

**MID-YEAR BUDGET REVIEW IN TERMS OF SECTION 72 OF THE MFMA DATE:
25 JANUARY 2022**

1. EXECUTIVE SUMMARY

Section 72 of the Municipal Finance Management Act, No. 56 of 2003, read together with regulation 33 of the Municipal Budget and Reporting Regulations require, inter alia, that the Accounting Officer submit a report to the Mayor, Provincial and National Treasury by 25 January of each year.

The report must, as far as possible, assess the performance and financial status of the municipality in relation to the approved budget at the end of the first half of the financial year. The same report must further be submitted by the Mayor to Council by 31 January each year. This report is therefore submitted in compliance with the above provisions.

2. RECOMMENDATIONS

- 2.1 That the mid-year budget review for the period ended 31 December 2021 be noted and approved;
- 2.2 That, based on the variances presented between the approved budget and actuals for the first half of the year and the need to align the mSCOA data strings, it be approved that an adjustment budget is necessary;
- 2.3 That the Accounting Officer be mandated to submit the mid-year assessment report to National and Provincial Treasuries as required by S72(1)(b) of the Municipal Finance Management Act No.56 of 2003;
- 2.4 That the funding plan be amended and aligned with the adjustments budget;
- 2.5 That, subject to approval of recommendation of (b) above, that the Accounting Officer be mandated to prepare and submit an adjustments to Council for approval;

SED: Budget &
Treasury Office

3. PURPOSE

The purpose of this report is to ensure compliance with Section 72 of the Municipal Finance Management Act (MFMA) and section 33 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No.32141 dated 17 April 2009. This legislative framework requires that specific information be reported on and in the formats prescribed. In compliance with the same legislation, this report will be submitted to both National and KZN Provincial Treasuries for assessment. The report will provide Council with a comprehensive analysis of the budget performance of the first six months of the financial year in order to allow council to determine if the adjustments budget is necessary or not, and if necessary, which areas on which the adjustments budget shall focus.

4. BACKGROUND

Section 72 of the Municipal Finance Management Act, No. 56 of 2003, read together with regulation 33 of the Municipal Budget and Reporting Regulations requires that the Accounting Officer submit a report to the Mayor, Provincial and National Treasury by the 25th January of each year. The report must, as far as possible, assess the performance and financial status of the municipality in relation to the approved budget at the end of the first half of the financial year. The same report must further be submitted by the Mayor to Council by the 31st January each year. This report is therefore submitted in compliance with the above provisions.

It is imperative to advise the Council that the 2021/22 annual budget of the municipality was approved, however concerns were raised by both National and Provincial Treasuries that the budget was not funded. Consequently, the municipality was required to develop and adopt the Budget Funding Plan (BFP), which will be implemented and monitored until such time that the budget is fully funded. The Council of Newcastle Municipality had since tabled and adopted the Budget Funding Plan as required by Treasury.

The first half year budget performance assessment will also assess if the funding plan is still in line as per National Treasury's requirements. Other factors that will be looked at are the cost containment measures, grants and the performance of service charges as this will have the impact of whether the revenue that was projected is still adequate to compensate operating expenditure. As a result, council will have to relook at the budget as well as the funding plan strategies, subsequently align its adjustments budget with the funding plan accordingly.

The Schedule C report is presented with a view to exhaustively analyse the actual financial performance of the municipality for first six months of the financial year against the approved budget, provide reasons for major variances, where applicable, and provide guidance on areas where there will be a need for adjustments during the adjustments budget. This current financial status of the municipality is challenging both political and administrative wings to use this opportunity to carefully analyse the financial performance report and address any such matters through an adjustments budget.

5. REPORT:

The mid-year budget review report provides analysis of the operating budget performance, capital budget performance, position as well as the cash flows. Major variance and those items with an impact in each of these categories are discussed in the analysis below.

5.1 Operating budget performance revenue

The operating budget performance focuses on the assessment of the operating revenue, operating expenditure as well as the net effect of the two, being surplus or the deficit. These are comprehensively discussed below. Details of the operating performance is shown in the tables C1 and C4 of the Schedule C and is summarised in Table 1 below:

5.1.1 Operating revenue

The summary of the operating revenue is reflected in Table 1 below and has been extracted from C4 table of the Schedule C attached. During the first half of the financial year, the

municipality generated a total revenue of R1 265 483 000 of the approved budget of R2 214 242 000, which represents 57.1 percent. The variance between the year-to-date revenue budget and the actual revenue accrued for the same period amounts to R13 778 000 (1%). The variances and reasons thereof are discussed below.

Table 1: Operating Revenue by Revenue Source

Description	2021/22	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Revenue By Source								
Property rates	342,534	362,426	–	28,873	181,212	181,213	(1)	0%
Service charges - electricity revenue	621,122	710,188	–	54,174	368,259	355,094	13,165	4%
Service charges - water revenue	188,410	193,910	–	14,823	94,511	96,955	(2,444)	-3%
Service charges - sanitation revenue	112,244	119,429	–	10,176	60,031	59,714	316	1%
Service charges - refuse revenue	91,973	95,601	–	8,430	49,315	47,800	1,514	3%
Rental of facilities and equipment	7,093	7,532	–	1,435	4,564	3,766	798	21%
Interest earned - external investments	3,068	2,296	–	76	1,226	1,148	78	7%
Interest earned - outstanding debtors	3,835	4,642	–	607	2,154	2,321	(168)	-7%
Dividends received	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	5,402	2,105	–	494	2,328	1,052	1,275	121%
Licences and permits	101	105	–	4	18	52	(35)	-66%
Agency services	–	–	–	–	–	–	–	–
Transfers and subsidies	549,062	695,021	–	191,888	492,094	492,094	–	–
Other revenue	18,409	20,987	–	546	6,727	10,493	(3,766)	-36%
Gains	52,158	–	–	1,088	3,045	–	3,045	0%
Total Revenue (excluding capital transfers and contributions)	1,995,412	2,214,242	–	312,613	1,265,483	1,251,705	13,778	1%

Property rates

During the first half of the financial year the municipality generated R181 212 000 which is almost at par with the year-to-date budget. This revenue item seems to be at par with the budget and, as such, there no need to review it during the adjustments budget.

Service charges - electricity

The municipality generated R13 165 000 (4%) more revenue from electricity than the year-to-date budget of R355 094 000 for the period under review. The variance is attributable to the seasonal consumption which is fluctuating during the year. There is a need to relook and correct the budget for this item in the adjustment budget in line with the expected consumption in last six months if the financial year.

Service charges – water

The municipality generated R2 444 000 (-3%) less revenue from water than the year-to-date budget of R95 955 000 for the period under review. This is attributable to the Covid-19 restrictions, which has resulted in less demand for water consumption. The budget for this item may be reviewed in line with the expected water demand in the last six months of the financial year.

Service charges – sanitation

The municipality generated R316 000 (1%) more revenue from sanitation than a pro-rata budget of R59 714 000 for the period under review. The budget for this item is considered to be in line with the budget but may be revised in line with the water demand in the last half of the financial year.

Service charges – refuse

The municipality generated R1 514 000 (3%) more revenue from refuse removal than the year-to-date budget of R47 800 000 during the period under review. The variance is attributable to the easing of the lockdown regulations, which allowed more business and consumers to request more refuse collections. This budget for this item is considered to be in line with the budget, however it may be revised in line with the expected demand and Covid-19 restrictions in the last half of the financial year.

Rental of facilities

The municipality generated R798 000 (21%) more revenue from rental of facilities than the year-to-date budget of R3 766 000 during the period under review. The variance is attributable to the easing of additional demand for rental facilities due to the easing of the lockdown restrictions. Rental facilities are being rented for all normal hours and there has been an increase in the number of staff flats being rented. This budget item will be revised upwards during the adjustments budget in order to counter the additional demand.

Interest earned – external investments

The municipality generated R78 000 (7%) more revenue from interest on investments than a year-to-date budget of R1 148 000 for the period under review. The municipality has generated more interest on investments due to more investments made than expected. With the implementation of strategies on the funding plan this item is expected to improve even more during the second half of the financial year. The budget for this item may be revised in lined with expected investment in the last half of the financial year.

Interest earned – outstanding debtors

The municipality generated R168 000 (-7%) less revenue from interest on outstanding debtors than the year-to-date budget of R2 321 000 during the period under review. This charge is only applicable to business accounts which are in arrears. This variance is attributable to the effective incentive scheme which was implemented by the municipality over the 24 twelve months. The budget for this item will be adjusted accordingly during the adjustments budget based on the performance.

Fines

The municipality generated R1 275 000 (121%) more revenue from fines than the year-to-date budget of R1 052 000 during the period under review. Fines are dependent on law enforcement and compliance of motorists thereto. The recent festive season has seen the municipality imposing more fines in order to enforce law enforcement in the region. Based on the current performance, there if a need adjustment this item upwards during the adjustments budget.

Transfers and subsidies

The municipality generated R541 357 000 on transfers and subsidies, which is in line with the budget. Any budget adjustments on this item will be based on adjusted DORA and provincial gazettes on allocations.

Other revenue

The municipality generated R3 766 000 (-36%) less revenue from sundry revenue than the year-to-date budget of R10 493 000 during the period under review. There is a need to adjust this revenue item downwards during the adjustments budget.

Gains

The municipality generated R3 045 000 more budget from gains of disposal of assets while there was not budget projected. This variance is attributable to devices that we sold to councillors and employees during last term of office of the previous council. The budget for this item will be included accordingly during the adjustments budget.

5.1.2 Operating expenditure

The summary of the operating expenditure is reflected in Table 2 below and has been extracted from C4 table of the Schedule C attached. The municipality incurred the total expenditure of R1 141 549 000 of the approved budget of R2 488 931 000, which represents 46 percent. The variance between the year-to-date expenditure budget and the actual expenditure incurred for the same period amounts to R102 917 000, representing under-expenditure of -8% during the period under review. Variances and reasons which attributed to over/under expenditure in each item of expenditure are explain below.

Table 2: Operating Expenditure by Expenditure Type

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Expenditure By Type								
Employee related costs	546,878	570,234	–	55,053	282,105	285,117	(3,012)	-1%
Remuneration of councillors	25,612	28,882	–	1,929	12,175	14,441	(2,266)	-16%
Debt impairment	216,003	283,536	–	1,612	10,081	141,768	(131,687)	-93%
Depreciation & asset impairment	351,202	378,675	–	29,182	163,044	189,338	(26,294)	-14%
Finance charges	64,980	39,754	–	3,320	19,929	19,877	52	0%
Bulk purchases	559,335	557,138	–	36,306	274,003	278,569	(4,566)	-2%
Other materials	127,618	136,114	–	11,176	68,024	68,057	(33)	0%
Contracted services	273,799	388,306	–	68,127	256,058	194,153	61,905	32%
Transfers and subsidies	–	–	–	–	–	–	–	–
Other expenditure	10,155	106,290	–	5,491	55,576	53,145	2,431	5%
Losses	76,013	1	–	535	658	1	658	0%
Total Expenditure	2,251,593	2,488,931	–	212,732	1,141,653	1,244,465	(102,812)	-8%

Employee related costs

The municipality spent R3 012 000 (-1%) less on employee related costs than the year-to-date budget of R285 117 000 during the period under review. This is due to other positions filled a bit late during the year. It must however be mentioned that the current budget of the employee is not adequate as the annual increase was not budget appropriated. The full impact of annual salary increase is expected to manifest in the second half of the financial year. As such, there is a need to adjust this item upwards during the adjustments budget.

Remuneration of councillors

The municipality spent R2 266 000 (-16%) less on the remuneration of Councillors than the year-to-date budget of R14 441 000 during the period under review. The variance is attributed time during which positions of certain councillors were vacant in the past six months and the fact that Exco councillors are currently paid as part-time councillors pending approval by the Cogta MEC. The budget for this item will revised in line with the positions filled as well as the expected determination by the Cogta MEC on the payment of Exco members.

Debt impairment

The municipality incurred R131 687 000 (-93%) less on debt impairment than the year-to-date budget of R141 768 000 during the period under review. This is due to the fact that the full impact of debt impairment will be effected at the end of the financial year. Based on the current collection trends and the 2021 audited financial statements, the budget for this item will still be looked at during the adjustments budget.

Depreciation and asset impairment

The municipality incurred R26 294 000 (-14%) less on depreciation and asset impairment than the year-to-date budget of R189 338 000 during the period under review. The variance is attributable to the slow capital expenditure as well as the infrastructure projects which are still under construction. Based on the current performance there is a need to adjust this item downwards during the adjustments budget.

Finance charges

The municipality spent R52 000 (0%) more on finance charges than the year-to-date budget of R19 877 000 during the period under review. The variance appear to be too low and neglectable. There is no need to adjust this item as it appears to be within the budget as the projection is based on amortisation schedule.

Bulk purchases

The municipality spent R4 566 000 (-2%) less on bulk purchases than the year-to-date budget of R278 569 000 during the period under review. The variance is attributable to lower demand for consumption for electricity since most businesses in the jurisdiction are struggling economically due to Covid-19 restrictions. The effect of load shedding has also resulted in lower demand for electricity. The budget for this item will be assessed based on the expected demand during the remainder of the financial year, and where necessary, be adjusted accordingly.

Material

The municipality spent R33 000 (0%) less on materials than the year-to-date budget of R68 057 000 during the period under review. Included on the material is bulk water purchases

which seem to be performing as budgeted for. There is no need to adjust this item during adjustments budget.

Contracted services

The municipality spent R61 905 (32%) more on contracted services than the year-to-date budget of R194 153 000. The variance is attributable mainly to the acceleration of the housing projects scheduled. The budget for this item will be adjusted upwards during in line with the performance and additional grant funding already received.

Other general expenditure

The municipality spent R2 431 000 (5%) more on other general expenses than the year-to-date budget of R53 145 000 during the period under review. The variance is attributable to some of the key expenditure items for which the municipality is already committed. The municipality is challenged to apply stringent cost containment measures to ensure that expenditure is curbed so that these items are funded during the remainder of the financial year. Management is considering cutting the budget on other items or moving funds around with a view to fund this item during the adjustments budget.

Losses

The municipality recorded losses amounting to R658 000 during the period under review. This is attributable to the inventory losses identified during the stock count exercise. The budget for this item will be adjusted accordingly during the adjustments budget process.

5.1.3 Net operating results (surplus)

The summary of the net operating results for the half of the financial year is reflected in Table 3 below.

Table 3: Summary statement of Financial Performance

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Surplus/(Deficit)	(256,181)	(274,689)	-	99,861	123,830	7,239	116,591	0	(274,689)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	90,870	121,377	-	9,050	49,263	60,689	(11,425)	(0)	121,377
Surplus/(Deficit) after capital transfers & contributions	(165,311)	(153,312)	-	108,931	173,093	67,928			(153,312)
Surplus/ (Deficit) for the year	(195,588)	(153,312)	-	108,931	173,093	67,928			(153,312)

As at 31 December 2021, the municipality recorded a surplus of R173 093 000, while it had initially expected a surplus of R67 928 000. This is after year-to-date revenue of R1 265 483 000 and expenditure of R1 141 653 000. Cognisance must be taken that the surplus considers the revenue from transfers recognised – capital in the amount of R49 263 000. It must

also be considered that most of the grants, including the equitable share, are received during the first half of the financial year.

5.2 Capital budget performance

The capital budget of the municipality seem to be performing very slowly. The capital expenditure for the first half of the financial year amounted to R61 978 000, which represents 43% of the budget of R145 393 000. Comparison between the pro rata budget of R72 697 000 and actual expenditure for the period reflects an under expenditure of R10 718 000, which implies that the municipality spent 15% less than the budget during the same period. The under expenditure is mainly attributed to delays in the implementation of some key projects, lockdown regulations as well as the cash-flow situation. Departments are encouraged to spend more on grants to avoid the reverting of conditional grants to the National Revenue Fund.

5.2.1 Capital expenditure by municipal vote

Table 4 below reflects the high-level summary of capital expenditure by municipal vote or department. Table clearly indicates that there is relatively low expenditure in Technical Services. This department is carrying about 80 percent of the capital budget of the entire municipality. The municipality is advised to fast-track expenditure in this department in order to improve the overall capital expenditure performance.

Table 4: Capital Expenditure by Municipal Vote

Vote Description	2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2021/22			
					YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - CORPORATE SERVICES	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES	5 301	-	-	3 137	4 040	-	4 040	0%
Vote 3 - BUDGET AND TREASURY	2 038	1 200	-	63	851	600	251	42%
Vote 4 - MUNICIPAL MANAGER	-	300	-	-	-	150	(150)	-100%
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEM	21 528	10 651	-	-	3 737	5 326	(1 589)	-30%
Vote 6 - TECHNICAL SERVICES	95 636	130 342	-	5 934	53 351	65 171	(11 820)	-18%
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES	-	2 900	-	-	-	1 450	(1 450)	-100%
Total Capital Expenditure	124 501	145 393	-	9 134	61 978	72 697	(10 718)	-15%

5.2.2 Capital expenditure by funding source

Table 5 below reflects the high-level summary of capital expenditure by funding sources.

Table 5: Capital Expenditure by Funding Source

Vote Description	2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2021/22			
					YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Funded by:								
National Government	90 051	110 342	-	5 934	46 112	55 171	(9 059)	-16%
Provincial Government	819	11 035	-	3 116	3 147	5 518	(2 370)	-43%
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	90 870	121 377	-	9 050	49 259	60 689	(11 429)	-19%
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	33 631	24 016	-	84	12 719	12 008	711	6%
Total Capital Funding	124 501	145 393	-	9 134	61 978	72 697	(10 718)	-15%

Internally funded projects

Approximately R24 016 000 of the capital projects are funded from internal reserves. As at the end of the first half of the financial year, the municipality had spent R12 719 000 (53%) of the internally funded projects. Departments are urged to fast-track spending on capital projects ensuring that roll overs are minimal. There is a need to relook on the items which were rolled over to this financial, check progress to those which have not started and consider stopping them until the municipality is on a better funding positions.

Grant funded projects

Approximately R121 377 000 of the capital projects are funded from grants, with R110 342 000 and R11 035 000 from national and provincial governments respectively. Most of the funding for these grants have already been received by the municipality. As at the end of the first half of the financial year, the municipality had spent R49 259 000 (41%) of the grant funded projects. During the same period, the municipality spent R11 429 000 less on such funded projects than a pro-rata budget of R60 689 000, which represents under-performance of 19%. This was due to project and procurement plans as prepared by departments, slow SCM processes as well as the cash flow challenges faced by the municipality. It is imperative that expenditure on these projects is accelerated in order to avoid funds being reverted to the National Revenue Fund at the end of the financial year.

5.3 Financial position

As at end the sixth month of the financial year, the municipality seemed to be showing a favourable equity position, with a net effect of R6.5 billion. While this picture looks good, it is however important to point out major contributors to such a favourable equity position being assets consumer debtors and the property plant and equipment, investment in associate as well as the liabilities such as long-term loans, consumer deposits, trade and payables (inclusive of unspent conditional grants) and other provisions. The analysis of these financial position items will be discussed in comparison with the available cash and cash equivalent at the end of the review period. Table 6 below reflects the summary of financial position of the municipality as at 31 December 2021 as per C6 table:

Table 6: Statement of Financial Position

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		7,834	390	—	47,235	390
Call investment deposits		1,666	8,760	—	151,579	8,760
Consumer debtors		647,406	544,148	—	728,547	544,148
Other debtors		115,423	81,351	—	118,112	81,351
Current portion of long-term receivables		—	—	—	—	—
Inventory		19,242	14,995	—	23,345	14,995
Total current assets		791,572	649,643	—	1,068,819	649,643
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		327,735	341,874	—	327,785	341,874
Investments in Associate		187,056	217,333	—	187,056	217,333
Property, plant and equipment		6,440,097	6,410,126	—	6,371,348	6,410,126
Biological		—	—	—	—	—
Intangible		1,260	1,224	—	836	1,224
Other non-current assets		11,758	11,711	—	11,774	11,711
Total non current assets		6,967,906	6,982,268	—	6,898,798	6,982,268
TOTAL ASSETS		7,759,478	7,631,911	—	7,967,617	7,631,911
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		31,097	15,118	—	16,616	15,118
Consumer deposits		27,520	27,095	—	28,076	27,095
Trade and other payables		861,029	601,094	—	913,477	601,094
Provisions		11,406	9,752	—	11,406	9,752
Total current liabilities		931,052	653,059	—	969,575	653,059
Non current liabilities						
Borrowing		362,054	345,654	—	329,809	345,654
Provisions		214,597	202,464	—	214,597	202,464
Total non current liabilities		576,650	548,118	—	544,406	548,118
TOTAL LIABILITIES		1,507,703	1,201,177	—	1,513,981	1,201,177
NET ASSETS	2	6,251,776	6,430,734	—	6,453,637	6,430,734
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,221,534	6,400,660	—	6,423,478	6,400,660
Reserves		30,242	30,074	—	30,159	30,074
TOTAL COMMUNITY WEALTH/EQUITY	2	6,251,776	6,430,734	—	6,453,637	6,430,734

Assets

Variances were noted between the budgeted values of assets and the actuals recorded at the end of the review period. As at the end of December 2021, the municipality recorded total assets of R7.9 billion, made up of R1.1 billion and R6.9 billion for current assets and non-current assets respectively. Current assets are those assets that are likely to be converted into cash within twelve months, which non-current assets are likely to be received as cash other a long-term. The following asset items were noted to require attention during the adjustments budget.

Cash and investments

As at the end of December 2021, the municipality recorded cash and investments of R198.8 million at the end of the first half of the year. The projected cash and investments for year amounts to R47.2 million and investments of R151.6 million respectively. This is due to additional grants that the municipality has received and invested during first half of the financial year. These investments are expected to be utilised during the last half of the financial year.

Based on the current payment factor and expenditure levels, the budget for cash and cash equivalents will still be looked at during the adjustments budget.

Consumer debtors

As at the end of December 2021, the municipality recorded consumer debtors of R728.5 million, representing about 9% of the total assets. Table SC3 of Schedule C reflects that gross consumer debtors amounted to R1.2 billion at the end of December. Looking at the annual budgeted consumer debtors of R544.1 million, consumer debtors appear to be overstated. This is due to the fact that the impact of the Covid-19 as well as the impact of debt impairment which be fully effected at the end of the financial year. This is also an indication of the rate at which consumer debtors are escalating. It will be important that council fast-track implementation of its credit control and debt collection strategies in order to collect the outstanding debtors. The municipality will need to estimate the projected annual debtors and the provision for debt impairment to accurately budget for the consumer debtors projected at the end of the financial year.

Inventory

As at the end of December 2021, the municipality recorded inventory to the value of R23.3 million. This is R8 million more the amount of R14.9 million projected at the end of the financial year. This is due to the stock that the municipality has purchased during the first six months of the financial, which stock will be utilised during the remainder of the financial year for service delivery. However, the budget for inventory will be reviewed in line with the expected demand and requirements during the adjustments budget.

Investment Property

As at the end of December 2021, the municipality recorded investment properties to the value of R327.8 million, representing 4% of the total assets. This is R14 million less than the amount of R341.9 projected at the end of the financial year. This item will be looked at in lined with the expected revised property values during adjustments budget.

Investment in Associate

As at the end of December 2021, the municipality recorded Investment in uThukela Water to the value of R187 million, representing 2. % of the total assets. This is R30 million less than the amount of R217 million projected at the end of the financial year. The Entity's net financial position as at 30 June 2021 will be utilised as the base during the adjustments budget.

Property Plant and Equipment (PPE)

As at 31 December 2021, the municipality recorded 6.3 billion for Property Plant and Equipment, which represents 80% of the total assets. These assets comprise of roads and storm water, water and infrastructure, electricity infrastructure, community assets, and other plants and equipment which the municipality has acquired mainly for service delivery and for its own use. Service delivery of the municipal is majored by its ability to provide these services to communities.

This is R39 million less than the amount of R6.4 billion projected at the end of the financial year. This is mainly due to low capital expenditure, as well as understated depreciations due to low capital performance. PPE need to be relooked in line with the projected CAPEX and depreciation during the adjustments budget.

Intangible Assets

As at the end of December 2021, the municipality recorded intangible assets to the value of R836 thousands. This is R388 thousand less than the amount of R1.2 million projected for at end of the financial year. The budget for the current year seems to have been understated during the budget preparation process. The projection for the intangible assets will need to be adjusted corrected line with the updated asset register during the adjustments budget.

Liabilities

Variances were noted between the budgeted values of liabilities and the actuals recorded at the end of the review period. As at the end of December 2021, the municipality recorded total liabilities of R1.5 billion, made up of R1 billion and R544.4 million for current liabilities and non-current liabilities respectively. Current liabilities are those liabilities that are payable by the municipality within the twelve months, while non-current liabilities are those liabilities that are payable over a period beyond twelve months. The following liability items were noted to require attention during the adjustments budget.

Borrowings

As at the end of December 2021, the municipality recorded total borrowings of R345 million, while the municipality had budgeted borrowings of R360 million projected at the end financial year. The current performance seems to be in line with the annual projection. Based on the updated amortisation schedules, the projection seems to be in line with the budget.

Consumer deposits

As at the end of December 2021, the municipality recorded consumer deposits of R28 million. This figure is R1 million more that the budget of R27 million projected at the end of the financial year. There is no need to adjust consumer deposits during the adjustments budget.

Trade and other payables

As at the end of December 2021, the municipality recorded trade and other payables amounting to R913 million. This is R312 million more that the annual budget of R601 million. The municipality is still expecting that some of the creditors will be paid during the remainder of the financial year. There is still a need to relook at the budget for this item based on expected expenditure level and the cash flows.

Unspent conditional grants

As at the end of December 2021, the municipality had unspent conditional grants amounting to R121 million. It will be important that expenditure on conditional grants is fast-tracked in line with their conditions of grants so that the municipality does not loose such grants to National Treasury at the end of the financial year. As indicated above, the balance of cash and cash equivalent of R198 million indicates that conditional grants are cash-backed at this stage but become not fully cash-backed, when considering the HDF and trade creditors.

Provisions

As at the end of December 2021, the municipality recorded total provisions amounting to R214.6 million. This is R5 million less than the R217.2 million projected for at the end of the financial year. The provision was based on the 2019/20 actuarial valuation and adjustments during the adjustments budget will be based on the 2020/21 valuation report.

5.3.3 Net current assets

The municipality recorded an favourable net current position at the end of December 2021, with current assets (R1.1 billion) more than current liabilities (R969.5 million) by R99.2 million. This represent a current ratio of 1.1, which is however below the National Treasury recommended norm of 1.5. This picture however indicates that, when converted into cash, the current assets of the municipality will not be adequate to cover its short-term obligations. It is also noted that consumer debtors represent about 66% of the current assets. This therefore implies that the municipality will need to focus on the collection of its consumer debtors to ensure that adequate cash is collected in order to pay its current liabilities over the next six months.

5.4 Cash flow analysis

Table 7 below reflects the summary of cash flow movements for the past six month as extracted from table C7 of the Schedule C.

Table 7: Cash Flow Statement

Description	Ref	2020/21	Budget Year 2021/22							
		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		367,177	271,820	-	40,135	180,920	135,910	45,010	33%	271,820
Service charges		682,204	942,901	-	69,198	476,137	471,451	4,686	1%	942,901
Other revenue		32,949	29,045	-	546	10,476	14,522	(4,046)	-28%	29,045
Transfers and Subsidies - Operational		527,884	695,021	-	230,533	522,800	537,256	(14,456)	-3%	695,021
Transfers and Subsidies - Capital		107,531	121,377	-	27,595	99,169	99,169	-		121,377
Interest		6,903	2,296	-	1,070	3,379	1,148	2,232	194%	2,296
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,558,017)	(1,863,263)	-	(156,910)	(976,466)	(931,632)	13,363	-1%	(1,863,263)
Finance charges		(42,721)	(39,754)	-	(3,320)	(19,929)	(19,877)	52	0%	(39,754)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		123,911	159,442	-	208,849	296,485	307,947	11,461	4%	159,442
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,635	11,000	-	1,596	1,596	5,500	(3,904)	-71%	11,000
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		1,478	-	-	-	-	-	-		-
Payments										
Capital assets		(124,501)	(145,393)	-	(11,152)	(62,041)	(72,697)	(10,656)	15%	(145,393)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(121,388)	(134,393)	-	(9,556)	(60,445)	(67,197)	(6,751)	10%	(134,393)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(29,291)	(31,884)	-	(27,984)	(46,726)	(15,942)	30,784	-193%	(31,884)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(29,291)	(31,884)	-	(27,984)	(46,726)	(15,942)	30,784	-193%	(31,884)
NET INCREASE/ (DECREASE) IN CASH HELD		(26,768)	(6,835)	-	171,309	189,314	224,808			(6,835)
Cash/cash equivalents at beginning:		36,268	15,985	-	-	9,500	15,985			9,500
Cash/cash equivalents at month/year end:		9,500	9,150	-	-	198,814	240,793			2,665

The municipality opened with a cash and cash equivalent balance of R9.5 million at the beginning of the financial year. As at the end of sixth month of the financial year, the municipality had recorded cash balance of R198.8 million, representing a cash increase of R189.3 million.

5.4.1 Cash flows from operating activities

Operating activities are those receipts and payments that are received and paid by the municipality in the normal operations of the municipality. These include receipts from property rates, service charges, grants, all sundry revenue and payments of employees, service charges and finance charges. As at the end of the sixth month, the municipality recorded net receipts and payments of R296 485 from operating activities respectively.

5.4.2 Cash flows from investing activities

Investing activities are those receipts and payments that are received and paid by the municipality because of disposal or acquisition of its assets, collection or payments on non-current debtors and withdrawal or advancing of investments. As at the end of the sixth month, the municipality recorded payments of R60.4 million from investing activities for the acquisition of assets in terms of the approved capital budget.

5.4.3 Cash flows from financing activities

Financing activities are those receipts and payments that are received and paid by the municipality to acquire external loans and the repayment of such external loans. As at the end of the sixth month, the municipality recorded payments of R46.7 million from financing activities for the repayment. No receipts of external loans were recorded for this purpose.

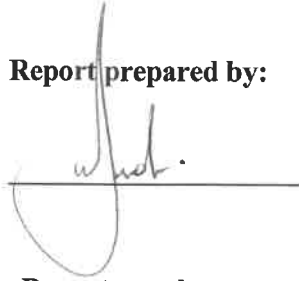
6. CONCLUSION

Service charges are performing as budgeted; however, they must be monitored through the next remaining months of the financial year. Both Political and Administrative must enhance other revenue strategies to assist in sustaining the operations. Overall, operating expenditure and capital expenditure are under-performing, mainly due to cash-flow challenges faced by the municipality. There is a need to consider adjusting most of the operating expenditure items downwards during the adjustments budget, particularly the depreciation, debt impairment, general expenditure and bulk purchases. While capital expenditure is severely underspending, the municipality is advised to implement measures to fast-track expenditure, as the bulk of the capital budget is funded from grants. Furthermore, the cost containment measures must be applied in all processes of the municipality.

The solvency position of the municipality looks favourable, the municipality however recorded an unfavourable liquidity position. Its cash reserves and current assets are inadequate to cover for its short-term obligations. This indicates a dire situation which must be attended to urgently. Furthermore, the

municipality will need to ensure that its balance sheet and cash flow budgets are reviewed during the adjustments budget, to ensure that it reflects the realistic projected picture at the end of the financial year.

Report prepared by:



Report seen by:

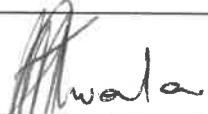


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NEWCASTLE MUNICIPALITY

2022 -01- 2 4

MAYORS OFFICE

KZN252 Newcastle - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

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	342,534	362,426	-	28,873	181,212	181,213	(1)	-0%	362,426
Service charges	1,013,748	1,119,128	-	87,603	572,115	559,564	12,551	2%	1,119,128
Investment revenue	3,068	2,296	-	76	1,226	1,148	78	7%	2,296
Transfers and subsidies	549,062	695,021	-	191,888	492,094	492,094	-	-	695,021
Other own revenue	86,999	35,371	-	4,174	18,836	17,686	1,150	7%	35,371
Total Revenue (excluding capital transfers and contributions)	1,995,412	2,214,242	-	312,613	1,265,483	1,251,705	13,778	1%	2,214,242
Employee costs	546,878	570,234	-	55,053	282,105	285,117	(3,012)	-1%	570,234
Remuneration of Councillors	25,612	28,882	-	1,929	12,175	14,441	(2,266)	-16%	28,882
Depreciation & asset impairment	351,202	378,675	-	29,182	163,044	189,338	(26,294)	-14%	378,675
Finance charges	64,980	39,754	-	3,320	19,929	19,877	52	0%	39,754
Materials and bulk purchases	686,953	693,252	-	47,483	342,027	346,626	(4,599)	-1%	693,252
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	575,969	778,133	-	75,766	322,373	389,066	(66,693)	-17%	778,133
Total Expenditure	2,251,593	2,488,931	-	212,732	1,141,653	1,244,465	(102,812)	-8%	2,488,931
Surplus/(Deficit)	(256,181)	(274,689)	-	99,881	123,830	7,239	116,591	1611%	(274,689)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	90,870	121,377	-	9,050	49,263	60,689	(11,425)	-19%	121,377
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	(165,311)	(153,312)	-	108,931	173,093	67,928	105,165	155%	(153,312)
Share of surplus/ (deficit) of associate	(30,277)	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(195,588)	(153,312)	-	108,931	173,093	67,928	105,165	155%	(153,312)
Capital expenditure & funds sources									
Capital expenditure	124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393
Capital transfers recognised	90,870	121,377	-	9,050	49,259	60,689	(11,429)	-19%	121,377
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	33,631	24,016	-	84	12,719	12,008	711	6%	24,016
Total sources of capital funds	124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393
Financial position									
Total current assets	791,572	649,643	-	-	1,068,819	-	-	-	649,643
Total non current assets	6,967,906	6,982,268	-	-	6,898,798	-	-	-	6,982,268
Total current liabilities	931,052	653,059	-	-	969,575	-	-	-	653,059
Total non current liabilities	576,650	548,118	-	-	544,406	-	-	-	548,118
Community wealth/Equity	6,251,776	6,430,734	-	-	6,453,637	-	-	-	6,430,734
Cash flows									
Net cash from (used) operating	123,911	159,442	-	208,849	296,485	307,947	11,461	4%	159,442
Net cash from (used) investing	(121,388)	(134,393)	-	(9,556)	(60,445)	(67,197)	(6,751)	10%	(134,393)
Net cash from (used) financing	(29,291)	(31,884)	-	(27,984)	(46,726)	(15,942)	30,784	-193%	(31,884)
Cash/cash equivalents at the month/year end	9,500	9,150	-	-	198,814	240,793	41,979	17%	2,665
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	5,804	50,375	35,361	45,711	38,210	29,586	186,752	808,470	1,200,269
Creditors Age Analysis									
Total Creditors	86,219	16,665	25,882	14,917	17,930	12,378	74,795	175,446	424,230

KZN252 Newcastle - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

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>		496,601	482,062	-	65,672	268,574	241,031	27,543	11%	482,062
Executive and council		11,774	7,046	-	4,203	10,524	3,523	7,001	199%	7,046
Finance and administration		484,827	475,016	-	61,469	258,049	237,508	20,541	9%	475,016
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		55,462	229,414	-	51,966	164,950	114,707	50,243	44%	229,414
Community and social services		42,193	13,250	-	986	7,569	6,625	944	14%	13,250
Sport and recreation		110	11,724	-	-	3,635	5,862	(2,227)	-38%	11,724
Public safety		5,061	3,214	-	484	2,266	1,607	659	41%	3,214
Housing		8,079	201,163	-	50,494	151,476	100,581	50,895	51%	201,163
Health		19	63	-	2	4	32	(28)	-86%	63
<i>Economic and environmental services</i>		124,519	130,284	-	8,598	95,296	129,758	(34,461)	-27%	130,284
Planning and development		85,557	11,102	-	7,586	56,706	70,167	(13,461)	-19%	11,102
Road transport		38,962	119,182	-	1,012	38,590	59,591	(21,001)	-35%	119,182
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,409,512	1,493,686	-	195,414	785,839	826,811	(40,972)	-5%	1,493,686
Energy sources		710,519	806,767	-	80,553	427,611	418,736	8,875	2%	806,767
Water management		321,457	318,574	-	45,112	183,080	223,903	(40,823)	-18%	318,574
Waste water management		239,452	231,907	-	47,731	95,232	115,954	(20,722)	-18%	231,907
Waste management		138,084	136,438	-	22,019	79,916	68,219	11,697	17%	136,438
<i>Other</i>	4	187	173	-	14	88	87	1	1%	173
Total Revenue - Functional	2	2,086,281	2,335,619	-	321,663	1,314,746	1,312,393	2,353	0%	2,335,619
Expenditure - Functional										
<i>Governance and administration</i>		595,470	412,892	-	36,086	225,829	206,446	19,383	9%	412,892
Executive and council		172,102	81,428	-	7,810	48,723	40,714	8,009	20%	81,428
Finance and administration		418,192	324,629	-	28,160	176,877	162,314	14,563	9%	324,629
Internal audit		5,176	6,835	-	116	228	3,417	(3,189)	-93%	6,835
<i>Community and public safety</i>		228,840	363,201	-	68,081	243,407	181,600	61,806	34%	363,201
Community and social services		32,561	39,395	-	3,655	17,186	19,698	(2,512)	-13%	39,395
Sport and recreation		78,913	81,049	-	5,494	33,768	40,524	(6,757)	-17%	81,049
Public safety		59,508	60,864	-	6,079	29,519	30,432	(913)	-3%	60,864
Housing		48,669	172,577	-	52,026	158,443	86,289	72,155	84%	172,577
Health		9,188	9,315	-	827	4,490	4,658	(167)	-4%	9,315
<i>Economic and environmental services</i>		289,060	290,015	-	38,961	125,580	145,007	(19,427)	-13%	290,015
Planning and development		81,394	85,704	-	7,008	38,467	42,852	(4,385)	-10%	85,704
Road transport		207,656	204,303	-	31,953	87,114	102,151	(15,038)	-15%	204,303
Environmental protection		9	8	-	-	-	4	(4)	-100%	8
<i>Trading services</i>		1,167,699	1,419,052	-	69,605	545,994	709,526	(163,532)	-23%	1,419,052
Energy sources		567,650	701,055	-	43,239	325,708	350,527	(24,819)	-7%	701,055
Water management		492,183	615,329	-	21,988	167,256	307,664	(140,408)	-46%	615,329
Waste water management		73,246	63,720	-	818	34,014	31,860	2,154	7%	63,720
Waste management		34,619	38,948	-	3,560	19,015	19,474	(459)	-2%	38,948
<i>Other</i>		801	3,771	-	-	843	1,886	(1,042)	-55%	3,771
Total Expenditure - Functional	3	2,281,870	2,488,931	-	212,732	1,141,653	1,244,465	(102,812)	-8%	2,488,931
Surplus/ (Deficit) for the year		(195,588)	(153,312)	-	108,931	173,093	67,928	105,165	155%	(153,312)

KZN252 Newcastle - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

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										
Revenue by Vote	1									
Vote 1 - CORPORATE SERVICES		94,290	79,492	-	27,208	61,885	39,746	22,139	55.7%	79,492
Vote 2 - COMMUNITY SERVICES		185,559	164,689	-	23,494	93,404	82,345	11,059	13.4%	164,689
Vote 3 - BUDGET AND TREASURY		402,528	402,570	-	38,464	206,689	201,285	5,404	2.7%	402,570
Vote 4 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		19,360	209,490	-	50,578	153,860	104,745	49,115	46.9%	209,490
Vote 6 - TECHNICAL SERVICES		674,026	672,611	-	101,367	371,297	465,537	(94,240)	-20.2%	672,611
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		710,519	806,767	-	80,553	427,611	418,736	8,875	2.1%	806,767
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	2,086,281	2,335,619	-	321,663	1,314,746	1,312,393	2,353	0.2%	2,335,619
Expenditure by Vote	1									
Vote 1 - CORPORATE SERVICES		226,837	146,849	-	7,173	56,125	73,424	(17,300)	-23.6%	146,849
Vote 2 - COMMUNITY SERVICES		270,856	252,079	-	25,043	132,604	128,039	6,565	5.2%	252,079
Vote 3 - BUDGET AND TREASURY		218,299	165,010	-	16,019	92,460	82,505	9,955	12.1%	165,010
Vote 4 - MUNICIPAL MANAGER		83,702	75,573	-	6,465	41,295	37,786	3,508	9.3%	75,573
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENTS		76,501	203,132	-	54,041	171,391	101,566	69,825	68.7%	203,132
Vote 6 - TECHNICAL SERVICES		827,582	938,144	-	60,133	314,282	469,072	(154,790)	-33.0%	938,144
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		578,094	708,144	-	43,857	333,497	354,072	(20,575)	-5.8%	708,144
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	2,281,870	2,488,931	-	212,732	1,141,653	1,244,465	(102,812)	-8.3%	2,488,931
Surplus/ (Deficit) for the year	2	(195,589)	(153,312)	-	108,931	173,093	67,928	105,165	154.8%	(153,312)

KZN252 Newcastle - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

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		342,534	362,426	-	28,873	181,212	181,213	(1)	0%	362,426
Service charges - electricity revenue		621,122	710,188	-	54,174	368,259	355,094	13,165	4%	710,188
Service charges - water revenue		188,410	193,910	-	14,823	94,511	96,955	(2,444)	-3%	193,910
Service charges - sanitation revenue		112,244	119,429	-	10,176	60,031	59,714	316	1%	119,429
Service charges - refuse revenue		91,973	95,601	-	8,430	49,315	47,800	1,514	3%	95,601
Rental of facilities and equipment		7,093	7,532	-	1,435	4,564	3,766	798	21%	7,532
Interest earned - external investments		3,068	2,296	-	76	1,226	1,148	78	7%	2,296
Interest earned - outstanding debtors		3,835	4,642	-	607	2,154	2,321	(168)	-7%	4,642
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		5,402	2,105	-	494	2,328	1,052	1,275	121%	2,105
Licences and permits		101	105	-	4	18	52	(35)	-66%	105
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		549,062	695,021	-	191,888	492,094	492,094	-	-	695,021
Other revenue		18,409	20,987	-	546	6,727	10,493	(3,766)	-36%	20,987
Gains		52,158	-	-	1,088	3,045	-	3,045	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		1,995,412	2,214,242	-	312,613	1,265,483	1,251,705	13,778	1%	2,214,242
Expenditure By Type										
Employee related costs		546,878	570,234	-	55,053	282,105	285,117	(3,012)	-1%	570,234
Remuneration of councillors		25,612	28,882	-	1,929	12,175	14,441	(2,266)	-16%	28,882
Debt impairment		216,003	283,536	-	1,612	10,081	141,768	(131,687)	-93%	283,536
Depreciation & asset impairment		351,202	378,675	-	29,182	163,044	189,338	(26,294)	-14%	378,675
Finance charges		64,980	39,754	-	3,320	19,929	19,877	52	0%	39,754
Bulk purchases		559,335	557,138	-	36,306	274,003	278,569	(4,566)	-2%	557,138
Other materials		127,618	136,114	-	11,176	68,024	68,057	(33)	0%	136,114
Contracted services		273,799	388,306	-	68,127	256,058	194,153	61,905	32%	388,306
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		10,155	106,290	-	5,491	55,576	53,145	2,431	5%	106,290
Losses		76,013	1	-	535	658	1	658	131592%	1
Total Expenditure		2,251,593	2,488,931	-	212,732	1,141,653	1,244,465	(102,812)	-8%	2,488,931
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(256,181)	(274,689)	-	99,881	123,830	7,239	116,591	0	(274,689)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		90,870	121,377	-	9,050	49,263	60,689	(11,425)	(0)	121,377
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(165,311)	(153,312)	-	108,931	173,093	67,928			(153,312)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(165,311)	(153,312)	-	108,931	173,093	67,928			(153,312)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(165,311)	(153,312)	-	108,931	173,093	67,928			(153,312)
Share of surplus/ (deficit) of associate		(30,277)	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(195,588)	(153,312)	-	108,931	173,093	67,928			(153,312)

KZN252 Newcastle - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

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		5,301	-	-	3,137	4,040	-	4,040	#DIV/0!	-
Vote 3 - BUDGET AND TREASURY		2,038	1,200	-	63	851	600	251	42%	1,200
Vote 4 - MUNICIPAL MANAGER		-	300	-	-	-	150	(150)	-100%	300
Vote 5 - DEVELOPMENT PLANNING AND HUMAN SETTLEMENT		21,528	10,851	-	-	3,737	5,326	(1,589)	-30%	10,651
Vote 6 - TECHNICAL SERVICES		95,636	130,342	-	5,934	53,351	65,171	(11,820)	-18%	130,342
Vote 7 - ELECTRICAL AND MECHANICAL SERVICES		-	2,900	-	-	-	1,450	(1,450)	-100%	2,900
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	124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393
Total Capital Expenditure		124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393
Capital Expenditure - Functional Classification										
Governance and administration		2,038	4,400	-	63	851	2,200	(1,349)	-61%	4,400
Executive and council		-	300	-	-	-	150	(150)	-100%	300
Finance and administration		2,038	4,100	-	63	851	2,050	(1,199)	-59%	4,100
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		6,283	11,035	-	3,137	4,506	5,518	(1,011)	-18%	11,035
Community and social services		3,611	-	-	21	924	-	924	#DIV/0!	-
Sport and recreation		294	11,000	-	3,116	3,116	5,500	(2,384)	-43%	11,000
Public safety		1,683	-	-	-	-	-	-	-	-
Housing		695	35	-	-	466	18	449	2565%	35
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		74,561	47,143	-	1,356	20,141	23,571	(3,430)	-15%	47,143
Planning and development		20,407	10,731	-	-	3,322	5,366	(2,044)	-38%	10,731
Road transport		54,154	36,412	-	1,356	16,819	18,206	(1,387)	-8%	36,412
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		41,620	82,815	-	4,577	36,480	41,408	(4,927)	-12%	82,815
Energy sources		-	-	-	-	-	-	-	-	-
Water management		24,536	46,707	-	1,429	26,264	23,353	2,911	12%	46,707
Waste water management		16,946	36,109	-	3,149	10,216	18,054	(7,838)	-43%	36,109
Waste management		138	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393
Funded by:										
National Government		90,051	110,342	-	5,934	46,112	55,171	(9,059)	-18%	110,342
Provincial Government		819	11,035	-	3,116	3,147	5,518	(2,370)	-43%	11,035
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		90,870	121,377	-	9,050	49,259	60,689	(11,429)	-19%	121,377
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	33,631	24,016	-	84	12,719	12,008	711	6%	24,016
Total Capital Funding		124,501	145,393	-	9,134	61,978	72,697	(10,718)	-15%	145,393

KZN252 Newcastle - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

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		7,834	390	-	47,235	390
Call investment deposits		1,666	8,760	-	151,579	8,760
Consumer debtors		647,406	544,148	-	728,547	544,148
Other debtors		115,423	81,351	-	118,112	81,351
Current portion of long-term receivables		-	-	-	-	-
Inventory		19,242	14,995	-	23,345	14,995
Total current assets		791,572	649,643	-	1,068,819	649,643
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		327,735	341,874	-	327,785	341,874
Investments in Associate		187,056	217,333	-	187,056	217,333
Property, plant and equipment		6,440,097	6,410,126	-	6,371,348	6,410,126
Biological		-	-	-	-	-
Intangible		1,260	1,224	-	836	1,224
Other non-current assets		11,758	11,711	-	11,774	11,711
Total non current assets		6,967,906	6,982,268	-	6,898,798	6,982,268
TOTAL ASSETS		7,759,478	7,631,911	-	7,967,617	7,631,911
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		31,097	15,118	-	16,616	15,118
Consumer deposits		27,520	27,095	-	28,076	27,095
Trade and other payables		861,029	601,094	-	913,477	601,094
Provisions		11,406	9,752	-	11,406	9,752
Total current liabilities		931,052	653,059	-	969,575	653,059
Non current liabilities						
Borrowing		362,054	345,654	-	329,809	345,654
Provisions		214,597	202,464	-	214,597	202,464
Total non current liabilities		576,650	548,118	-	544,406	548,118
TOTAL LIABILITIES		1,507,703	1,201,177	-	1,513,981	1,201,177
NET ASSETS	2	6,251,776	6,430,734	-	6,453,637	6,430,734
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,221,534	6,400,660	-	6,423,478	6,400,660
Reserves		30,242	30,074	-	30,159	30,074
TOTAL COMMUNITY WEALTH/EQUITY	2	6,251,776	6,430,734	-	6,453,637	6,430,734

KZN252 Newcastle - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		367,177	271,820	-	40,135	180,920	135,910	45,010	33%	271,820
Service charges		682,204	942,901	-	69,198	476,137	471,451	4,686	1%	942,901
Other revenue		32,949	29,045	-	546	10,476	14,522	(4,046)	-28%	29,045
Transfers and Subsidies - Operational		527,884	695,021	-	230,533	522,800	537,256	(14,456)	-3%	695,021
Transfers and Subsidies - Capital		107,531	121,377	-	27,595	99,169	99,169	-		121,377
Interest		6,903	2,296	-	1,070	3,379	1,148	2,232	194%	2,296
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1,558,017)	(1,863,263)	-	(156,910)	(976,466)	(931,632)	44,835	-5%	(1,863,263)
Finance charges		(42,721)	(39,754)	-	(3,320)	(19,929)	(19,877)	52	0%	(39,754)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		123,911	159,442	-	208,849	296,485	307,947	11,461	4%	159,442
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,635	11,000	-	1,596	1,596	5,500	(3,904)	-71%	11,000
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		1,478	-	-	-	-	-	-		-
Payments										
Capital assets		(124,501)	(145,393)	-	(11,152)	(62,041)	(72,697)	(10,656)	15%	(145,393)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(121,388)	(134,393)	-	(9,556)	(60,445)	(67,197)	(6,751)	10%	(134,393)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(29,291)	(31,884)	-	(27,984)	(46,726)	(15,942)	30,784	-193%	(31,884)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(29,291)	(31,884)	-	(27,984)	(46,726)	(15,942)	30,784	-193%	(31,884)
NET INCREASE/ (DECREASE) IN CASH HELD		(26,768)	(6,835)	-	171,309	189,314	224,808			(6,835)
Cash/cash equivalents at beginning:		36,268	15,985	-	-	9,500	15,985			9,500
Cash/cash equivalents at month/year end:		9,500	9,150	-	-	198,814	240,793			2,665

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	R thousands Revenue By Source Fines, penalties and forfeits Other revenue Rental of facilities and equipment Licences and permits	121% -36% 21% -66%	Dependent on the consumers reaction Consumer reaction due to the increased number of death. Increase in the rental of council facilities due to the easing of lockdown restrictions Dependent on the consumers reaction	This item will be monitored during the course of the year whether an adjustment would be required. This item will be monitored during the course of the year whether an adjustment would be required. This item will be monitored during the course of the year whether an adjustment would be required.
2	Expenditure By Type Debt impairment Remuneration of councillors Depreciation & asset impairment Contracted services	-63% -16% -14% 34%	Only debt impairment for indigents is calculated monthly all other debtors is Biannually Delay in the inauguration of councillors Delays in the capitalisation of assets affect this variance High expenditure on housing project.	
3	Capital Expenditure Grant funded projects Internally funded projects Repairs and maintenance	-19% 6% 18%	Due to SCM processes being at initial stages Due to SCM processes being at initial stages Due to SCM processes being at initial stages	Fast track SCM processes and management of contractors Fast track SCM processes and management of contractors Fast track SCM processes and management of contractors
4	Financial Position			
5	Cash Flow Net Cash from Operating Activities Net Cash Used from Investing Activities Net Cash Used from Financial Activities	4% 10% -193%	Equitable Share and other grants bulk of it received early in the financial year Slow capital expenditure Based on amortisation schedules	None None None
6	Measureable performance			
7	Municipal Entities			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

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		1.6%	16.8%	0.0%	1.7%	2.8%
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		20.1%	15.0%	0.0%	19.5%	15.0%
Gearing	Long Term Borrowing/ Funds & Reserves		1197.2%	1149.3%	0.0%	1093.6%	1149.3%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	85.0%	99.5%	0.0%	110.2%	99.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		1.0%	1.4%	0.0%	20.5%	1.4%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		38.2%	28.2%	0.0%	66.9%	28.2%
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		27.4%	25.8%	0.0%	22.3%	25.8%
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		20.9%	18.9%	0.0%	1.6%	3.1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

KZN252 Newcastle - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2020/21										Total	Over 1Yr	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy		
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dye-1 Yr	Total									
R thousands																		
Debtors Age Analysis By Income Source																		
Trade and Other Receivables from Exchange Transactions - Water	1200	22,850	8,567	10,080	11,326	7,635	7,910	46,358	332,707	447,433	405,936	491						
Trade and Other Receivables from Exchange Transactions - Electricity	1300	35,083	1,641	1,445	1,476	822	619	3,342	16,149	60,577	22,408	63						
Receivables from Non-exchange Transactions - Property Rates	1400	33,848	9,534	9,020	12,447	15,884	7,865	44,391	202,542	335,551	283,149	294						
Receivables from Exchange Transactions - Waste Water Management	1500	16,421	6,397	6,301	8,641	6,214	5,794	37,523	319,355	406,646	377,527	430						
Receivables from Exchange Transactions - Waste Management	1600	12,675	4,839	4,681	5,952	4,506	4,199	26,167	160,039	223,069	200,874	297						
Receivables from Exchange Transactions - Property Rental Debtors	1700	1,377	180	155	165	114	104	584	2,844	5,524	3,811	-						
Interest on Arrear Debtor Accounts	1810	562	317	359	673	259	265	3,004	29,951	35,390	34,152	22						
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-						
Other	1900	(117,012)	18,899	3,321	5,020	2,777	2,809	25,382	(255,117)	(313,921)	(219,128)	200						
Total By Income Source	2000	5,804	50,375	35,361	45,711	38,210	29,586	186,752	808,470	1,200,269	1,108,729	1,797						
2019/20 - totals only																		
Debtors Age Analysis By Customer Group																		
Organs of State	2200	2,406	1,469	1,207	1,012	8,030	268	7,321	10,025	31,739	26,656	-						
Commercial	2300	22,792	5,195	3,067	4,557	2,813	2,324	14,126	59,046	113,919	82,865	-						
Households	2400	119,772	43,647	31,028	40,110	27,339	26,969	164,053	737,255	1,190,214	985,766	1,797						
Other	2500	(139,166)	63	58	32	29	26	1,212	2,144	(135,602)	3,442	-						
Total By Customer Group	2600	5,804	50,375	35,361	45,711	38,210	29,586	186,752	808,470	1,200,269	1,108,729	1,797						

KZN252 Newcastle - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

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	41,744	-	3,100	-	-	-	-	-	-	200	168,764	-	213,808
	Bulk Water	0200	12,512	12,263	18,945	12,616	12,665	12,378	69,590	-	-	-	5	-	150,973
	PAYE deductions	0300	9,794	-	-	-	-	-	-	-	-	-	-	-	9,794
	VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	-
	Pensions / Retirement deductions	0500	17,790	-	-	-	-	-	-	-	-	-	-	-	17,790
	Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	-
	Trade Creditors	0700	4,379	4,402	3,837	2,301	5,264	-	-	-	5,005	-	6,676	-	31,865
	Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	0900	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total By Customer Type	1000	86,219	16,665	25,882	14,917	17,930	12,378	74,795	175,446	424,230				

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs	Months												
R thousands															
<u>Municipality</u>															
Nedbank				Call Account						Call account	515	670	(296,970)	402,980	107,195
Standard Bank				Call Account						Call account	538	483	(86,887)	129,698	43,832
ABSA				Call Account						Call account	611	7	(64)	-	553
<u>Municipality sub-total</u>											1,664	1,160	(383,922)	532,677	151,579
<u>Entities</u>															
<u>Entities sub-total</u>															
TOTAL INVESTMENTS AND INTEREST	2										1,664	1,160	(383,922)	532,677	151,579

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

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:		513,354	488,728	-	126,133	310,599	325,055	(14,456)	-4.4%	488,728
Local Government Equitable Share		448,493	417,790	-	124,807	298,886	313,342	(14,456)	-4.6%	417,790
Energy Efficiency and Demand Management			4,000	-	-	1,000	1,000			4,000
Integrated National Electrification Programme		7,000	13,500	-	-	1,000	1,000			13,500
Finance Management		1,700	1,650	-	-	1,650	1,650			1,650
Municipal Systems Improvement			-	-	-	-	-			-
Water Services Infrastructure Grant (WSIG)		18,000	36,000	-	-	6,000	6,000			36,000
Municipal Infrastructure Grant (MIG)	3	35,266	12,840	-	-	-	-			12,840
Massification			-	-	-	-	-			-
EPWP Incentive		2,895	2,948	-	1,326	2,063	2,063			2,948
Other transfers and grants [insert description]			-	-	-	-	-			-
Provincial Government:		137,487	206,293	-	105,267	212,718	212,718	-		206,293
Health subsidy			-	-	-	-	-			-
Level 2 accreditation			-	-	-	-	-			-
Museums Services		42	429	-	-	429	429			429
Community Library Services Grant		2,312	2,475	-	-	2,475	2,475			2,475
Sport and Recreation			-	-	-	-	-			-
Spatial Development Framework Support			-	-	-	-	-			-
Housing		120,903	192,793	-	104,718	201,697	201,697			192,793
Title Deeds		1,200	-	-	-	-	-			-
COGTA Support Scheme			-	-	-	-	-			-
Provincialisation of Libraries	4	6,729	6,757	-	-	6,757	6,757			6,757
Neighbourhood Development Partnership			-	-	-	-	-			-
Accredited municipalities		6,301	3,839	-	550	1,361	1,361			3,839
District Municipality:		-	-	-	-	-	-			-
Other grant providers:		-	-	-	-	-	-			-
Tirelo Basha Grant		-	-	-	-	-	-			-
EED Housing Grant		-	-	-	-	-	-			-
Total Operating Transfers and Grants	5	650,841	695,021	-	231,400	523,317	537,773	(14,456)	-2.7%	695,021
Capital Transfers and Grants										
National Government:		107,166	125,342	-	27,595	96,169	96,169	-		125,342
Neighbourhood Development Partnership		15,000	15,000	-	-	-	-			15,000
Municipal Infrastructure Grant (MIG)		75,166	106,342	-	27,595	92,169	92,169			106,342
Integrated National Electrification Programme			-	-	-	-	-			-
Emergency efficiency & demand side management			-	-	-	-	-			-
Water Services Infrastructure Grant (WSIG)		17,000	4,000	-	-	4,000	4,000			4,000
Neighbourhood Development Partnership			-	-	-	-	-			-
Other capital transfers [insert description]			-	-	-	-	-			-
Provincial Government:		365	11,000	-	-	-	-			11,000
Level 2 accreditation			-	-	-	-	-			-
Recapitalisation of Community Libraries			-	-	-	-	-			-
Sport and Recreation			11,000	-	-	-	-			11,000
Museum		365	-	-	-	-	-			-
Community Library Service			-	-	-	-	-			-
District Municipality:		-	-	-	-	-	-			-
[insert description]										
Other grant providers:		-	-	-	-	-	-			-
[insert description]										
Total Capital Transfers and Grants	5	107,531	136,342	-	27,595	96,169	96,169	-		136,342
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	758,372	831,363	-	258,995	619,486	633,942	(14,456)	-2.3%	831,363

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

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:		502,069	488,728	-	126,425	313,151	348,811	(35,906)	-10.3%	488,728
Local Government Equitable Share		448,493	417,790	-	124,807	298,886	313,342	(14,456)	-4.6%	417,790
Water Services Infrastructure Grant (WSIG)		5,497	36,000	-	368	9,654	18,000	(8,346)	-46.4%	36,000
Municipal Infrastructure Grant (MIG)		712	12,840	-	870	2,690	6,420	(3,730)	-58.1%	12,840
Energy Efficiency and Demand Management			4,000	-	-	-	2,000	(2,000)	-100.0%	4,000
Integrated National Electrification Programme		9,200	13,500	-	-	-	6,750	(6,750)	-100.0%	13,500
Finance Management Grant		35,266	1,650	-	17	201	825	(624)	-75.6%	1,650
Massification				-	-	-	-	-	-	-
EPIWP Incentive		2,902	2,948	-	362	1,721	1,474			2,948
Municipal Systems Improvement				-	-	-	-	-	-	-
Provincial Government:		133,211	206,293	-	51,111	154,170	103,147	85	0.1%	206,293
Health subsidy				-	-	-	-	-	-	-
Housing		120,903	192,793	-	49,791	146,770	96,397			192,793
Spatial Development Framework Support				-	-	-	-	-	-	-
Title Deeds		520		-	-	-	-	-	-	-
Provincialisation of Libraries		5,739	6,757	-	528	2,527	3,379	(851)	-25.2%	6,757
Level 2 Accreditation				-	-	-	-	-	-	-
Museum Services		40	429	-	-	-	215			429
Community Services		2,312	2,475	-	365	2,017	1,238			2,475
Accredited municipalities		3,697	3,839	-	427	2,856	1,920	936	48.8%	3,839
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>Tirelo Bosha Grant</i>				-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		635,280	695,021	-	177,536	467,321	451,958	(35,821)	-7.9%	695,021
Capital expenditure of Transfers and Grants										
National Government:		94,942	125,342	-	5,934	46,116	62,671	(16,555)	-26.4%	125,342
Neighbourhood Development Partnership		5,605	15,000	-	-	-	7,500	(7,500)	-100.0%	15,000
Municipal Infrastructure Grant(MIG)		72,578	106,342	-	5,934	45,300	53,171	(7,871)	-14.8%	106,342
Water Services Infrastructure Grant (WSIG)		16,759	4,000	-	-	816	2,000	(1,184)	-59.2%	4,000
Emergency efficiency & demand side management				-	-	-	-	-	-	-
Other capital transfers [insert description]				-	-	-	-	-	-	-
Provincial Government:		301	11,000	-	3,116	3,116	5,500	(2,384)	-43.3%	11,000
Level 2 accreditation				-	-	-	-	-	-	-
Museums Services		301		-	-	-	-	-	-	-
Provincialisation of Libraries				-	-	-	-	-	-	-
Housing				-	-	-	-	-	-	-
GOGTA Support Scheme				-	-	-	-	-	-	-
Sport and Recreation			11,000	-	3,116	3,116	5,500			11,000
Community Library Service				-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		95,243	136,342	-	9,050	49,232	68,171	(18,939)	-27.8%	136,342
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		730,523	831,363	-	186,586	516,553	520,129	(54,761)	-10.5%	831,363

KZN252 Newcastle - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year Assessment

Description	Ref	Budget Year 2020/21				
		Approved Rollover 2019/20	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Integrated National Electrification Programme					-	
Finance Management					-	
Municipal Systems Improvement					-	
Water Services Infrastructure Grant (WSIG)					-	
Municipal Infrastructure Grant (MIG)					-	
Other transfers and grants [insert description]					-	
Provincial Government:		743	16	50	692	93.2%
Museums Services		397	4	38	358	90.3%
Spatial Development Framework Support					-	
Provincialisation of Libraries		346	12	12	334	96.5%
Neighbourhood Development Partnership					-	
Accredited municipalities					-	
District Municipality:		-	-	-	-	
					-	
					-	
Other grant providers:		-	-	-	-	
<i>Tirelo Bosha Grant</i>					-	
Total operating expenditure of Approved Roll-overs		743	16	50	692	93.2%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Neighbourhood Development Partnership					-	
Water Services Infrastructure Grant (WSIG)					-	
					-	
Other capital transfers [insert description]					-	
Provincial Government:		1,070	-	887	183	17.1%
Provincialisation of Libraries		657		540	117	17.9%
Community Library Service		413		347	65	15.8%
Museums Services		155	21	37		
District Municipality:		-	-	-	-	
					-	
					-	
Other grant providers:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		1,070	-	887	183	17.1%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		1,813	16	938	875	48.3%

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		572,490	599,116	-	56,983	294,281	299,558	(5,278)	-2%	599,116
% Increase	4		4.7%							4.7%
TOTAL MANAGERS AND STAFF		546,878	570,234	-	55,053	282,105	285,117	(3,012)	-1%	570,234

KZN252 Newcastle - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

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	
Cash Receipts By Source	1																
Property rates		34,099	13,457	24,524	28,694	28,804	28,873								271,820	293,022	321,182
Service charges - electricity revenue		52,762	46,594	48,709	58,340	65,430	58,508								695,985	810,822	938,982
Service charges - water revenue		14,489	11,241	21,658	2,869	18,426	16,009								116,346	128,271	150,362
Service charges - sanitation revenue		10,166	6,065	10,935	5,216	11,680	10,990								72,254	79,002	92,608
Service charges - refuse		8,644	4,818	6,085	8,061	9,440	9,105								58,317	63,240	74,131
Rental of facilities and equipment		666	602	575	638	668	1,435								7,532	7,909	8,344
Interest earned - external investments		314	768	461	153	72	76								2,296	2,410	2,543
Interest earned - outstanding debtors		-	-	-	-	-	-							-	-	-	-
Dividends received		27	193	243	462	536	494								421	1,879	1,749
Fines, penalties and forfeits		2	3	3	4	2	4								105	110	116
Licences and permits																	
Agency services		175,079	18,538	22,980	27,446	48,224	258,128								695,021	633,136	648,973
Transfers and Subsidies - Operational		314	1,116	-	899	1,613	546								20,987	22,036	23,248
Other revenue		296,653	103,395	136,173	132,782	184,885	384,167								1,941,082	2,041,837	2,262,238
Cash Receipts by Source																	
Other Cash Flows by Source																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		41,709	-	29,865											121,377	134,450	122,442
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		338,262	103,395	166,041	132,782	184,885	384,167								2,073,459	2,189,286	2,397,680
Cash Payments by Type																	
Employee related costs		40,999	45,417	46,021	46,114	48,500	55,053								570,234	590,500	622,221
Remuneration of councillors		2,170	2,175	1,987	2,038	1,876	1,929								28,882	30,038	31,239
Interest paid		3,355	3,360	3,306	3,321	3,287	3,320								39,754	41,424	43,247
Bulk purchases - Electricity		66,473	77,755	80,642	50,880	50,713	49,382								557,138	649,066	759,407
Bulk purchases - Water & Sewer		11,255	12,350	-	-	-	35,035								(58,640)		
Other materials															136,114	140,003	144,059
Contracted services		4,178	37,530	33,459	44,348	71,989	68,127								387,906	344,957	352,922
Grants and subsidies paid - other municipalities																	
Grants and subsidies paid - other																	
General expenses		24,896	16,884	24,991	28,266	8,964	37,129								106,690	94,102	89,554
Cash Payments by Type		152,305	195,472	190,406	174,967	185,328	249,976								1,826,718	1,890,090	2,042,649
Other Cash Flows/Payments by Type																	
Capital assets																	
Repayment of borrowing		(2,565)	(5,241)	(12,862)	(15,366)	(16,788)	(9,134)								145,383	145,450	133,442
Other Cash Flows/Payments		(7,874)	(18,275)	800	3,320	3,287	(27,984)								31,884	31,884	31,884
Total Cash Payments by Type		276,411	124,361	178,344	162,901	171,827	212,859								2,080,295	2,128,794	2,241,086
NET INCREASE/(DECREASE) IN CASH HELD		61,850	(20,966)	(12,303)	(30,118)	13,058	171,309								(6,835)	60,492	156,595
Cash/cash equivalents at the month/year beginning:		15,985	77,835	56,869	44,566	14,447	27,505	198,814	198,814	198,814	198,814	198,814	198,814	198,814	15,985	9,150	69,642
Cash/cash equivalents at the month/year end:		77,835	56,869	44,566	14,447	27,505	198,814	198,814	198,814	198,814	198,814	198,814	198,814	9,150	69,642	166,237	

KZN252 Newcastle - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Mid-Year Assessment

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		342,534	362,426	–	28,873	181,212	181,213	(1)	0%	362,426
Service charges - electricity revenue		621,122	710,188	–	54,174	368,259	355,094	13,165	4%	710,188
Service charges - water revenue		188,410	193,910	–	14,823	94,511	96,955	(2,444)	-3%	193,910
Service charges - sanitation revenue		112,244	119,429	–	10,176	60,031	59,714	316	1%	119,429
Service charges - refuse revenue		91,973	95,601	–	8,430	49,315	47,800	1,514	3%	95,601
Rental of facilities and equipment		7,093	7,532	–	1,435	4,564	3,766	798	21%	7,532
Interest earned - external investments		3,068	2,296	–	76	1,226	1,148	78	7%	2,296
Interest earned - outstanding debtors		3,835	4,642	–	607	2,154	2,321	(168)	-7%	4,642
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		5,402	2,105	–	494	2,328	1,052	1,275	121%	2,105
Licences and permits		101	105	–	4	18	52	(35)	-66%	105
Agency services		–	–	–	–	–	–	–	–	0.00%
Transfers and subsidies		549,062	695,021	–	191,888	492,094	492,094	–	–	695,021
Other revenue		18,409	20,987	–	546	6,727	10,493	(3,766)	-36%	20,987
Gains		52,158	–	–	1,088	3,045	–	3,045	#DIV/0!	–
Total Revenue (excluding capital transfers and contributions)		1,995,412	2,214,242	–	312,613	1,265,483	1,251,705	13,778	1%	2,214,242
Expenditure By Type										
Employee related costs		546,878	570,234	–	55,053	282,105	285,117	(3,012)	-1%	570,234
Remuneration of councillors		25,612	28,882	–	1,929	12,175	14,441	(2,266)	-16%	28,882
Debt impairment		216,003	283,536	–	1,612	10,081	141,768	(131,687)	-93%	283,536
Depreciation & asset impairment		351,202	378,675	–	29,182	163,044	189,338	(26,294)	-14%	378,675
Finance charges		64,980	39,754	–	3,320	19,929	19,877	52	0%	39,754
Bulk purchases		559,335	557,138	–	36,306	274,003	278,569	(4,566)	-2%	557,138
Other materials		127,618	136,114	–	11,176	68,024	68,057	(33)	0%	136,114
Contracted services		273,799	388,306	–	68,127	256,058	194,153	61,905	32%	388,306
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure		10,155	106,290	–	5,491	55,576	53,145	2,431	5%	106,290
Losses		76,013	1	–	535	658	1	658	131592%	1
Total Expenditure		2,251,593	2,488,931	–	212,732	1,141,653	1,244,465	(102,812)	-8%	2,488,931
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(256,181)	(274,689)	–	99,881	123,830	7,239	116,591	1611%	(274,689)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		90,870	121,377	–	9,050	49,263	60,689	(11,425)	-19%	121,377
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(165,311)	(153,312)	–	108,931	173,093	67,928	105,165	155%	(153,312)
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		(165,311)	(153,312)	–	108,931	173,093	67,928	105,165	155%	(153,312)

KZN252 Newcastle - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

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	0	12,116	-	2,565	2,565	12,116	9,551	78.8%	2%
August	948	12,116	-	5,241	7,806	24,232	16,426	67.8%	5%
September	5,971	12,116	-	12,856	20,663	36,348	15,686	43.2%	14%
October	2,042	12,116	-	15,392	36,055	48,464	12,410	25.6%	25%
November	14,281	12,116	-	16,790	52,845	60,580	7,736	12.8%	36%
December	10,515	12,116	-	9,134	61,978	72,697	10,718	14.7%	43%
January	2,783	12,116	-	0	61,978	84,813	22,834	26.9%	43%
February	9,482	12,116	-	0	61,978	96,929	34,950	36.1%	43%
March	12,412	12,116	-	0	61,978	109,045	47,066	43.2%	43%
April	8,648	12,116	-	0	61,978	121,161	59,182	48.8%	0
May	10,734	12,116	-	0	61,978	133,277	71,298	53.5%	0
June	30,982	12,116	-	0	61,978	145,393	83,415	57.4%	0
Total Capital expenditure	108,799	145,393	-	61,978					

Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-
Libraries	3,750	-	-	21	924	-	(924)	#DIV/0!	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-
Stalls	294	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-
Lead Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	2,434	1,350	-	25	543	675	132	19.5%	1,350	-
Furniture and Office Equipment	2,434	1,350	-	25	543	675	132	19.5%	1,350	-
Machinery and Equipment	857	-	-	37	774	-	(774)	#DIV/0!	-	-
Machinery and Equipment	857	-	-	37	774	-	(774)	#DIV/0!	-	-
Transport Assets	3,133	3,200	-	-	-	1,600	1,600	100.0%	3,200	-
Transport Assets	3,133	3,200	-	-	-	1,600	1,600	100.0%	3,200	-
Land	500	-	-	-	-	-	-	-	-	-
Land	500	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	77,703	70,770	-	2,205	22,815	35,385	12,570	35.5%	70,770

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	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-
Transport Assets	219	-	-	-	-	-	-	-	-	-
Transport Assets	219	-	-	-	-	-	-	-	-	-
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	15,557	9,000	-	-	7,240	4,500	(2,740)	-60.9%	9,000

Crèches	-	-	-	-	-	-	-	-	-	
Clinics/Care Centres	-	-	-	-	-	-	-	-	-	
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	
Testing Stations	-	-	-	-	-	-	-	-	-	
Museums	10	8	-	-	-	4	4	100.0%	8	
Galleries	2	-	-	-	-	-	-	-	-	
Theatres	-	-	-	-	-	-	-	-	-	
Libraries	159	29	-	0	10	14	5	34.2%	29	
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	
Police	-	-	-	-	-	-	-	-	-	
Parks	-	-	-	-	-	-	-	-	-	
Public Open Space	495	560	-	44	172	280	108	38.7%	560	
Nature Reserves	-	-	-	-	-	-	-	-	-	
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	
Markets	-	-	-	-	-	-	-	-	-	
Stalls	127	115	-	6	40	57	17	29.7%	115	
Abattoirs	-	-	-	-	-	-	-	-	-	
Airports	757	681	-	-	202	340	138	40.5%	681	
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	
Capital Spares	230	190	-	8	172	95	(77)	-80.6%	190	
Sport and Recreation Facilities	139	298	-	25	35	149	114	76.8%	298	
Indoor Facilities	88	183	-	25	25	91	66	72.3%	183	
Outdoor Facilities	51	115	-	-	9	57	48	83.8%	115	
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	2,954	4,419	-	258	1,129	2,210	1,089	49.3%	4,419	
Operational Buildings	1,722	3,367	-	69	538	1,683	1,145	68.0%	3,367	
Municipal Offices	1,640	3,260	-	44	476	1,630	1,152	70.7%	3,260	
Pay/Equity Points	-	-	-	-	-	-	-	-	-	
Building Plan Offices	-	-	-	-	-	-	-	-	-	
Workshops	17	43	-	-	10	21	12	54.4%	43	
Yards	-	-	-	-	-	-	-	-	-	
Stores	64	64	-	26	51	32	(19)	-58.1%	64	
Laboratories	-	-	-	-	-	-	-	-	-	
Training Centres	-	-	-	-	-	-	-	-	-	
Manufacturing Plant	-	-	-	-	-	-	-	-	-	
Depots	-	-	-	-	-	-	-	-	-	
Capital Spares	-	-	-	-	-	-	-	-	-	
Housing	1,232	1,052	-	188	582	526	(56)	-10.6%	1,052	
Staff Housing	708	603	-	78	294	302	7	2.4%	603	
Social Housing	524	449	-	110	288	226	(63)	-26.1%	449	
Capital Spares	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	3,109	-	-	1,648	1,555	(94)	-6.0%	3,109	
Servitudes	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	3,109	-	-	1,648	1,555	(94)	-6.0%	3,109	
Water Rights	-	-	-	-	-	-	-	-	-	
Effluent Licenses	-	-	-	-	-	-	-	-	-	
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	
Computer Software and Applications	-	3,109	-	-	1,648	1,555	(94)	-6.0%	3,109	
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	
Unspecified	-	-	-	-	-	-	-	-	-	
Computer Equipment	3,991	-	-	333	1,206	-	(1,206)	#DIV/0!	-	
Computer Equipment	3,991	-	-	333	1,206	-	(1,206)	#DIV/0!	-	
Furniture and Office Equipment	16	38	-	3	9	19	9	49.8%	38	
Furniture and Office Equipment	16	38	-	3	9	19	9	49.8%	38	
Machinery and Equipment	6,638	5,830	-	812	2,493	2,915	422	14.5%	5,830	
Machinery and Equipment	6,638	5,830	-	812	2,493	2,915	422	14.5%	5,830	
Transport Assets	-	-	-	-	-	-	-	-	-	
Transport Assets	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Land	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Total Repairs and Maintenance Expenditure	1	44,151	86,495	-	6,580	35,655	43,247	7,593	17.6%	86,495

Crèches	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	137	-	-	15	76	-	(76)	#DIV/0!	-	-
Testing Stations	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-
Libraries	133	-	-	15	74	-	(74)	#DIV/0!	-	-
Cemeteries/Crematoria	3,278	-	-	364	1,821	-	(1,821)	#DIV/0!	-	-
Police	-	-	-	-	-	-	-	-	-	-
Parks	1,400	-	-	156	778	-	(778)	#DIV/0!	-	-
Public Open Space	546	-	-	81	303	-	(303)	#DIV/0!	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	6	-	-	-	3	3	100.0%	6	6
Indoor Facilities	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	6	-	-	-	3	3	100.0%	6	6
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	10,232	61,996	-	1,137	5,684	30,998	25,313	81.7%	61,996	61,996
Operational Buildings	10,232	61,996	-	1,137	5,684	30,998	25,313	81.7%	61,996	61,996
Municipal Offices	10,232	61,996	-	1,137	5,684	30,998	25,313	81.7%	61,996	61,996
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	1,773	-	-	197	985	-	(985)	#DIV/0!	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-
Licences and Rights	1,773	-	-	197	985	-	(985)	#DIV/0!	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	1,773	-	-	197	985	-	(985)	#DIV/0!	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-
Computer Equipment	963	-	-	107	535	-	(535)	#DIV/0!	-	-
Computer Equipment	963	-	-	107	535	-	(535)	#DIV/0!	-	-
Furniture and Office Equipment	2,008	-	-	223	1,116	-	(1,116)	#DIV/0!	-	-
Furniture and Office Equipment	2,008	-	-	223	1,116	-	(1,116)	#DIV/0!	-	-
Machinery and Equipment	2,720	-	-	302	1,511	-	(1,511)	#DIV/0!	-	-
Machinery and Equipment	2,720	-	-	302	1,511	-	(1,511)	#DIV/0!	-	-
Transport Assets	4,657	-	-	517	2,587	-	(2,587)	#DIV/0!	-	-
Transport Assets	4,657	-	-	517	2,587	-	(2,587)	#DIV/0!	-	-
Land	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-
Total Depreciation	1	351,202	378,675	-	29,182	163,044	189,338	26,294	13.9%	378,675

Testing Stations	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Ports	-	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	44	11,000	-	3,116	3,116	5,500	2,384	49.3%	11,000	-
Indoor Facilities	44	-	-	3,116	3,116	-	(3,116)	#DIV/0!	-	-
Outdoor Facilities	-	11,000	-	-	-	5,500	5,500	100.0%	11,000	-
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	4,450	-	-	-	51	-	(51)	#DIV/0!	-	-
Operational Buildings	4,450	-	-	-	51	-	(51)	#DIV/0!	-	-
Municipal Offices	4,450	-	-	-	51	-	(51)	#DIV/0!	-	-
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	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	138	-	-	-	-	-	-	-	-	-
Machinery and Equipment	138	-	-	-	-	-	-	-	-	-
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	31,241	65,623	-	6,929	31,924	32,812	868	2.7%	65,623



NEWCASTLE MUNICIPALITY
(Registration number KZ252)

**ANNUAL FINANCIAL STATEMENTS
FOR THE 6 MONTHS ENDED 31 DECEMBER 2021**

Newcastle Municipality

Annual Financial Statements for the 6 Months ended 31 December 2021

Statement of Financial Position as at 31 December 2021

Figures in Rand	Note(s)	31 December 2021	30 June 2021
Assets			
Current Assets			
Inventories	8	23 345 094	18 806 337
Receivables from exchange transactions	9	99 949 799	99 418 303
Receivables from non-exchange transactions	10	18 162 623	16 002 938
Consumer debtors from exchange transactions	11	489 689 135	504 404 673
Consumer debtors from non-exchange transactions	11	238 858 034	136 908 187
Cash and cash equivalents	12	198 814 421	9 500 299
		1 068 819 106	785 040 737
Non-Current Assets			
Investment property	3	327 785 318	327 734 618
Property, plant and equipment	4	6 371 347 570	6 470 545 398
Intangible assets	5	835 512	1 257 668
Heritage assets	6	11 773 732	11 757 932
Investments in associates	7	187 056 075	187 056 075
		6 898 798 207	6 998 351 691
Total Assets		7 967 617 313	7 783 392 428
Liabilities			
Current Liabilities			
Financial liabilities	17	16 505 638	30 987 268
Finance lease obligation	15	109 927	109 927
Payables from exchange transactions	20	760 208 460	796 421 953
VAT payable	21	31 425 099	18 539 020
Consumer deposits	22	28 076 484	27 501 909
Unspent conditional grants and receipts	16	121 843 433	41 232 304
Defined benefit plan	18	11 406 000	11 406 000
		969 575 041	926 198 381
Non-Current Liabilities			
Financial liabilities	17	328 252 106	362 011 519
Finance lease obligation	15	1 556 788	42 180
Defined benefit plan	18	155 397 002	155 397 002
Provision for rehabilitation of landfill site	19	59 199 647	59 199 647
		544 405 543	576 650 348
Total Liabilities		1 513 980 584	1 502 848 729
Net Assets		6 453 636 729	6 280 543 699
Reserves			
Housing Development fund	13	29 820 690	29 806 660
Self-insurance reserve	14	338 203	435 241
Accumulated surplus		6 423 477 835	6 250 301 798
Total Net Assets		6 453 636 728	6 280 543 699

Newcastle Municipality

Annual Financial Statements for the 6 Months ended 31 December 2021

Statement of Financial Performance

Figures in Rand	Note(s)	31 December 2021	30 June 2021
Revenue			
Revenue from exchange transactions			
Service charges	24	572 115 343	1 013 748 409
Rental of facilities and equipment	25	4 564 184	7 093 441
Other Revenue	27	6 727 399	18 701 443
Interest received	28	3 379 347	6 660 722
Total revenue from exchange transactions		586 786 273	1 046 204 015
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	29	181 212 094	342 533 924
Licences and Permits		17 712	101 472
Transfer revenue			
Government grants & subsidies	30	541 357 478	639 932 157
Fines, Penalties and Forfeits	26	2 327 965	5 401 977
Total revenue from non-exchange transactions		724 915 249	987 969 530
Total revenue	23	1 311 701 522	2 034 173 545
Expenditure			
Employee related costs	31	282 105 183	546 878 068
Remuneration of councillors	32	12 175 408	25 611 680
Depreciation and amortisation	34	163 043 535	351 084 296
Finance costs	36	19 928 970	64 979 614
Debt Impairment	37	10 080 565	217 027 951
Bulk purchases	38	274 002 925	559 335 056
Contracted services	39	256 058 166	273 730 752
General Expenses	40	123 600 000	138 572 698
Total expenditure		1 140 994 752	2 177 220 115
Operating surplus (deficit)		170 706 770	(143 046 570)
Share of deficit in investment in associates		-	(30 277 147)
Actuarial gains/losses		-	12 908 000
Impairment loss	35	-	(25 822 582)
Inventories losses/write-downs		(658 462)	(117 170)
Profit/(Loss) on Sale of Assets		3 044 721	(50 052 096)
Public contributions and donations		-	39 249 962
		2 386 259	(54 111 033)
Surplus (deficit) for the 6 Months		173 093 029	(197 157 603)

Newcastle Municipality

Annual Financial Statements for the 6 Months ended 31 December 2021

Statement of Changes in Net Assets

Figures in Rand	Housing Development Fund	Self Insurance Reserves	Total reserves	Accumulated surplus	Total net assets
Balance at 01 July 2020	28 807 981	532 983	29 340 964	6 448 360 338	6 477 701 302
Changes in net assets					
Deficit for the year	-	-	-	(197 157 603)	(197 157 603)
Transfer to Housing Development Fund	998 679	-	998 679	(998 679)	-
Transfer from Self Insurance Reserves	-	(97 742)	(97 742)	97 742	-
Total changes	998 679	(97 742)	900 937	(198 058 540)	(197 157 603)
Balance at 01 July 2021	29 806 660	435 241	30 241 901	6 250 301 798	6 280 543 699
Deficit for the year	-	-	-	173 093 029	173 093 029
Transfer to Housing Development Fund	14 030	-	14 030	(14 030)	-
Transfer from Self Insurance Reserves	-	(97 038)	(97 038)	97 038	-
Other 2	-	-	-	-	-
Total changes	14 030	(97 038)	(83 008)	173 176 037	173 093 029
Balance at 31 December 2021	29 820 690	338 203	30 158 893	6 423 477 835	6 453 636 728

Newcastle Municipality

Annual Financial Statements for the 6 Months ended 31 December 2021

Cash Flow Statement

Figures in Rand	Note(s)	31 December 2021	30 June 2021
Cash flows from operating activities			
Receipts			
Sale of goods and services		667 533 217	1 083 861 952
Grants		621 968 607	635 415 131
Interest income		3 379 347	6 660 722
		<u>1 292 881 171</u>	<u>1 725 937 805</u>
Payments			
Employee costs and Councillors remuneration		(294 280 591)	(568 958 990)
Suppliers		(682 185 724)	(990 347 232)
Finance costs		(19 928 970)	(42 720 784)
		<u>(996 395 285)</u>	<u>(1 602 027 006)</u>
Net cash flows from operating activities	42	<u>296 485 886</u>	<u>123 910 799</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(61 961 920)	(124 427 766)
Proceeds from sale of property, plant and equipment	4	1 595 636	1 649 005
Proceeds from sale of Investment property	3	-	1 478 261
Purchase of other intangible assets	5	(42 245)	-
Purchases of Heritage Assets	6	(36 800)	(87 700)
Net cash flows from investing activities		<u>(60 445 329)</u>	<u>(121 388 200)</u>
Cash flows from financing activities			
Net movements in long term loans		(48 241 043)	(28 914 561)
Movement on finance lease		1 514 608	(376 233)
Net cash flows from financing activities		<u>(46 726 435)</u>	<u>(29 290 794)</u>
Net increase/(decrease) in cash and cash equivalents		189 314 122	(26 768 195)
Cash and cash equivalents at the beginning of the year		9 500 299	36 268 498
Cash and cash equivalents at the end of the year	12	<u>9 689 621</u>	<u>9 500 303</u>

- Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 Dec 2021

NEWCASTLE MUNICIPALITY									
Description	2020/21	Current Year 2021/22							
	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	131,717		10,880	65,373	65,858	(485)	-0.7%	131,717
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	131,717	-	10,880	65,373	65,858	(485)	-0.7%	131,717
Expenditure By Type									
Employee related costs	14,853	15,793		1,296	7,781	7,896	(116)	-1.5%	15,793
Remuneration of Directors	-	-		-	-	-	-	-	-
Debt impairment	-	-		-	-	-	-	-	-
Depreciation & asset impairment	59,410	823		69	412	412	0	0.0%	823
Finance charges	-	-		-	-	-	-	-	-
Bulk purchases	30,245	24,276		2,023	12,138	12,138	0	0.0%	24,276
Materials and Supplies	6,481	6,170		584	2,210	3,085	(875)	-28.4%	6,170
Contracted services	3,468	11,071		107	1,057	5,535	(4,479)	-80.9%	11,071
Transfers and grants	-	-		-	-	-	-	-	-
Other expenditure	32,453	29,586		5,356	19,944	14,793	5,151	34.8%	29,586
Loss on disposal of PPE	-	-		-	-	-	-	-	-
Total Expenditure	146,910	87,718	-	9,435	43,541	43,859	(318)	-0.7%	87,718
Recharge									
Head Office Recharge	51,174	40,430		15,787	15,787	20,215	(4,428)	-21.9%	40,430
Surplus/(Deficit)	(86,664)	3,569	-	(14,342)	6,045	1,785			3,569
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									
Transfers and subsidies - capital (in-kind - all)									
Surplus/(Deficit) for the year	(86,664)	3,569	-	(14,342)	6,045	1,785			3,569

Eskom Holdings SOC LTD REG NO 2002/015527/30
 VAT REG NO 4740101508

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

 TEL: 08600 37566
 SMS: 35328

 NEWCASTLE MUNICIPALITY
 PRIVATE BAG X6621
 NEWCASTLE
 2940

YOUR ACCOUNT NO	5578885631
SECURITY HELD	1.42
BILLING DATE	2022-01-03
TAX INVOICE NO	557539170069
ACCOUNT MONTH	DECEMBER 2021
CURRENT DUE DATE	2022-02-02
VAT REG NO	4000791824

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

 EASTERN REGION
 PRIVATE BAG X16 WESTVILLE 3630

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

TAX INVOICE

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

ACCOUNT TRANSACTION SUMMARY

ADMINISTRATION CHARGE		R	5,380.67
TRANSMISSION NETWORK CAPACITY		R	1,711,250.00
URBAN LOW VOLTAGE SUBSIDY		R	2,437,500.00
ANCILLARY SERVICE (ALL)		R	168,066.60
ENERGY CHARGE (STD)	13,837,484.00	R	12,197,742.15
ENERGY CHARGE (PEAK)	5,535,735.00	R	7,090,169.39
ENERGY CHARGE (OFF)	15,640,655.00	R	8,746,254.28
ELECTRIFICATION AND RURAL SUBS (ALL)		R	3,781,498.50
SERVICE CHARGE		R	168,482.83

TOTAL CHARGES FOR BILLING PERIOD

R 36,306,344.42

ACCOUNT SUMMARY FOR DECEMBER 2021

BALANCE BROUGHT FORWARD	(Due Date 2021-12-31)	R	221,503,188.22
PAYMENT(S) RECEIVED	Cash - 2021-12-15	R	-49,382,172.71
TOTAL CHARGES FOR BILLING PERIOD		R	36,306,344.42
ADJUSTMENT	WHEELING/3RD PARTY WHEELING CHARGES	R	-56,579.87
VAT RAISED ON ITEMS AT 14%		R	0.00
VAT RAISED ON ITEMS AT 15%		R	5,437,464.68

ACCOUNT NO / REFERENCE NO

5578885631

NAME

NEWCASTLE MUNICIPALITY

FAX NUMBER

0343129697


0934 5578885631

11341 5578885631



^ 9207 0557 8885 6313 ^



Click to pay via



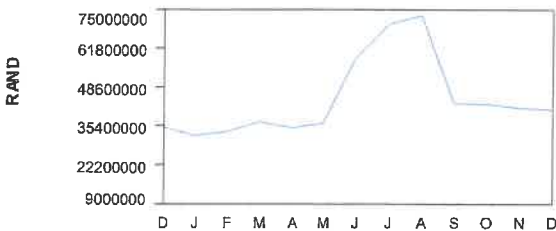
TOTAL AMOUNT DUE

213,808,244.70

ARREARS

>90 DAYS	61-90 DAYS	31-60 DAYS	16-30 DAYS	CURRENT	TOTAL DUE R
86,457,031.8	43,468,564.47	42,138,839.28	0.00	41,743,809.10	213,808,244.74

Account OVERDUE - Subject to Disconnection



MONTH

Message

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

PAGE RUN NO EP 3

BILL GROUP

BILL PAGE 1 OF 2

PAYMENT ARRANGEMENT

INSTALMENT

0.00

ARREARS (Due Immediately)

172,064,435.64

DUE DATE (For Current Amount)

2022-02-02

AMOUNT PAID

 LATE PAYMENT CHARGES WILL BE
 ADDED TO OVERDUE ACCOUNT

CONTACT CENTRE: (0860) 037566

FAX NO: 0862 437 566

E-MAIL: customerservices@eskom.co.za

WEB: WWW.ESKOM.CO.ZA

NEWCASTLE MUNICIPALITY
PRIVATE BAG X6621
NEWCASTLE
2940

YOUR ACCOUNT NO	5578885631
BILLING DATE	2022-01-03
TAX INVOICE NO	557539170069
ACCOUNT MONTH	DECEMBER 2021
CURRENT DUE DATE	2022-02-02
VAT REG NO	4000791824
NOTIFIED MAX DEMAND	125,000.00
UTILISED CAPACITY	125,000.00

CONSUMPTION DETAILS (2021-12-01 - 2021-12-31)

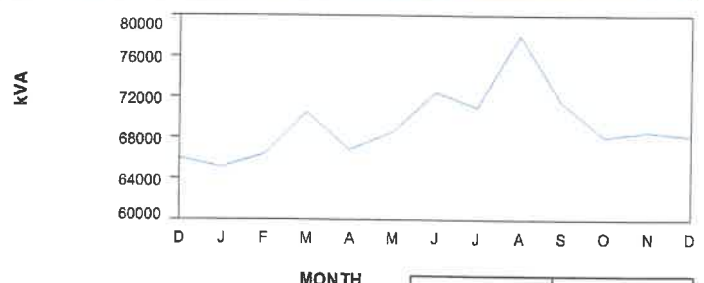
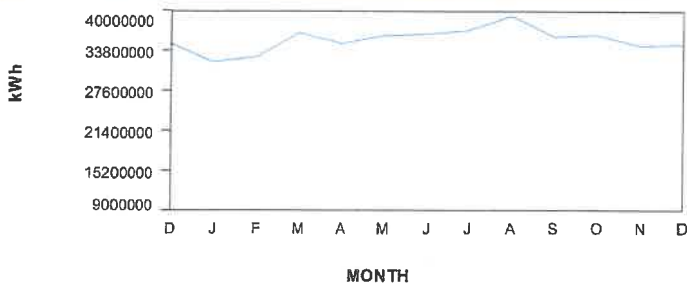
ENERGY CONSUMPTION OFF PEAK kWh	15,640,655.30
ENERGY CONSUMPTION STD kWh	13,837,483.98
ENERGY CONSUMPTION PEAK kWh	5,535,735.48
ENERGY CONSUMPTION ALL kWh	35,013,874.76
DEMAND CONSUMPTION - OFF PEAK	60,634.06
DEMAND CONSUMPTION - STD	67,632.04
DEMAND CONSUMPTION - PEAK	68,271.05
DEMAND READING - kW/KVA	68,271.05
REACTIVE ENERGY - OFF PEAK	5,541,844.00
REACTIVE ENERGY - STD	4,711,982.54
REACTIVE ENERGY - PEAK	1,797,085.60
LOAD FACTOR	73.00

PREMISE ID NUMBER 5578885383 TARIFF NAME: Megaflex

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

Administration Charge @ R173.57 per day for 31 days	R	5,380.67
TX Network Capacity Charge 125,000 kVa @ R13.69 : = R13.69/kVA	R	1,711,250.00
Urban Low Voltage Subsidy 125,000 kVa @ R19.50 : = R19.50/kVA	R	2,437,500.00
Ancillary Service Charge 35,013,875 kWh @ R0.0048 /kWh	R	168,066.60
Low Season Standard Energy Charge 13,837,484 kWh @ R0.8815 /kWh	R	12,197,742.15
Low Season Peak Energy Charge 5,535,735 kWh @ R1.2808 /kWh	R	7,090,169.39
Low Season Off Peak Energy Charge 15,640,655 kWh @ R0.5592 /kWh	R	8,746,254.28
Electrification and Rural Subsidy 35,013,875 kWh @ R0.108 /kWh	R	3,781,498.50
SERVICE CHARGE	R	168,482.83

TOTAL CHARGES R **36,306,344.42**



PAGE RUN NO	EP 4
BILL GROUP	
BILL PAGE	2 OF 2

Tax Invoice

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



**uthukela
water**

Tax Registration	4270212725
Telephone	034 328 5000
Invoice No	INV00002586
Date	2021/12/01

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>
DECEMBER 2021 BULK	2 761 355.00	3.94	1 631 960.81

Deposit Banking Details
uThukela Water (Pty) Ltd
Acc No: 061936939 Standard Bank Newcastle
Branch Code: 057724
Terms strictly 30 days from date of invoice

Total (Excl)	10 879 738.70
Tax	1 631 960.81
Total	12 511 699.51

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	2021/12/31
Amount Due	150 973 203.41

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>
2021/07/01		Balance Brought Forward		116 667 909.30		116 667 909.30
2021/07/01	INV00002555	Invoice		12 378 302.33		129 046 211.63
2021/08/02	INV00002556	Invoice		12 665 069.32		141 711 280.95
2021/08/04	Newcastle Munic	Newcastle Municipality - WSA			12 350 147.53	129 361 133.42
2021/09/01	INV00002563	Invoice		12 615 554.56		141 976 687.98
2021/10/03	INV00002575	Invoice		12 745 671.28		154 722 359.26
2021/11/02	INV00002579	Invoice		10 663 282.98		165 385 642.24
2021/11/03	CRN0066	Invoice			10 663 282.98	154 722 359.26
2021/11/03	INV00002580	Invoice		12 262 775.43		166 985 134.69
2021/10/26	Newcastle Munic	Newcastle Municipality - WSA			6 000 000.00	160 985 134.69
2021/12/06	INV00002585	Invoice		12 511 699.51		173 496 834.20
2021/12/06	CRN0068	Invoice			12 511 699.51	160 985 134.69
2021/12/01	INV00002586	Invoice		12 511 699.51		173 496 834.20
2021/12/07	Newcastle Munic	Newcastle Municipality - WSA			10 852 701.21	162 644 132.99
2021/12/15	Newcastle Munic	Newcastle Municipality - WSA			11 670 929.58	150 973 203.41

180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Amount Due
75 794 130.98	12 378 302.33	12 665 069.32	12 615 554.56	12 745 671.28	12 262 775.43	12 511 699.51	150 973 203.41

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
75 794 130.98	12 378 302.33	12 665 069.32	12 615 554.56	12 745 671.28	12 262 775.43	12 511 699.51	150 973 203.41

SUMMARY OF INVESTMENTS FOR NEWCASTLE FOR Dec 2021

Name Of Investment	Account Number	Opening Balance	Investment Made	Investment Matured	Withdrawals Made	Accrued Interest	Interest Capitalized	Bank Charges Vat & Other	Balance
Self Insurance Reserve Fund	Standard Bank 068450354/015	R 126,565.99	R 1,000,000.00		R 0.00		R 18,836.69		R 1,145,422.68
Housing Development Fund	Standard Bank 068450354/016	R 76,816.84	R 104,636,683.50		R 75,000,000.00		R 348,013.69		R 30,061,514.03
Provincialisation	Standard Bank 068450354/035	R 43,497.23	R 0.00		R 43,497.23		R 0.00		R 0.00
MIG	Standard Bank 068450354/036	R 18,528.89	R 3,894,231.35		R 0.00		R 35,925.22		R 3,948,685.46
NDPG	Standard Bank 068450354/037	R 36,659.25	R 3,666,666.66		R 3,703,325.91		R 0.00		R 0.00
Electrification Grant	Standard Bank 068450354/038	R 60,906.28	R 0.00		R 60,906.28		R 0.00		R 0.00
FGM	Standard Bank 068450354/039	R 79,269.05	R 0.00		R 79,269.05		R 0.00		R 0.00
Titel deed low cost housing	Standard Bank 068450354/040	R 95,975.91	R 16,500,000.00		R 8,000,000.00		R 80,141.90		R 0.00
Capacity Building	Absa: 9288456248	R 64,583.53	R 0.00		R 64,463.53		R 0.00	R 120.00	R 8,676,117.81
Council Funds	Absa 9300506428	R 0.00	R 0.00		R 0.00		R 0.00	R 0.00	R 0.00
VAT Refund	Absa Bank : 9956019602	R 545,945.93	R 0.00		R 0.00		R 6,519.23		R 552,465.16
Council Funds	Nedbank 037648555441 46	R 117.05	R 17,709,000.00		R 17,757,163.06		R 48,046.01		R 0.00
Council Funds	Nedbank 037648555441 47	R 117.05	R 5,000,000.00		R 5,012,683.93		R 12,566.88		R 0.00
Council Funds	Nedbank 037648555441 48	R 117.07	R 0.00		R 117.97		R 0.90		R 0.00
Council Funds	Nedbank 037648555441 49	R 117.07	R 0.00		R 117.97		R 0.90		R 0.00
Council Funds	Nedbank 037648555441 50	R 132,168.09	R 360,270,681.53		R 254,200,000.00		R 609,670.65		R 106,812,520.27
Council Funds	Nedbank 037648555441 53	R 46.90	R 0.00		R 46.93		R 0.03		R 0.00
Post Office Guarantee	Nedbank 037648555441 56	R 382,513.94	R 0.00			R 9,856.30	R 0.00		R 382,513.94
Council Funds	Nedbank 037648555441 57	R 0.00	R 20,000,000.00		R 20,000,000.00		R 0.00		R 0.00
Total as '2021/10/26		R 1,663,966.07	R 532,677,263.04	R 0.00	R 383,921,591.86	R 12,026.16	R 1,159,722.10	R 120.00	R 151,579,239.35

(not added to capital)

Balance as per Bank Statements

SUMMARY OF LOAN REGISTER FOR DECEMBER 2021

Account number	Interest Rate	LOAN AMOUNT	Opening balance as at 01.07.2021	Total Capital Payments	Interest Capitalised to Date	Interest Capitalised for the month	Total Interest Payments	Balance
Loan Account: 61000536	9.37%	24,285,550.00	4,569,221.41	2,843,583.15	140,557.87	23,680.95	303,998.55	1,562,197.58
Loan Account: 61000654	9.10%	25,993,166.00	7,462,923.97	1,331,702.13	304,213.83	46,107.21	332,939.72	6,102,495.95
Loan Account: 61000826	11.29%	12,750,000.00	4,129,319.58	483,066.85	214,835.31	33,879.07	227,339.64	3,633,748.40
Loan Account: 61000827	11.25%	1,975,000.00	1,397,370.65	49,610.22	75,679.28	12,513.30	76,667.09	1,346,772.62
Loan Account: 61000920	10.69%	7,000,000.00	4,979,491.43	438,484.62	243,218.70	40,977.06	493,896.36	4,290,329.15
Loan Account: 61000921	10.83%	1,850,000.00	1,261,676.09	48,683.74	64,028.62	10,790.80	128,353.37	1,148,667.60
Loan Account: 61007325	5.00%	11,990,174.80	6,423,987.65	920,146.92	146,518.00	24,685.10	301,943.98	5,348,414.75
Loan Account: 61007495	10.40%	122,185,000.00	99,480,056.49	6,773,802.84	4,784,599.74	806,101.04	9,663,431.14	87,827,422.25
Loan Account: 3042598105	11.44%	284,839,959.00	263,293,802.81	15,620,708.04	13,924,669.97	2,320,778.33	28,059,428.40	233,538,336.34
Totals				28,509,788.51	19,898,321.32	3,319,512.86	39,587,998.25	344,798,384.64

BALANCE PER GENERAL LEDGER
344,757,744.78
40,639.85
40,639.85
39,411.00
982.47
246.38

DIFF - STATEMENT VS GEN LED
VARIANCE
SAVINGS ON LOAN 61000536
LOAN 61000920
OVERPAYMENT ON LOAN

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

C HARIPARSAD
BN KHUMALO
MS NDLOVU
DIRECTOR: BUDGET & FINANCIAL REFORMS
MANAGER
SM NKOSI STRATEGIC EXECUTIVE DIRECTOR: BUDGET & TREASURY OFFICE

DATE: _____ DATE: _____ DATE: _____

ACCOUNTANT: GEN ACCOUNT & ADMIN SERVICES

NEWCASTLE MUNICIPALITY GRANT REGISTER FOR DECEMBER 2021

Number	Vote number	Description	Opening balance	Reserve	Expenditure for DEC	Adjustments	Total Expenditure before VAT	VAT FOR THE MONTH	Total VAT Amount	Total Expenditure after VAT	Closing balance
1	030652000100	Environmental Management Framework	(602,874.43)								(602,874.43)
2	030652000700	Clarendon Town Electrification Grant	(823,975.11)		22,803.40		197,647.72				(823,975.11)
3	030652004812	Thika Danda Rehabilitation Grant			382,232.88		1,720,646.01				(2,542,484.18)
4	030652005812	Expanded PWWorks Incentive	(2,717,185.18)		17,020.58		201,052.89		7,951.20	1,728,648.01	(342,351.96)
5	030652005012	Financial Management Grant (FMG)							9,000.00	210,032.89	(1,439,987.11)
6	030652005612	Grant Skill Development	(3,846,184.81)								(1,411,412.68)
7	030652013812	Community Library Services Grant	(412,646.81)								(618,113.23)
8	030652013812	Community Library Services Grant	(412,646.81)		395,181.20		2,884,052.68		4,741.80	2,309,436.58	(11,353.39)
9	030652021001	Hygiene Fresh Produce	(11,353.39)								(11,353.39)
10	030652023801	Skills Mini-business Facilities Grant	(10,226.00)								10,226.00
11	030652001412	MIG		92,189,000.00	6,804,306.66		47,890,857.14	1,030,046.00	7,242,720.12	65,232,677.26	39,836,322.74
12	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
13	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
14	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
15	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
16	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
17	030652005012	Clarendon Arts Centre	(36,826.00)								(36,826.00)
18	030652016012	Carachi Building House	(81,725.76)		4,089.47		30,207.77				(48,424.98)
19	030652016012	Newcastle Airport	(2,182,696.61)		292,889.77		2,015,648.31		8,459.18	2,862,107.40	(801,210.80)
20	030652016012	Newcastle Airport	(2,182,696.61)								(2,182,696.61)
21	030652025112	Neighbouring Development Partnership Grant	(5,639,933.12)								(4,838,911.17)
22	030652025112	Neighbouring Development Partnership Grant	(5,639,933.12)								(5,639,933.12)
23	030652025112	Municipal Water Infra Grant	(8,618,389.60)		396,125.00		10,469,380.47	55,212.75	1,316,389.56	11,794,748.03	1,711,446.23
24	030652025112	All Housing Grants	(4,885,812.79)		49,700,538.68		149,706,703.36			149,706,703.36	89,193,778.85
25	030652025112	Spport and Recreation	(5,617,084.32)		3,110,004.95		3,118,904.85		487,414.92	3,606,319.77	2,089,574.81
26	030652025112	Thika Danda Rehabilitation Grant - Post Energy Efficiency and Demand Side Management Grant	(5,186,236.30)								(5,186,236.30)
28	030652042801	TOTAL	(41,232,113.71)	(1,056,000.00)	61,817,394.00	14,459,000.00	218,885,867.07	1,546,153.78	9,148,869.84	228,111,477.81	(1,800,000.00)
				-17,407,800.00							(17,407,800.00)
				-1,362,630.00							(1,362,630.00)
				14,459,000.00							14,459,000.00
				(621,988,807.40)							(621,988,807.40)

PREPARED BY:

REVIEWED BY:

REVIEWED BY:

AUTHORIZED BY:

C HARIPARSAD

B.N KHUMALO

M.S NDLOVU

S.M NKOSI

ACCOUNTANT

MANAGER

STRATEGIC EXECUTIVE
DIRECTOR: BUDGET &
TREASURY OFFICE

DATE:

DATE:

DATE:

DATE:



THE FINANCIAL MANAGER
 *NEWCASTLE LOCAL MUNICIPALITY
 COLLECTION ACCOUNT
 X6621
 NEWCASTLE
 2940

135 Rivonia Road, Sandown, 2196
 P O Box 1144, Johannesburg, 2000, South Africa

Bank VAT Reg No 4320116074
 Lost cards 0800 110 929
 Client Solution Desk 0860 555 333
 nedbank.co.za

Tax invoice

Some of our fees will change on 1 January 2022.
 For more information go to nedbank.co.za or consult your business manager.



Please examine this statement soonest. If no error is reported within 30 days after receipt, the statement will be considered as being correct.

Account summary

Account type	Account number
Current account	1162660066

Statement date:	31/12/2021	Envelope:	1 of 1
Statement period:	30/11/2021 – 31/12/2021	Total pages:	198
Statement frequency:	Month-end	Client VAT number:	

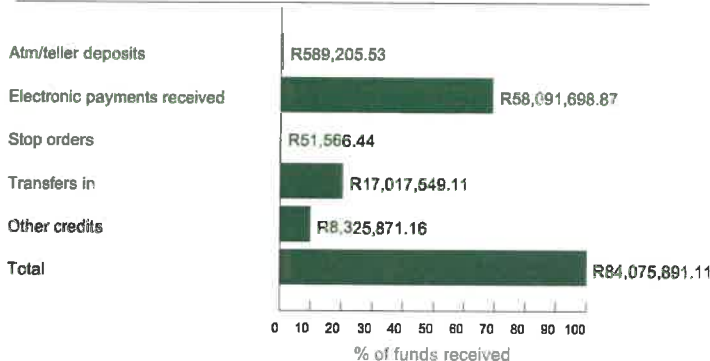
Bank charges summary

Other charges	R0.00
Bank charge(s) (total)	R0.00
*VAT inclusive @	15.000%
VAT calculated monthly	

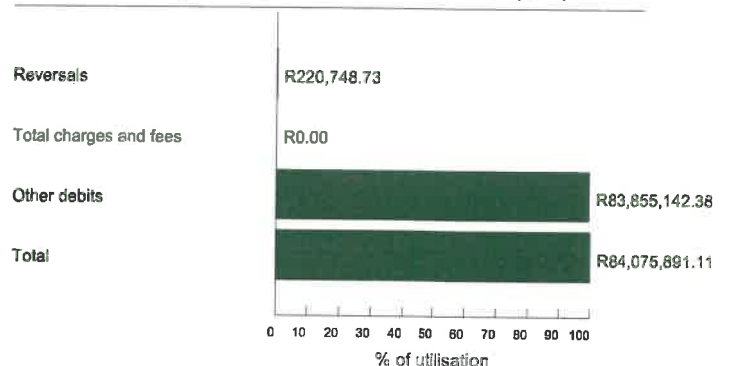
Cashflow

Opening balance	R0.00
Funds received/Credits	R84,075,891.11
Funds used/Debits	R84,075,891.11
Closing balance	R0.00
Annual credit interest rate	0.000%

Total funds received/credits R84,075,891.11



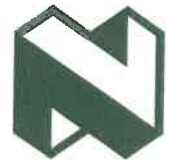
Total funds used/debits R84,075,891.11



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NEDBANK

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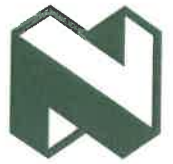
Tran list no	Date	Description	Fees (R)	Debits (R)	Credits (R)	Balance (R)
		Balance brought forward				
	31/12/2021	ABSA BANK 370005591687			150.00	3,502,001.97
	31/12/2021	ABSA BANK 5192594			150.00	3,502,151.97
	31/12/2021	290006626179			120.00	3,502,271.97
	31/12/2021	ABSA BANK 5652339000000000000			112.50	3,502,384.47
	31/12/2021	ABSA BANK 230002637117			112.14	3,502,496.61
	31/12/2021	ABSA BANK 320005587425			50.00	3,502,546.61
	31/12/2021	ABSA BANK 5592709000000000000			42.00	3,502,588.61
	31/12/2021	110001201160	1.13		3,200.00	3,505,788.61
	31/12/2021	ATM CASH R3,200.00			0.00	3,505,788.61
	31/12/2021	270001117446	1.13		2,333.00	3,508,121.61
	31/12/2021	BR CASH R2,333.00			0.00	3,508,121.61
	31/12/2021	210004105608	1.13		1,500.00	3,509,621.61
	31/12/2021	ATM CASH R1,500.00			0.00	3,509,621.61
	31/12/2021	210005502175	1.13		1,500.00	3,511,121.61
	31/12/2021	ATM CASH R1,500.00			0.00	3,511,121.61
019031	31/12/2021	220006535316	1.13		1,000.00	3,512,121.61
	31/12/2021	ATM CASH R1,000.00			0.00	3,512,121.61
	31/12/2021	10023287	1.13		1,000.00	3,513,121.61
	31/12/2021	ATM CASH R1,000.00			0.00	3,513,121.61
	31/12/2021	0005604564	1.13		600.00	3,513,721.61
	31/12/2021	ATM CASH R600.00			0.00	3,513,721.61
	31/12/2021	220005590155	1.13		600.00	3,514,321.61
	31/12/2021	ATM CASH R600.00			0.00	3,514,321.61
	31/12/2021	240010031635	1.13		360.00	3,514,681.61
	31/12/2021	ATM CASH R360.00			0.00	3,514,681.61
	31/12/2021	6557688	1.13		300.00	3,514,981.61
	31/12/2021	ATM CASH R300.00			0.00	3,514,981.61
	31/12/2021	6009669	1.13		250.00	3,515,231.61
	31/12/2021	ATM CASH R250.00			0.00	3,515,231.61
	31/12/2021	020120000053	1.13		90.00	3,515,321.61
	31/12/2021	ATM CASH R90.00			0.00	3,515,321.61
	31/12/2021	330002385931			14,439.99	3,529,761.60
	31/12/2021	300001332881			11,885.57	3,541,647.17
	31/12/2021	210001205856			7,711.47	3,549,358.64
	31/12/2021	230002633553			5,232.57	3,554,591.21
019032	31/12/2021	180002705455			3,787.00	3,558,378.21
	31/12/2021	210001129072			3,628.00	3,562,006.21
	31/12/2021	390001184992			3,597.27	3,565,603.48
	31/12/2021	140010030223			3,355.00	3,568,958.48
	31/12/2021	370002684048			3,000.00	3,571,958.48
	31/12/2021	260001102785			2,953.35	3,574,911.83
	31/12/2021	310001153528			2,658.22	3,577,570.05
	31/12/2021	240001721269			2,488.24	3,580,058.29
	31/12/2021	320010032987			2,484.79	3,582,543.08
	31/12/2021	250002222094			2,174.91	3,584,717.99
	31/12/2021	330001227795			2,124.00	3,586,841.99
	31/12/2021	190001165652			1,590.00	3,588,431.99
	31/12/2021	180001100971			1,500.00	3,589,931.99
	31/12/2021	320010029637			485.00	3,590,416.99
	31/12/2021	CM SWP TO-1162667338		3,590,416.99		0.00

Closing balance **0.00**

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Nedbank Ltd Reg No 1951/00009/06.



THE FINANCIAL MANAGER
 *NEWCASTLE LOCAL MUNICIPALITY
 PRIMARY BANK ACCOUNT
 X6621
 NEWCASTLE
 2940

135 Rivonia Road, Sandown, 2196
 P O Box 1144, Johannesburg, 2000, South Africa

Bank VAT Reg No 4320116074
 Lost cards 0800 110 929
 Client Solution Desk 0860 555 333
 nedbank.co.za

Tax invoice

Some of our fees will change on 1 January 2022.
 For more information go to nedbank.co.za or consult your business manager.



Please examine this statement soonest. If no error is reported within 30 days after receipt, the statement will be considered as being correct.

Account summary

Account type	Account number
Current account	1162667338

Statement date:	31/12/2021	Envelope:	1 of 1
Statement period:	30/11/2021 – 31/12/2021	Total pages:	21
Statement frequency:	Month-end	Client VAT number:	

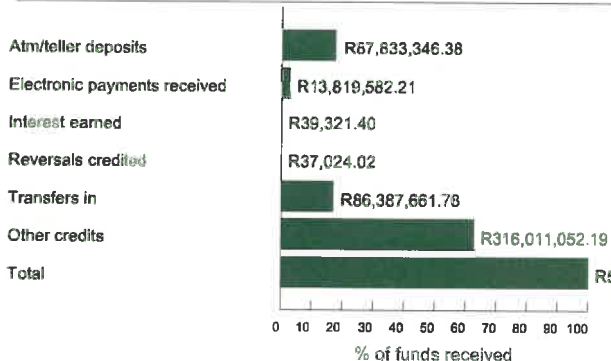
Bank charges summary

Other charges	R0.00
Bank charge(s) (total)	R0.00
*VAT inclusive @	15.000%
VAT calculated monthly	

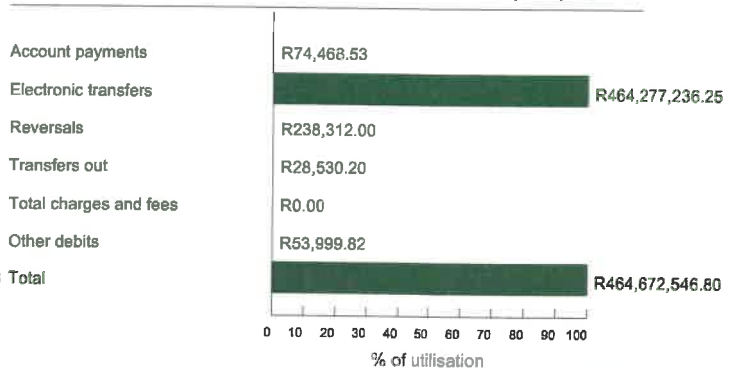
Cashflow

Opening balance	R7,738,607.49
Funds received/Credits	R504,127,987.98
Funds used/Debits	R464,672,546.80
Closing balance	R47,194,048.67
Annual credit interest rate	0.000%

Total funds received/credits R504,127,987.98



Total funds used/debits R464,672,546.80



see money differently

NEDBANK

We subscribe to the Code of Banking Practice of The Banking Association South Africa and, for unresolved disputes, support resolution through the Ombudsman for Banking Services. Authorised financial services and registered credit provider (NCRCP16). Nedbank Ltd Reg No 1951/000009/06.



Tran list no	Date	Description	Fees (R)	Debits (R)	Credits (R)	Balance (R)
		Balance brought forward				
	31/12/2021	MERCH D - 02960748		864.80		43,608,382.22
	31/12/2021	MERCH D - 02960730		864.80		43,607,517.42
	31/12/2021	MERCH D - 02960722		864.80		43,606,652.62
	31/12/2021	MERCH D - 02961274		864.80		43,605,787.82
	31/12/2021	MERCH D - 02960698		844.10		43,604,943.72
	31/12/2021	MERCH D - 02960672		762.88		43,604,180.84
	31/12/2021	MERCH D - 02997799		460.00		43,603,720.84
	31/12/2021	CM SWP FROM-1162660066			3,590,416.99	47,194,137.83
	31/12/2021	TRANSFER TO 1180366085	12.92	89.16		47,194,048.67
Closing balance						47,194,048.67

see money differently

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Nedbank Ltd Reg No 1951/000009/06.

MUNICIPAL MANAGER'S QUALITY CERTIFICATE



I, **Vishanderan Govender**, the Acting Municipal Manager of **Newcastle Municipality**, hereby certify that the mid-year review budget and supporting documentation of the 2021/2022 Operational and Capital Budget have been prepared in accordance with Section 72(1)(a)(b) of the Municipal Finance Management Act, No56 of 2003; and Regulation 56-59 of the Municipal Budget and Reporting Regulations.

Print Name : **Vishanderan Govender**

Acting Municipal Manager : **NEWCASTLE MUNICIPALITY**

Signature :

Date : **24 / 01 / 2022**