	0	0	10,462	10,462	100.0%	0%
August	12,343	10,462	10,462	948	948	20,925	19,977	95.5%	1%
September	6,817	10,462	11,855	5,979	6,927	32,780	25,854	78.9%	6%
October	9,161	10,462	11,855	2,034	8,960	44,636	35,675	79.9%	7%
November	9,742	10,462	11,855			56,491	-		
December	7,532	10,462	11,855			68,346	-		
January	3,516	10,462	11,855			80,202	-		
February	9,896	10,462	11,855			92,057	-		
March	5,713	10,462	11,855			103,913	-		
April	3,101	10,462	11,855			115,768	-		
May	7,252	10,462	11,855			127,624	-		
June	27,039	10,462	11,855			139,479	-		
Capital expenditure	105,605	125,548	139,479	8,960					

Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	
Testing Stations	-	-	-	-	-	-	-	-	-	
Museums	-	-	-	-	-	-	-	-	-	
Galleries	-	-	-	-	-	-	-	-	-	
Theatres	-	-	-	-	-	-	-	-	-	
Libraries	661	-	5,430	77	171	1,810	1,639	90.6%	5,430	
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	
Police	-	-	-	-	-	-	-	-	-	
Parks	-	-	-	-	-	-	-	-	-	
Public Open Space	-	-	-	-	-	-	-	-	-	
Nature Reserves	-	-	-	-	-	-	-	-	-	
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Stalls	-	-	198	196	196	66	(130)	-196.4%	198	
Abattoirs	-	-	-	-	-	-	-	-	-	
Airports	-	-	-	-	-	-	-	-	-	
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	
Indoor Facilities	-	-	-	-	-	-	-	-	-	
Outdoor Facilities	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Heritage assets	-	350	500	-	-	167	167	100.0%	500	
Monuments	-	-	-	-	-	-	-	-	-	
Historic Buildings	-	300	500	-	-	167	167	100.0%	500	
Works of Art	-	50	-	-	-	-	-	-	-	
Conservation Areas	-	-	-	-	-	-	-	-	-	
Other Heritage	-	-	-	-	-	-	-	-	-	
Investment properties	55	3,254	-	-	-	-	-	-	-	
Revenue Generating	-	3,254	-	-	-	-	-	-	-	
Improved Property	-	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	-	-	-	-	-	-	-	-	-	
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment	471	1,200	1,820	25	187	607	420	69.2%	1,820	
Furniture and Office Equipment	471	1,200	1,820	25	187	607	420	69.2%	1,820	
Machinery and Equipment	1,716	2,515	2,252	230	230	751	521	69.4%	2,252	
Machinery and Equipment	1,716	2,515	2,252	230	230	751	521	69.4%	2,252	
Transport Assets	-	-	3,250	-	-	1,083	1,083	100.0%	3,250	
Transport Assets	-	-	3,250	-	-	1,083	1,083	100.0%	3,250	
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	76,183	2,034	5,369	25,394	20,025	78.9%	76,183

Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	-
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	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	69	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-
Effluent Licences	-	-	-	-	-	-	-	-	-	-
Solid Waste Licences	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-
Land Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	252	-	219	84	(135)	-160.9%	252	-
Transport Assets	-	-	252	-	219	84	(135)	-160.9%	252	-
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	10,123	-	219	3,374	3,155	93.5%	10,123

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 expend.

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	96,637	1,455	4,149	32,212	28,063	87.1%	96,637

Zoo's Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	338,886	420,387	420,387	27,465	111,287	140,129	28,842	20.6%	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	-	-	44	-	44	15	(29)	-196.9%	44	
Indoor Facilities	-	-	44	-	44	15	(29)	-196.9%	44	
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	-	-	3,679	-	283	1,226	943	76.9%	3,679	
Operational Buildings	-	-	3,679	-	283	1,226	943	76.9%	3,679	
Municipal Offices	-	-	3,679	-	283	1,226	943	76.9%	3,679	
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	-	-	-	-	-	-	-	-	-	
Yards	-	-	-	-	-	-	-	-	-	
Stores	-	-	-	-	-	-	-	-	-	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing	-	-	-	-	-	-	-	-	-	
Social Housing	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	-	-	-	-	-	-	-	-	
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Computer Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
Machinery and Equipment	-	-	150	-	-	50	50	100.0%	150	
Machinery and Equipment	-	-	150	-	-	50	50	100.0%	150	
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	53,174	-	3,373	17,725	14,352	81.0%	53,174

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 (SC13e) must reconcile to total capital expenditure.

| check balance = - - - - -

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 Oct 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		10,149	41,948	42,194	(246)	-0.6%	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	-	10,149	41,948	42,194	(246)	-0.6%	126,581
Expenditure By Type									
Employee related costs	13,792	14,462		1,085	4,854	4,821	34	0.7%	14,462
Remuneration of Directors	-	-		-	-	-	-		-
Debt impairment	-	-		-	-	-	-		-
Depreciation & asset impairment	59,455	780		65	260	260	0	0.0%	780
Finance charges	-	-		-	-	-	-		-
Bulk purchases	27,730	26,276		1,909	8,478	8,759	(281)	-3.2%	26,276
Materials and Supplies	5,342	5,848		(23)	1,470	1,949	(479)	-24.6%	5,848
Contracted services	2,322	10,494		104	1,123	3,498	(2,375)	-67.9%	10,494
Transfers and grants	-	-		-	-	-	-		-
Other expenditure	31,266	31,364		2,726	12,548	10,455	2,093	20.0%	31,364
Loss on disposal of PPE	-	-		-	-	-	-		-
Total Expenditure	139,907	89,224	-	5,866	28,733	29,741	(1,008)	-3.4%	89,224
Recharge									
Head Office Recharge	48,145	26,235		2,320	10,145	8,745	1,400	16.0%	46,840
Surplus/(Deficit)	(76,632)	11,122	-	1,963	3,070	3,707			(9,483)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) for the year	(76,632)	11,122	-	1,963	3,070	3,707			(9,483)



EASTERN REGION
PRIVATE BAG X16 WESTVILLE 3630

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

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2020-11-03
TAX INVOICE NO	557986608587
ACCOUNT MONTH	OCTOBER 2020
CURRENT DUE DATE	2020-12-03
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2020-10-01 - 2020-10-31)

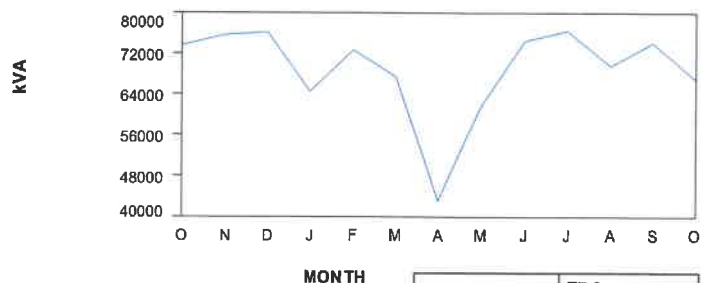
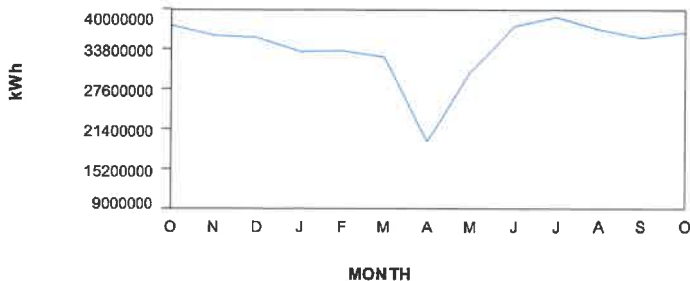
ENERGY CONSUMPTION OFF PEAK kWh	15,233,723.56
ENERGY CONSUMPTION STD kWh	15,103,282.44
ENERGY CONSUMPTION PEAK kWh	6,215,006.44
ENERGY CONSUMPTION ALL kWh	36,552,012.44
DEMAND CONSUMPTION - OFF PEAK	60,406.48
DEMAND CONSUMPTION - STD	67,215.42
DEMAND CONSUMPTION - PEAK	66,758.41
DEMAND READING - KW/KVA	67,215.42
REACTIVE ENERGY - OFF PEAK	4,843,755.74
REACTIVE ENERGY - STD	4,729,371.96
REACTIVE ENERGY - PEAK	1,814,309.64
LOAD FACTOR	75.00

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 36,552,012 kWh @ R0.0041 /kWh	R	149,863.25
Low Season Standard Energy Charge 15,103,282 kWh @ R0.7483 /kWh	R	11,301,785.92
Low Season Peak Energy Charge 6,215,006 kWh @ R1.0873 /kWh	R	6,757,576.02
Low Season Off Peak Energy Charge 15,233,724 kWh @ R0.4747 /kWh	R	7,231,448.78
Electrification and Rural Subsidy 36,552,012 kWh @ R0.0917 /kWh	R	3,351,819.50
SERVICE CHARGE	R	143,024.39

TOTAL CHARGES R **32,461,335.40**



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

Tax Invoice

Page 1 of 1

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	INV00002470
Date	01/10/2020

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>
OCTOBER 2020 BULK	2,649,774.00	3.83	1,522,295.16

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)	10,148,634.42
Tax	1,522,295.16
Total	11,670,929.58

Moola

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

Directors: P.S. Naidoo (Chairperson); B. Ndlovu; A. Evetts; 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	01/10/2020
Amount Due	102,129,890.18

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>
01/07/2020		Balance Brought Forward		85,470,037.63		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
26/08/2020	Newcastle Munic	Newcastle Municipality - WSA			10,497,514.13	79,107,841.76
01/09/2020	INV00002461	Invoice		11,351,118.84		90,458,960.60
01/10/2020	INV00002470	Invoice		11,670,929.58		102,129,890.18

180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
32,342,182.98	10,919,120.83	10,628,271.48	12,868,118.94	12,350,147.53	11,351,118.84	11,670,929.58	102,129,890.18

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
32,342,182.98	10,919,120.83	10,628,271.48	12,868,118.94	12,350,147.53	11,351,118.84	11,670,929.58	102,129,890.18



NEWCASTLE MUNICIPALITY
(Registration number KZ252)

**INTERIM FINANCIAL STATEMENTS
FOR THE 4 MONTHS ENDED 31 OCTOBER 2020**

Newcastle Municipality

Interim Financial Statements for the 4 months ended 31 October 2020

Statement of Financial Position as at 31 October 2020

	Note(s)	October 2020	June 2020
Assets			
Current Assets			
Inventories	9	13 307 100	13 882 980
Other financial assets	7	56	277
Receivables from exchange transactions	10	68 772 014	82 165 224
Receivables from non-exchange transactions	11	15 480 338	22 499 156
Consumer debtors from exchange transactions	12	498 473 925	617 309 583
Consumer debtors from non-exchange transactions	12	155 869 885	136 956 485
Cash and cash equivalents	13	45 269 469	38 511 005
		797 172 787	911 324 710
Non-Current Assets			
Investment property	2	256 890 618	355 563 618
Property, plant and equipment	3	6 485 428 415	6 573 346 702
Intangible assets	4	1 753 596	517 384
Heritage assets	5	11 670 232	11 488 232
Investments in associates	6	217 333 222	234 927 851
		6 973 076 083	7 175 843 787
Total Assets		7 770 248 870	8 087 168 497
Liabilities			
Current Liabilities			
Other financial liabilities	16	27 117 988	11 747 226
Finance lease obligation	14	380 764	401 398
Payables from exchange transactions	19	716 741 454	871 381 348
VAT payable	20	3 209 391	2 571 095
Consumer deposits	21	26 143 278	24 493 127
Unspent conditional grants and receipts	15	98 066 391	58 988 630
Defined benefit plan	17	9 752 000	8 667 735
Bank overdraft	13	-	2 965 923
		881 411 266	981 216 482
Non-Current Liabilities			
Other financial liabilities	16	352 495 452	388 785 921
Finance lease obligation	14	147 576	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
		555 106 847	566 829 106
Total Liabilities		1 436 518 113	1 548 045 588
Net Assets		6 333 730 757	6 539 122 909
Reserves			
Housing Development fund		28 545 707	28 515 270
Self insurance reserve		535 061	516 824
Accumulated surplus		6 304 649 989	6 510 090 815
Total Net Assets		6 333 730 757	6 539 122 909

Newcastle Municipality

Interim Financial Statements for the 4 months ended 31 October 2020

Statement of Financial Performance

	Note(s)	Month ended October 2020	Year ended June 2020
Revenue			
Service charges	23	364 911 946	950 967 805
Rental of facilities and equipment	24	2 439 387	7 817 357
Sundry revenue	26	1 372 272	8 760 957
Other income	26	301 926	663 785
Fee income	26	3 721 690	6 027 710
Interest received	27	2 168 070	8 444 465
Property Rates	28	120 000 591	319 656 446
Government grants & subsidies	29	248 653 533	611 724 961
Donation received		-	15 589 293
Fines	25	212 701	9 054 231
Total revenue		743 782 116	1 938 707 010
Expenditure			
Employee costs	30	178 273 339	543 218 379
Remuneration of councillors	31	8 487 520	25 106 016
Depreciation and amortisation	32	111 287 400	338 885 720
Finance costs	34	14 322 235	51 591 650
Debt Impairment	35	19 469 009	137 893 104
Collection costs		346 334	1 175 179
Bulk purchases	36	212 357 520	524 253 064
Contracted services	37	61 147 311	215 153 722
General Expenses	38	74 709 233	212 313 947
Total expenditure		680 399 901	2 049 590 781
Operating surplus (deficit)		63 382 215	(110 883 771)
Impairment loss	33	-	(10 821)
Profit/(Loss) on Sale of Assets		-	(99 739)
		-	(110 560)
Surplus (deficit) for the 4 months		63 382 215	(110 994 331)

Newcastle Municipality

Interim Financial Statements for the 4 months ended 31 October 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	6 241 267 774	6 270 299 868
Deficit for the year	-	-	-	63 382 215	63 382 215
Transfer of Housing Development Fund	30 437	-	30 437	-	30 437
Transfer to Self Insurance Reserves	-	18 237	18 237	-	18 237
Total changes	30 437	18 237	48 674	63 382 215	63 430 889
Balance at 31 October 2020	28 545 707	535 061	29 080 768	6 304 649 989	6 333 730 757

Newcastle Municipality

Interim Financial Statements for the 4 months ended 31 October 2020

Cash Flow Statement

	Note(s)	Month ended October 2020	Year ended June 2020
Cash flows from operating activities			
Receipts			
Sale of goods and services		523 353 803	1 139 410 108
Grants		301 041 608	654 534 604
Interest income		2 168 070	8 444 465
		<u>826 563 481</u>	<u>1 802 389 177</u>
Payments			
Employee costs and Councillors remuneration		(186 760 859)	(565 482 175)
Suppliers		(585 875 853)	(1 032 857 335)
Finance costs		(14 322 235)	(51 591 650)
		<u>(786 958 947)</u>	<u>(1 649 931 160)</u>
Net cash flows from operating activities	41	<u>39 604 534</u>	<u>152 458 017</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(8 960 440)	(105 604 812)
Proceeds from sale of Investment property	2	-	4 563 304
Net cash flows from investing activities		<u>(8 960 440)</u>	<u>(101 041 508)</u>
Cash flows from financing activities			
Net movements in long term loans		(20 919 707)	(25 870 628)
Net cash flows from financing activities		<u>(20 919 707)</u>	<u>(25 870 628)</u>
Net increase/(decrease) in cash and cash equivalents		9 724 387	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>45 269 469</u>	<u>35 545 082</u>

SUMMARY OF INVESTMENTS FOR NEWCASTLE FOR Oct 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 12,527.47		R 1,101,617.40
Housing Development Fund	Standard Bank 068450354/016	R 28,701,727.14	R 26,000,000.00		R 26,000,000.00		R 299,114.02		R 29,000,841.16
Provincialisation	Standard Bank 068450354/035	R 43,254.44	R 0.00		R 0.00		R 84.50		R 43,338.94
MIG	Standard Bank 068450354/036	R 598,081.34	R 0.00		R 0.00		R 6,879.55		R 604,960.89
NDPG	Standard Bank 068450354/037	R 422,224.02	R 0.00		R 0.00		R 4,856.71		R 427,080.73
Electrification Grant	Standard Bank 068450354/038	R 60,264.43	R 0.00		R 0.00		R 219.49		R 60,483.92
FGM	Standard Bank 068450354/039	R 78,433.71	R 0.00		R 0.00		R 285.65		R 78,719.36
Titel deed low cost housing	Standard Bank 068450354/040	R 5,553,011.13	R 0.00		R 0.00		R 63,874.59		R 5,616,885.72
Capacity Building	Absa: 9288456248	R 64,919.53			R 0.00	R 618.97		R 128.00	R 64,791.53
VAT Refund	Absa 9300506428	R 529,582.25	R 0.00		R 0.00		R 8,109.35		R 537,691.60
Council Funds	Nedbank 037648555441 46	R 113.40	R 0.00		R 0.00		R 1.23		R 114.63
Council Funds	Nedbank 037648555441 47	R 113.40	R 0.00		R 0.00		R 1.23		R 114.63
Council Funds	Nedbank 037648555441 48	R 113.40	R 0.00		R 0.00		R 1.23		R 114.63
Council Funds	Nedbank 037648555441 49	R 113.40	R 0.00		R 0.00		R 1.23		R 114.63
Council Funds	Nedbank 037648555441 52	R 965,440.32	R 140,000,000.00		R 141,000,000.00		R 249,884.31		R 215,324.63
Council Funds	Nedbank 037648555441 53	R 46.87	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 6,425.80		R 372,738.57
Total as '2020/09/30		R 38,472,837.48	R 166,000,000.00	R 0.00	R 167,000,000.00	R 618.97	R 652,270.36	R 128.00	R 38,124,979.84

(not added to capital)

Z MADUNA
ACCOUNTANT: FINANCIAL REPORTINGN KHUMALO
MANAGER: CASH & DEBT MANAGEMENTMS NDLOVU
DIRECTOR: BUDGET & FINANCIAL REFORMSS M NKOSI
SED: BUDGET & TREASURY OFFICE

BALANCE PER GENERAL LEDGER '2020/02/29 (0309970100001)				
Interest capitalised	2020/03/04	JV31174	Standard Bank	0684503540/015
Interest capitalised		JV31173	Standard Bank	0684503540/016
Interest capitalised	2020/03/04	JV31172	Standard Bank	0684503540/035
Interest capitalised		JV31171	Standard Bank	0684503540/036
Interest capitalised	2020/03/04	JV31170	Standard Bank	0684503540/037
Interest capitalised		JV31175	Standard Bank	0684503540/038
Interest capitalised	2020/03/04	JV31169	Standard Bank	0684503540/039
Interest capitalised		JV31168	Standard Bank	0684503540/040
Interest capitalised	2020/03/04	JV31227	Nedbank	37648555411 46
Interest capitalised		JV31228	Nedbank	37648555411 47
Interest capitalised	2020/03/04	JV31229	Nedbank	37648555411 48
Interest capitalised	2020/02/12	JV31230	Nedbank	37648555411 49
Interest capitalised	2020/02/12	JV31179	Nedbank	37648555411 51
Bank charges	2020/02/12	JV31166	ABSA	9288456248
Interest capitalised	2020/02/12	JV31009	ABSA	9300506428
				36,728,378.38
				5,174.96
				136,380.09
				207.51
				75,607.23
				2,006.25
				288.82
				176.23
				26,385.87
				0.58
				0.58
				0.58
				0.58
				2,367.80
				(32.00)
				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
Interest Capitalised	2020/02/12	JV31174	Standard Bank	068450351/016
Interest Capitalised	2020/02/12	JV31173	Standard Bank	068450351/035
Interest Capitalised	2020/02/12	JV31172	Standard Bank	068450351/036
Interest Capitalised	2020/02/12	JV31171	Standard Bank	068450351/037
Interest Capitalised	2020/02/12	JV31175	Standard Bank	068450351/038
Interest Capitalised	2020/02/12	JV31169	Standard Bank	068450351/039
Interest Capitalised	2020/02/12	JV31168	Standard Bank	068450351/040
Interest Capitalised	2020/02/12	JV31011	ABSA	9300506428
Interest Capitalised	2020/02/12	JV31002	Nedbank	37648555411 46
Interest Capitalised	2020/02/12	JV31001	Nedbank	37648555411 47
Interest Capitalised	2020/02/12	JV30999	Nedbank	37648555411 48
Interest Capitalised	2020/02/12	JV31000	Nedbank	37648555411 49
Interest Capitalised	2020/02/12	JV30998	Nedbank	37648555411 51
				(692,622.16)
				(5,174.96)
				(136,380.09)
				(207.51)
				(75,607.23)
				(2,006.25)
				(288.82)
				(176.23)
				(26,385.87)
				(2,536.14)
				(0.62)
				(0.62)
				(0.62)
				(0.62)
				(2,531.09)
				(943,918.83)

SUMMARY OF LOAN REGISTER FOR OCTOBER 2020

Account number	Interest Rate	LOAN AMOUNT	Opening balance as at 01.10.2020	Total Capital Payments	Interest Capitalised to Date	Interest Capitalised for the month	Total Interest Payments	Balance
Loan Account: 61000636	9.37%	24,285,550.00	5,825,442.88	1,268,357.13	179,697.93	45,299.72	325,154.22	5,870,732.60
Loan Account: 61000654	9.10%	25,993,166.00	8,579,021.10	1,217,933.73	290,833.31	66,258.74	446,708.12	8,645,279.84
Loan Account: 61000826	11.29%	12,750,000.00	4,478,292.98	432,625.14	182,557.16	42,997.52	277,781.35	4,521,200.50
Loan Account: 61000827	11.25%	1,975,000.00	1,407,561.96	44,432.10	54,586.18	13,439.95	81,845.21	1,421,001.91
Loan Account: 61000919	10.09%	800,000.00	65,169.24	0.00	0.00	0.00	0.00	65,169.24
Loan Account: 61000920	10.69%	7,000,000.00	5,065,288.70	273,047.86	177,574.61	44,754.58	193,142.63	5,110,043.28
Loan Account: 61000921	10.83%	1,850,000.00	1,253,353.05	67,007.00	44,499.87	11,215.41	21,511.55	1,264,568.46
Loan Account: 61007325	5.00%	11,980,174.80	6,832,766.51	432,949.33	113,066.78	28,496.50	178,096.12	6,861,263.01
Loan Account: 61007195	10.40%	122,185,000.00	100,317,763.23	2,996,841.14	3,423,973.33	862,952.62	5,221,775.84	101,180,715.86
Loan Account: 3042598105	11.44%	284,839,959.00	241,770,844.82	6,834,424.24	9,850,932.68	2,462,733.17	15,005,643.98	244,233,577.99

Totals 375,595,504.47 14,317,721.85 3,578,048.21 21,751,659.02 379,173,552.68

BALANCE PER GENERAL LEDGER 379,613,440.08

DIFF - STATEMENT VS GEN LED 439,887.40

TOTAL (439,887.32)

VARIANCE - LOAN 61000825 - REDEEMED ON 30.10.2018 - AS PER DBSA STATEMENT								(223,890.16)
LOAN 61007238:AMOUNT SET OFF AGAINST CAPITAL AMOUNT- SEE NOV STATEMENT								(105,407.72)
LOAN 61007238:AMOUNT SET OFF AGAINST CAPITAL PORTION - SEE NOV STATEMENT OVERPAYMENT MADE TO DBSA - TYPING ERROR. PAID R 11 054 198,97 INSTEAD OF R 11 053 198,97 IN JULY 2019 FOR JUNE 2019 INTEREST AND PENALTIES PAID IN JULY 2020 FOR JUNE 2020								(145,502.13)
INTEREST AND PENALTIES PAID IN SEPT 2020								1,000.00
								25,309.98
								8,602.71

VARIANCE - ROUNDING OFF 0.08

PREPARED BY: _____ REVIEWED BY: _____ AUTHORIZED BY: _____

C HARIPARSAD BN KHUMALO MS NDLOVU SMI NKOSI

ACCOUNTANT: GEN ACCOUNT & ADMIN SERVICES MANAGER DIRECTOR: BUDGET & FINANCIAL REFORMS STRATEGIC EXECUTIVE DIRECTOR: BUDGET & TREASURY OFFICE

DATE: _____ DATE: _____ DATE: _____

Newcastle Municipality Grant Register for October 2020

Number	Vote number	Description	Receivables	Expenditure for OCT	Adjustments	Total Expenditure before Vat	VAT FOR THE MONTH	Total Vat Amount	Total Expenditure after Vat	Closing balance	
1	030952001010	Environmental Management Framework								(502 871,43)	A
2	0309520010409	I.T. - Inic Bocha Project									B
3	0309520010709	Cherwell Town								(823 976,11)	C
4	0309520010801	Electrification Grant								(8 267 693,85)	D
5	0309520010501	Title Deeds Restoration Grant								(1 233 371,11)	E
6	0309520010201	Enhanced P/Works Incentive	(724 000,00)	100 024,10	6 108 328,90	247 578,42	21 097,82	25 867,82	273 174,24	(1 753 870,87)	F
7	0309520010901	Financial Management Grant - FMG	(1 700 000,00)	389 492,74	42 900,28	389 492,74			389 492,74	(1 311 276,63)	G
8	0309520010601	Grant S&B Development								(1 527 803,24)	H
9	030952013901	Community Library Service Grant								(985 455,80)	I
10	030952021001	Integr. of Fresh Produce								(12 950,38)	J
11	030952023001	Spice Maintenance Facility Grant								(11 335,38)	K
12	030952001201	MFG	(10 000 000,00)	7 015 450,21		21 016 428,83	(601) 888,81	2 555 539,83	24 471 666,86	(45 138 633,24)	L
13	030952006209	Chowven Arts Centre								38 890,00	M
14	030952006301	Corridor Development								(31 074,64)	N
15	030952021509	Provisional								1 628 671,07	O
16	030952010609	Carriage Art Gallery								12 550,00	P
17	030952026709	Fort Amak Museum	(107 000,00)	398 486,27		1 616 056,64	4 718,87	5 635,03	1 621 691,67	(47 171,34)	Q
18	030952016909	Capacity Building/ Hospitality	(800 000,00)	62 313,56		62 313,56			62 313,56	(819 146,28)	R
19	030952016001	Newcastle Airport								0,00	S
20	030952024001	Neighbourhood Development Partnership Grant								1 815 281,36	T
21	030952124609	Municipal Water Infra Grant									U
22	030952024501	Manufacturing	(10 000 000,00)	1 110 056,35		2 327 168,46	167 856,30	340 076,27	2 679 244,75	(24 631) 893,80	V
23	030952034609	All Housing Grants									W
24	030952002109	Sport and Recreation	(38 832 697,56)	12 820 030,07		36 852 667,56			36 852 667,56	(4 266) 812,78	X
25	030952043901	Energy Efficiency and Demand Side Management Grant								(1 980 417,80)	Y
26	0309520011002	Disaster Relief Grant									Z
27	030952002291	Title Deeds Restoration Grant - Post	(119 863 807,55)	22 031 106,43	(6 196 326,30)	84 339 744,87	844 658,89	2 525 747,55	87 275 532,82	(5 198 265,39)	AA
		TOTAL								(10) 137 604,89	

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:

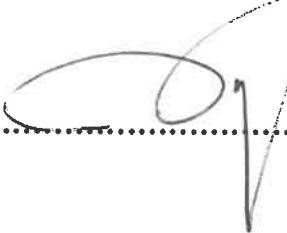
MUNICIPAL MANAGER'S QUALITY CERTIFICATE



I, **MJ Mayisela**, the Acting Municipal Manager of **Newcastle Municipality**, hereby certify that the monthly budget statement for the month of October 2020/21 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 :