

22. **SECTION 52D: FIRST QUARTER ASSESSMENT FOR THE PERIOD ENDING: 30 September 2014:
(T 6/1/1-2014/2015): BUDGET AND TREASURY OFFICE**

EXECUTIVE SUMMARY

In terms of Section 52 (d) of the Local Government: Municipal Finance Management Act No. 56 of 2003, the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state affairs of the municipality. This report is submitted to both the National and Provincial Treasuries through a series of MFMA returns that were designed by the National Treasury.

RECOMMENDED:

- (a) That the first quarter's operational and capital expenditure results for the year ended 30 September 2014 be noted;
- (b) That the Strategic Executive Directors at all times remain within the financial guidelines of the Municipal Finance Management Act;
- (c) That the Strategic Executive Directors commit themselves to maintaining a credible budget target for revenue and expenditure;
- (d) That the Strategic Executive Directors acknowledge the significance of the 2014/2015 approved capital budget as a service delivery barometer;

SED: Budget &
Treasury Office

REPORT

Operational Revenue

During the first quarter of the new financial year, the municipality's statement of financial performance reflected a surplus of R55 369 000. During the same period, the municipality generated 26% R403 042 000 of the total original budget of R1 526 362 000. The variance between the revenue budget for the period ending 30 September 2014 and the actual revenue accrued for the same period is 6% (R21 452 000) which means that the municipality generated 6% more than the budget for this period. This was due to huge portions of grants being recognised as revenue during the first quarter. The municipality recognised 36% of anticipated grants during this period. This revenue comprises of the actual cash received. In compliance with GRAP, revenue is recognised when it becomes due which means that the municipality's financial performance reflects billings and not actual cash receipts. Schedule SC9 shows actual cash receipts per revenue sources.

The average revenue collection rate in respect of the municipality's own revenue sources was 74% during this period. Individually, the primary revenue sources recorded the following collection rates during the period under review:

Property Rates:	22.70%
Electricity:	22.10%
Water:	24.41%
Sanitation:	24.69%
Solid Waste:	25.21%

The above indicates that the municipality needs to put more effort into revenue collection.

Operational Expenditure

During the first quarter, the municipality had incurred 19% (R347 674 000) of the total original budget of R1 858 469 000. Actual cash spent on operating expenditure amounted to R393.8million which is 34.7% of the total annual anticipated cash expenditure of R1.1 billion. Comparison between the pro rata budget of R464 617 000 and actual expenditure for the third month period reflects an under-expenditure of R116.9million (-25%). By the end of September 2014 R10 554 593 expenditure had been incurred in respect of *Repairs and Maintenance*. Schedule SC13c shows budget and expenditure on repairs and maintenance per asset class.

Capital Expenditure

Capital expenditure for the quarter amounted to R37.1million and the total capital expenditure incurred which is 8% of the total original capital budget of R444 229 000. Comparison between the pro rata budget of R111 057 000 and actual expenditure for the third month period reflects and under expenditure of (R73 954 000) (-67%) which means that the municipality spent 67% less than the budget for this period. Capital expenditure per department is as follows:

<i>Corporate Service</i>	R6.6 million 4%
<i>Community Services</i>	R11.6 million 37%
<i>BTO</i>	R485 thousand 20%
<i>Municipal Manager</i>	R0 million 0%
<i>Dev Plan & HS</i>	- R655 thousand -3%
<i>Technical Services</i>	R14 million 7%
<i>Electrical & Mechanical Services</i>	R5 million 28%

Debtors

The municipality's debt continues to increase at an alarming rate and as mentioned above, this poses a threat to the municipality's liquidity. The increase in outstanding debtors requires urgent attention in order to prevent potential cash flow problems in future. The municipality's debtors as reflected in table SC3 continued to increase and by the end of the quarter, the total amount of debtors was R947.8 million. The bulk of this amount (R853.1 million) is debt owing for more than 90 days. About R762.5 million of the total debt is owed by

households. This needs to be attended to urgently as it has a negative impact on the municipality's cash flows. If not urgently attended to, the municipality might end up facing cash flow problems. Table SC9 shows that the collection rates per each revenue source per month are very low compared to the billings per each revenue source per month.

Report seen by:



S. L. DUBE
ACTING STRATEGIC EXECUTIVE DIRECTOR
BUDGET AND TREASURY OFFICE

K. MASANGE
MUNICIPAL MANAGER

A. F. REHMAN
PORTFOLIO COUNCILLOR
BUDGET AND TREASURY OFFICE

KZN252 Newcastle - Contact Information

A. GENERAL INFORMATION	
Municipality	KZN252 Newcastle
Grade	Grade 4
Province	KZN KWAZULU-NATAL
Web Address	www.newcastle.gov.za
e-mail Address	mm.newcastle.gov.za
B. CONTACT INFORMATION	
Postal address:	
P.O. Box	Private Bag X6621
City / Town	Newcastle
Postal Code	2940
Street address	
Building	Civic Centre
Street No. & Name	37 Murchison Street
City / Town	Newcastle
Postal Code	2940
General Contacts	
Telephone number	(034) 328 7600
Fax number	(034) 312 1152
C. POLITICAL LEADERSHIP	
Speaker:	
Name	Cllr M. F. Zikhal
Telephone number	
Cell number	076 966 2334
Fax number	
E-mail address	mandla.zikhal@newcastle.gov.za
Secretary/PA to the Speaker:	
Name	Mrs N. Dlamini
Telephone number	(034) 328 7686
Cell number	
Fax number	
E-mail address	speaker@newcastle.gov.za
Mayor/Executive Mayor:	
Name	Cllr F.A. Rehman
Telephone number	(034) 328 7737
Cell number	072 402 7060
Fax number	086 692 9147
E-mail address	mayor@newcastle.gov.za
Secretary/PA to the Mayor/Executive Mayor:	
Name	Miss Z. Marangane
Telephone number	(034) 328 7737
Cell number	
Fax number	
E-mail address	mayor@newcastle.gov.za
Deputy Mayor/Executive Mayor:	
Name	Cllr R. N. Mdluli
Telephone number	(034) 328 7628
Cell number	072 208 3753
Fax number	086 692 9147
E-mail address	deputymayor@newcastle.gov.za
Secretary/PA to the Deputy Mayor/Executive Mayor:	
Name	Miss Z. Marangane
Telephone number	(034) 328 7737
Cell number	
Fax number	
E-mail address	mayor@newcastle.gov.za
D. MANAGEMENT LEADERSHIP	
Municipal Manager:	
Name	Mr K. Masange
Telephone number	(034) 328 7766
Cell number	082 808 2829
Fax number	(034) 312 7089
E-mail address	mm@newcastle.gov.za
Secretary/PA to the Municipal Manager:	
Name	Mrs S.R. Mzila
Telephone number	(034) 328 7750
Cell number	
Fax number	(034) 312 7089
E-mail address	mm@newcastle.gov.za
Chief Financial Officer	
Name	Mr S.G.L. Dube
Telephone number	(034) 328 7752
Cell number	(082) 726 5526
Fax number	(031) 332 3920
E-mail address	shyamdumisa.dube@newcastle.gov.za
Secretary/PA to the Chief Financial Officer	
Name	Mrs L. Oberholster
Telephone number	(034) 328 7752
Cell number	
Fax number	(034) 328 7769
E-mail address	lizelle.oberholster@newcastle.gov.za

Set name on 'Instructions' sheet

1 Grade in terms of the Remuneration of Public Office Bearers Act.

Official responsible for submitting financial information		
Name	Mr J.S. Cele	
Telephone number	(034) 328 3460	
Cell number	(076) 413 1629	
Fax number	(034) 328 7800	
E-mail address	jerome.cele@newcastle.gov.za	
Official responsible for submitting financial information		
Name	Miss Z F Mkhize	
Telephone number	(034) 328 3428	
Cell number		
Fax number	(034) 328 7800	
E-mail address	zamambo.mkhize@newcastle.gov.za	
Official responsible for submitting financial information		
Name		
Telephone number		
Cell number		
Fax number		
E-mail address		

KZN252 Newcastle - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Yr Forecast	
R thousands		1									
Revenue - Standard											
<i>Governance and administration</i>		-	344,084	-	21,942	101,299	86,021	15,278	18%	34%	
Executive and council		-	21,415	-	1,030	3,848	5,354	(1,505)	-28%	13%	
Budget and treasury office		-	270,568	-	20,901	76,823	67,642	9,181	14%	28%	
Corporate services		-	52,101	-	11	20,628	13,025	7,603	58%	52%	
<i>Community and public safety</i>		-	18,853	-	1,582	3,255	4,713	(1,459)	-31%	17%	
Community and social services		-	12,187	-	336	1,143	3,047	(1,903)	-62%	8%	
Sport and recreation		-	586	-	666	691	146	545	372%		
Public safety		-	2,471	-	257	573	618	(45)	-7%	2%	
Housing		-	3,608	-	303	848	902	(54)	-5%	6%	
Health		-	2	-	-	-	0	(0)	-100%		
<i>Economic and environmental services</i>		-	4,589	-	630	1,084	1,147	(63)	-5%	5%	
Planning and development		-	529	-	100	236	132	104	79%		
Road transport		-	4,060	-	530	847	1,015	(167)	-17%	4%	
Environmental protection		-	-	-	-	-	-	-			
<i>Trading services</i>		-	1,158,700	-	84,617	297,370	289,675	7,695	3%	1,063%	
Electricity		-	663,155	-	57,147	149,772	165,789	(16,017)	-10%	571%	
Water		-	224,081	-	13,767	64,171	56,020	8,151	15%	220%	
Waste water management		-	169,475	-	7,495	53,602	42,369	11,233	27%	168%	
Waste management		-	101,989	-	6,207	29,826	25,497	4,328	17%	102%	
Other	4	-	138	-	16	35	34	1	2%		
Total Revenue - Standard	2	-	1,526,362	-	108,766	403,042	381,590	21,452	6%	1,432	
Expenditure - Standard											
<i>Governance and administration</i>		-	278,675	-	23,518	58,165	69,669	(11,504)	-17%	232%	
Executive and council		-	122,172	-	10,923	29,790	30,543	(752)	-2%	119%	
Budget and treasury office		-	72,642	-	7,234	15,749	18,160	(2,411)	-13%	62%	
Corporate services		-	83,861	-	5,361	12,625	20,965	(8,340)	-40%	50%	
<i>Community and public safety</i>		-	203,507	-	15,685	40,122	50,877	(10,755)	-21%	160%	
Community and social services		-	75,195	-	6,099	13,927	18,799	(4,872)	-26%	55%	
Sport and recreation		-	46,167	-	3,588	9,309	11,542	(2,233)	-19%	37%	
Public safety		-	60,093	-	4,301	12,451	15,023	(2,573)	-17%	49%	
Housing		-	18,196	-	1,456	3,741	4,549	(808)	-18%	14%	
Health		-	3,856	-	241	694	964	(270)	-28%	2%	
<i>Economic and environmental services</i>		-	346,409	-	44,840	75,597	86,602	(11,005)	-13%	302%	
Planning and development		-	36,044	-	2,005	5,561	9,011	(3,450)	-38%	22%	
Road transport		-	310,259	-	42,823	69,982	77,565	(7,583)	-10%	279%	
Environmental protection		-	106	-	12	54	27	28	104%		
<i>Trading services</i>		-	1,029,251	-	112,466	173,772	257,313	(83,541)	-32%	695%	
Electricity		-	499,254	-	89,560	115,450	124,814	(9,364)	-8%	461%	
Water		-	191,450	-	12,740	34,258	47,862	(13,605)	-28%	137%	
Waste water management		-	244,629	-	2,070	5,447	61,157	(55,710)	-91%	21%	
Waste management		-	93,918	-	8,095	18,618	23,479	(4,861)	-21%	74%	
Other		-	627	-	6	18	157	(139)	-89%		
Total Expenditure - Standard	3	-	1,858,469	-	196,514	347,674	464,617	(116,943)	-25%	1,390	
Surplus/ (Deficit) for the year		-	(332,107)	-	(87,748)	55,369	(83,027)	138,395	-167%	41	

KZN252 Newcastle - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Ref	2013/14		Budget Year 2014/15						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Standard										
<i>Municipal governance and administration</i>		-	344,084	-	21,942	101,290	88,021	15,278	18%	348,178
<i>Executive and council</i>		-	21,415	-	1,030	3,848	5,354	(1,505)	-28%	13,701
<i>Mayor and Council</i>			21,115		1,030	3,848	5,279	(1,430)	-27%	13,701
<i>Municipal Manager</i>			300				75	(75)	-100%	-
<i>Budget and treasury office</i>			270,568		20,901	76,823	67,842	9,181	14%	280,382
<i>Corporate services</i>		-	52,101	-	11	20,628	13,025	7,603	58%	52,085
<i>Human Resources</i>							-	-		834
<i>Information Technology</i>			934				234	(234)	-100%	-
<i>Property Services</i>			51,167		11	20,628	12,792	7,836	61%	51,250
<i>Other Admin</i>							-	-		-
<i>Community and public safety</i>		-	18,853	-	1,562	3,255	4,713	(1,459)	-31%	17,338
<i>Community and social services</i>		-	12,187	-	336	1,143	3,047	(1,903)	-62%	8,343
<i>Libraries and Archives</i>			8,613		164	615	2,153	(1,538)	-71%	5,631
<i>Museums & Art Galleries etc</i>			1,302		-	-	328	(328)	-100%	580
<i>Community halls and Facilities</i>			491		60	114	123	(9)	-7%	456
<i>Cemeteries & Crematoriums</i>			1,781		112	415	445	(31)	-7%	1,658
<i>Child Care</i>							-	-		-
<i>Aged Care</i>							-	-		-
<i>Other Community</i>							-	-		-
<i>Other Social</i>							-	-		-
<i>Sport and recreation</i>			586		666	691	146	545	372%	435
<i>Public safety</i>		-	2,471	-	257	573	618	(45)	-7%	2,290
<i>Police</i>							-	-		-
<i>Fire</i>			10		0	17	3	14	553%	68
<i>Civil Defence</i>							-	-		-
<i>Street Lighting</i>							-	-		-
<i>Other</i>			2,461		256	556	615	(59)	-10%	2,223
<i>Housing</i>			3,688		383	848	902	(54)	-6%	6,267
<i>Health</i>		-	2	-	-	-	8	(8)	-100%	-
<i>Clinics</i>							-	-		-
<i>Ambulance</i>							-	-		-
<i>Other</i>			2				0	(0)	-100%	-
<i>Economic and environmental services</i>		-	4,589	-	630	1,084	1,147	(63)	-8%	5,086
<i>Planning and development</i>		-	529	-	100	236	132	104	79%	948
<i>Economic Development/Planning</i>					-	51	-	51	#DIV/0!	202
<i>Town Planning/Building enforcement</i>										
<i>Licensing & Regulation</i>			501		97	175	125	50	40%	699
<i>Other</i>			28		3	11	7	4	59%	45
<i>Road transport</i>		-	4,060	-	530	847	1,015	(167)	-17%	4,140
<i>Roads</i>			2,427		415	427	607	(180)	-30%	2,458
<i>Public Buses</i>							-	-		-
<i>Parking Garages</i>			423		21	68	106	(38)	-36%	272
<i>Vehicle Licensing and Testing</i>							-	-		-
<i>Other</i>			1,210		94	352	303	50	16%	1,409
<i>Environmental protection</i>		-	-	-	-	-	-	-		-
<i>Pollution Control</i>							-	-		-
<i>Biodiversity & Landscape</i>							-	-		-
<i>Other</i>							-	-		-
<i>Trading services</i>		-	1,158,700	-	84,617	297,370	289,675	7,695	3%	1,063,491
<i>Electricity</i>		-	863,155	-	57,147	148,772	165,789	(16,017)	-10%	571,671
<i>Electricity Distribution</i>			663,155		57,147	149,772	165,789	(16,017)	-10%	571,671
<i>Electricity Generation</i>							-	-		-
<i>Water</i>		-	224,081	-	13,767	64,171	56,020	8,151	15%	228,733
<i>Water Distribution</i>			224,081		13,767	64,171	56,020	8,151	15%	228,733
<i>Water Storage</i>							-	-		-
<i>Waste water management</i>		-	168,475	-	7,495	53,602	42,369	11,233	27%	168,415
<i>Sewerage</i>			168,475		7,495	53,602	42,369	11,233	27%	168,415
<i>Storm Water Management</i>							-	-		-

Water	-	191,450	-	12,740	34,258	47,862	(13,065)	-28%	137,630	
Water Distribution		191,407		12,740	34,258	47,852	(13,594)	-28%	137,030	
Water Storage		43				11	(11)	-100%	-	
Waste water management	-	244,629	-	2,070	5,447	61,157	(55,710)	-91%	21,787	
Sewerage		242,714		1,963	5,113	60,679	(55,565)	-92%	20,452	
Storm Water Management										
Public Toilets		1,915		107	334	479	(145)	-30%	1,335	
Waste management	-	93,918	-	8,095	18,618	23,479	(4,861)	-21%	74,472	
Solid Waste		93,918		8,095	18,618	23,479	(4,861)	-21%	74,472	
Other	-	627	-	6	18	157	(139)	-89%	72	
Air Transport		627		6	18	157	(139)	-89%	72	
Abattoirs										
Tourism										
Forestry										
Markets										
Total Expenditure - Standard	3	-	1,858,489	-	196,514	347,674	464,617	(116,943)	-25%	1,390,695
Surplus (Deficit) for the year		-	(332,167)	-	(87,748)	55,369	(83,027)	138,395	-167%	41,533

References

- Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
- Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
- Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
- All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing

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KZN252 Newcastle - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First

Vote Description	Ref	2013/14 Audited Outcome	Budget Year 2014/15							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Ye Foreca
R thousands										
Revenue by Vote	1									
Vote 1 - Corporate Services		-	73,133	-	1,041	58,345	18,283	40,062	219.1%	65
Vote 2 - Community Services		-	114,107	-	7,487	32,301	28,527	3,774	13.2%	114
Vote 3 - Budget & Treasury Office		-	270,568	-	20,901	76,823	67,642	9,181	13.6%	280
Vote 4 - Municipal Manager		-	934	-	-	-	234	(234)	-100.0%	
Vote 5 - Development Planning & Human Settlements		-	7,272	-	419	1,119	1,818	(699)	-38.5%	7
Vote 6 - Technical Services		-	397,193	-	21,772	118,552	99,298	19,254	19.4%	393
Vote 7 - Electrical and Mechanical Services		-	663,155	-	57,147	115,903	165,789	(49,886)	-30.1%	571
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	1,526,362	-	108,766	403,042	381,590	21,452	5.6%	1,432
Expenditure by Vote	1									
Vote 1 - Corporate Services		-	128,064	-	11,349	29,322	32,016	(2,694)	-8.4%	117
Vote 2 - Community Services		-	273,976	-	21,929	53,300	68,494	(15,194)	-22.2%	213
Vote 3 - Budget & Treasury Office		-	74,642	-	7,234	15,749	18,660	(2,911)	-15.6%	62
Vote 4 - Municipal Manager		-	62,903	-	4,141	11,046	15,726	(4,679)	-29.8%	44
Vote 5 - Development Planning & Human Settlements		-	54,867	-	3,467	9,320	13,717	(4,397)	-32.1%	37
Vote 6 - Technical Services		-	755,068	-	58,149	110,975	188,767	(77,792)	-41.2%	443
Vote 7 - Electrical and Mechanical Services		-	508,949	-	90,245	117,961	127,237	(9,276)	-7.3%	471
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	-	1,858,469	-	196,514	347,674	464,617	(116,943)	-25.2%	1,390
Surplus/ (Deficit) for the year	2	-	(332,107)	-	(87,748)	55,368	(83,027)	138,395	-166.7%	41

KZN252 Newcastle - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Yr Forecast	
R thousands											
Revenue By Source											
Property rates			242,670			18,712	55,100	60,667	(5,567)	-9%	22%
Property rates - penalties & collection charges								-	-		
Service charges - electricity revenue			609,525			56,806	134,704	152,381	(17,677)	-12%	53%
Service charges - water revenue			164,356			13,699	40,125	41,089	(964)	-2%	16%
Service charges - sanitation revenue			90,288			7,438	22,291	22,572	(281)	-1%	8%
Service charges - refuse revenue			73,450			6,202	18,514	18,362	152	1%	7%
Service charges - other								-	-		
Rental of facilities and equipment			6,479			469	1,758	1,620	138	9%	7%
Interest earned - external investments			16,872			546	4,941	4,218	723	17%	15%
Interest earned - outstanding debtors			8,131			706	2,109	2,033	76	4%	8%
Dividends received								-	-		
Fines			2,827			280	615	707	(92)	-13%	2%
Licences and permits			3			2	6	1	6	686%	
Agency services								-	-		
Transfers recognised - operational			298,618			1,377	119,640	74,655	44,985	60%	29%
Other revenue			13,142			2,531	3,240	3,286	(46)	-1%	12%
Loss on disposal of PPE								-	-		
Total Revenue (excluding capital transfers and contributions)			-	1,526,362	-	108,766	403,042	381,590	21,452	6%	1,432
Expenditure By Type											
Employee related costs			399,663			29,977	86,006	99,916	(13,910)	-14%	34%
Remuneration of councillors			18,121			1,404	4,158	4,530	(372)	-8%	16%
Debt impairment			296,728			-	-	74,182	(74,182)	-100%	
Depreciation & asset impairment			238,002			46,936	67,365	59,500	7,865	13%	26%
Finance charges			22,158			3,117	6,990	5,540	1,450	26%	27%
Bulk purchases			432,240			81,417	131,806	108,060	23,746	22%	52%
Other materials			3,558			326	413	889	(477)	-54%	1%
Contracted services			161,322			10,874	28,053	40,331	(12,278)	-30%	11%
Transfers and grants			54,913					13,728	(13,728)	-100%	
Other expenditure			231,763			22,463	22,883	57,941	(35,058)	-61%	9%
Loss on disposal of PPE								-	-		
Total Expenditure			-	1,858,469	-	196,514	347,674	464,617	(116,943)	-25%	1,390
Surplus/(Deficit)											
Transfers recognised - capital			-	(332,107)	-	(87,748)	55,369	(83,027)	138,395	(0)	41%
Contributions recognised - capital								-	-		
Contributed assets								-	-		
Surplus/(Deficit) after capital transfers & contributions			-	(332,107)	-	(87,748)	55,369	(83,027)			41%
Taxation								-	-		
Surplus/(Deficit) after taxation			-	(332,107)	-	(87,748)	55,369	(83,027)			41%
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	(332,107)	-	(87,748)	55,369	(83,027)			41%
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	(332,107)	-	(87,748)	55,369	(83,027)			41%

KZN252 Newcastle - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - Q1 First Quarter

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcomes	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 & Treasury Office		-	-	-	-	-	-	-	-	-
Vote 4 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 5 - Development Planning & Human Settlements		-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 7 - Electrical and Mechanical Services		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Corporate Services		-	175,374	-	13	6,612	44,094	(37,481)	-85%	26,450
Vote 2 - Community Services		-	31,675	-	5,087	11,632	7,519	3,713	47%	46,527
Vote 3 - Budget & Treasury Office		-	2,450	-	208	485	613	(128)	-21%	1,938
Vote 4 - Municipal Manager		-	2,034	-	-	-	508	(508)	-100%	-
Vote 5 - Development Planning & Human Settlements		-	23,040	-	911	(655)	5,760	(6,415)	-111%	(2,621)
Vote 6 - Technical Services		-	190,456	-	4,836	13,985	47,514	(33,629)	-71%	55,341
Vote 7 - Electrical and Mechanical Services		-	18,200	-	3,730	5,044	4,550	494	11%	20,178
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	-	444,229	-	14,786	37,103	111,057	(73,954)	-47%	148,412
Total Capital Expenditure		-	444,229	-	14,786	37,103	111,057	(73,954)	-47%	148,412
Capital Expenditure - Standard Classification										
Governance and administration		-	180,854	-	222	7,097	45,214	(38,117)	-84%	28,388
Executive and council		-	176,374	-	13	6,612	44,094	(37,481)	-85%	26,450
Budget and treasury office		-	2,450	-	208	485	613	(128)	-21%	1,938
Corporate services		-	2,034	-	-	-	508	(508)	-100%	-
Community and public safety		-	31,775	-	1,449	4,210	7,944	(3,734)	-47%	18,839
Community and social services		-	12,880	-	-	-	3,220	(3,220)	-100%	-
Sport and recreation		-	13,620	-	1,228	6,089	3,405	2,684	78%	24,275
Public safety		-	775	-	-	-	194	(194)	-100%	-
Housing		-	4,500	-	441	(1,859)	1,125	(2,984)	-265%	(7,436)
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	106,640	-	4,230	9,783	28,689	(16,877)	-63%	39,131
Planning and development		-	18,540	-	470	1,204	4,635	(3,431)	-74%	4,815
Road transport		-	88,100	-	3,759	8,579	22,025	(13,446)	-61%	34,316
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	124,960	-	8,666	16,914	31,240	(15,226)	-69%	64,055
Electricity		-	18,200	-	3,730	5,044	4,550	494	11%	20,178
Water		-	102,360	-	1,076	5,406	25,590	(20,184)	-79%	21,625
Waste water management		-	4,400	-	3,859	5,503	1,100	4,463	406%	22,252
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	-	444,229	-	14,786	37,103	111,057	(73,954)	-47%	148,412
Funded by:										
National Government		-	147,914	-	2,914	13,512	36,979	(23,467)	-63%	54,047
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	147,914	-	2,914	13,512	36,979	(23,467)	-63%	54,047
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	284,840	-	10,710	24,418	71,210	(46,792)	-66%	97,571
Internally generated funds		-	11,475	-	1,162	(826)	2,869	(3,695)	-129%	(3,306)
Total Capital Funding		-	444,229	-	14,786	37,103	111,057	(73,954)	-47%	148,412

References

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

Expenditure of single-year capital appropriation									
Vote 1 - Corporate Services	-	176,374	-	13	6,612	44,094	(37,481)	-85%	26,450
Administration		176,374		13	6,612	44,094	(37,481)	-85%	26,450
Human Resources		-							
Vote 2 - Community Services	-	31,675	-	5,087	11,632	7,919	3,713	47%	46,527
Culture & Amenities		19,055		1,228	6,069	4,764	1,305	27%	24,275
Other Community Services		12,620		3,859	5,563	3,155	2,408	76%	22,252
Vote 3 - Budget & Treasury Office	-	2,450	-	208	485	613	(128)	-21%	1,938
Financial Services		2,450		208	485	613	(128)	-21%	1,938
Data Processing									
Supply Chain Unit									
Vote 4 - Municipal Manager	-	2,034	-	-	-	509	(509)	-100%	-
Municipal Manager & C.o.O.									
Internal Audit Unit									
I.D.P.									
Governance Unit									
Mayor's Unit									
Legal Services									
Performance Management									
Information Technology		2,034				509	(509)	-100%	-
Vote 5 - Development Planning & Human Settlements	-	23,040	-	911	(655)	5,760	(6,415)	-111%	(2,621)
Economic Development		5,000		286	286	1,250	(964)	-77%	1,145
Housing & Land		4,500		441	(1,859)	1,125	(2,984)	-265%	(7,436)
Town Planning		13,540		184	918	3,385	(2,467)	-73%	3,670
Vote 6 - Technical Services	-	190,456	-	4,836	13,985	47,614	(33,629)	-71%	55,941
Civil Services		106,096		3,759	8,579	27,274	(18,695)	-69%	34,316
Water & Sanitation Services		81,360		1,076	5,406	20,340	(14,934)	-73%	21,625
Vote 7 - Electrical and Mechanical Services	-	18,200	-	3,730	5,044	4,550	494	11%	20,178
Electrical Services		18,200		3,730	5,044	4,550	494	11%	20,178
Total single-year capital expenditure	-	444,229	-	14,784	37,103	111,057	(73,954)	-67%	148,412
Total Capital Expenditure	-	444,229	-	14,784	37,103	111,057	(73,954)	-67%	148,412

f. Insert 'Vote', e.g. Department, if different to standard structure

KZN252 Newcastle - Table C6 Consolidated Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash					88,858		
Call investment deposits			278,841		219,046	278,841	
Consumer debtors			474,896		555,123	474,896	
Other debtors					64,088		
Current portion of long-term receivables			22,158		0	22,158	
Inventory					18,591		
Total current assets			-	775,895	-	945,706	775,895
Non current assets							
Long-term receivables							
Investments							
Investment property			171,249		245,902	171,249	
Investments in Associate			1,110,224		462,936	1,110,224	
Property, plant and equipment			2,393,683		2,313,782	2,393,683	
Agricultural							
Biological assets							
Intangible assets			913		1,387	913	
Other non-current assets					3,069		
Total non current assets			-	3,676,069	-	3,027,076	3,676,069
TOTAL ASSETS			-	4,451,964	-	3,972,782	4,451,964
LIABILITIES							
Current liabilities							
Bank overdraft							
Borrowing			22,158		21,632	22,158	
Consumer deposits			9,997		10,023	9,997	
Trade and other payables			103,000		289,230	103,000	
Provisions			3,438		4,426	3,438	
Total current liabilities			-	138,593	-	325,311	138,593
Non current liabilities							
Borrowing			513,000		216,840	513,000	
Provisions			129,861		119,663	129,861	
Total non current liabilities			-	642,861	-	336,503	642,861
TOTAL LIABILITIES			-	781,454	-	661,814	781,454
NET ASSETS	2		-	3,670,509	-	3,310,968	3,670,509
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)				3,637,156		3,275,617	3,637,156
Reserves				33,353		35,351	33,353
TOTAL COMMUNITY WEALTH/EQUITY	2		-	3,670,509	-	3,310,968	3,670,509

KZN252 Newcastle - Table C7 Consolidated Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast	
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %		
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other			897,982		78,203	226,307	224,496	1,812	1%	897,	
Government - operating			298,618		-	112,711	74,655	38,056	51%	298,	
Government - capital			147,914		11,473	50,363	36,979	13,384	36%	147,	
Interest			16,872		2,444	7,050	4,218	2,832	67%	16,	
Dividends							-	-			
Payments											
Suppliers and employees			(1,131,767)		(96,389)	(386,848)	(282,942)	103,907	-37%	(1,131,	
Finance charges			(22,158)		(3,117)	(6,990)	(5,540)	1,450	-26%	(22,	
Transfers and Grants							-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	207,461	-	(7,386)	2,593	51,865	(49,273)	-95%	207,
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE						195	-	195	#DIV/0!		
Increase (increase) in non-current debtors							-	-			
Increase (increase) other non-current receivables							-	-			
Decrease (increase) in non-current investments					4,576	14,038	-	14,038	#DIV/0!		
Payments											
Capital assets			(444,229)		(15,381)	(37,103)	(111,057)	(73,954)	67%	(444,	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(444,229)	-	(10,805)	(22,870)	(111,057)	(88,187)	79%	(444,
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans							-	-			
Borrowing long term/refinancing			284,840		(6,755)	(2,741)	71,210	(73,951)	-104%	284,	
Increase (decrease) in consumer deposits							-	-			
Payments											
Repayment of borrowing			(22,158)				(5,540)	(5,540)	100%	(22,	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	262,682	-	(6,755)	(2,741)	65,670	68,411	104%	262,
NET INCREASE/ (DECREASE) IN CASH HELD			-	25,914	-	(24,946)	(23,019)	6,478		25,	
Cash/cash equivalents at beginning:			207,180			327,907	207,180			327,	
Cash/cash equivalents at month/year end:			-	233,094		-	304,889	213,658		353,	

KZN252 Newcastle - Supporting Table SC1 Material variance explanations - Q1 First Quarter

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenues By Source			
	Service Charges- Electricity	-12%	Electricity revenue is dependent on levels of consumption and therefore fluctuates every month.	
	Licences and permits	666%	Revenue from this item is depended on community requests	
	Transfers Recognised	60%	We received R4 011 000 for NDPG, and R1 760 000 on MWG	
	Interest earned - external investments	79%	Revenue on this item is dependent on external factors	
2	Expenditure By Type			
	Depreciation and asset impairment	13%	This variance is due to under-expenditure on capital projects. The lower the capital expenditure, the lower the depreciation	
	Finance Charges	26%	The loan has not yet been aquired.	
	Other Expenditure	-61%	Expenditure on some items is incurred on particular time frames and not necessarily on a monthly basis	
3	Capital Expenditure			
4	Financial Position		It is inevitable that variances in both operational and capital budget will have an impact on the municipality financial position.	
5	Cash Flow		The variances in both capital and operational budget performances resulted in the variance in the overall cash flow position of the municipality	
6	Measurable performance		The variances in both capital and operational budget performances resulted in the variance in the overall performance of the municipality	
	Municipal Entities			

KZN252 Newcastle - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q1 First Quarter

Description of financial indicator	Basis of calculation	Ref	2013/14	Budget Year 2014/15			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	14.0%	0.0%	2.0%	3.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	64.1%	0.0%	65.8%	65.8%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	17.4%	0.0%	15.9%	17.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	1538.1%	0.0%	613.4%	1538.1%
Liquidity							
Current Ratio	Current assets/current liabilities	1	0.0%	559.8%	0.0%	290.7%	559.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	201.2%	0.0%	94.6%	201.2%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	32.6%	0.0%	153.6%	34.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%	100.0%
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
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		0.0%	26.2%	0.0%	21.3%	24.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	6.2%	0.0%	2.6%	2.9%
Interest & Depreciation	ISD/Total Revenue - capital revenue		0.0%	17.0%	0.0%	1.7%	3.1%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year					0.4%	
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					7.1%	
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					4.2%	

References

1 Consumer debtors > 12 months old are excluded from current assets.

2 Material variances to be explained.

Calculations				
Borrowing		513,000	216,840	
Total Assets		4,451,964	3,972,782	4,451,964
Employee related costs		399,663	86,006	344,023
Repairs & Maintenance		95,258	10,555	42,218
Interest (finance charges)		22,158	6,990	27,959
Principal paid		22,158		22,158
Depreciation		238,002		18,633
Operating expenditure		1,858,469	347,674	1,360,695
Total Capital Expenditure		444,229	37,103	148,412
Borrowed funding for capital		284,840	24,418	97,671
Debt		638,158	527,702	638,158
Equity		3,670,509	3,310,968	3,670,509
Reserves		33,353	35,351	33,353
Borrowing		513,000	216,840	513,000
Current assets		775,895	945,706	775,895
Current liabilities		138,593	325,311	138,593
Monetary assets		278,841	307,904	278,841
Total Revenue (excluding capital transfers and contributions)		1,526,362	403,042	1,432,229
Transfers recognised - operational		298,618	119,640	298,618
Transfers recognised - capital				
Debt service payments		(5,266)	(6,990)	(44,317)
Outstanding debtors (receivables)		497,054	619,211	497,054
Annual services revenue		937,620	215,634	
Cash + investments	Including LT investments	278,841	307,904	278,841
Fixed operational expend. (monthly)		860,718	80,318	321,273
Longstanding debtors outstanding				
Longstanding debtors recovered				
Attorney collections			13,158	13,158

KZN252 Newcastle - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

IR thousands	Description	NT Code	Budget Year 2014/15										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLo Council Policy		
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dps-1 Yr	Over 1Yr	Total						
Debtors Age Analysis By Income Source																	
	Trade and Other Receivables from Exchange Transactions - Water	1200	11,259	7,612	6,957	5,304	6,646	5,576	149,105	192,470	166,633						
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	27,339	5,256	1,739	906	749	706	11,808	46,503	14,169						
	Receivables from Non-exchange Transactions - Property Rates	1400	13,353	5,953	5,109	3,924	2,997	2,520	83,158	117,013	92,699						
	Receivables from Exchange Transactions - Waste Water Management	1500	5,302	4,114	3,973	3,674	3,607	3,580	127,585	151,885	138,447						
	Receivables from Exchange Transactions - Waste Management	1600	3,638	2,211	1,996	1,849	1,795	1,773	96,737	70,199	62,154						
	Receivables from Exchange Transactions - Property Rental Debtors	1700	(27)	74	61	35	31	31	3,329	3,534	3,426						
	Interest on Arrear Debtor Accounts	1810	662	684	631	671	596	549	54,515	58,298	56,320						
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820															
	Other	1900	(19,699)	3,157	3,043	2,622	2,386	2,386	312,162	305,902	319,400						
	Total By Income Source	2000	42,877	29,061	23,519	18,984	18,800	16,965	798,400	947,805	853,148						
	2013/14 - totals only																
Debtors Age Analysis By Customer Group																	
	Organs of State	2200	(1,033)	1,345	664	560	594	596	15,499	18,154	17,186						
	Commercial	2300	13,163	4,864	2,818	2,467	1,403	1,322	46,125	72,151	51,306						
	Households	2400	31,352	21,846	18,562	15,070	15,895	14,117	717,463	834,304	762,544						
	Other	2500	(1,404)	1,005	1,485	907	916	971	19,313	23,195	22,110						
	Total By Customer Group	2600	42,877	29,061	23,519	18,984	18,800	16,965	798,400	947,805	853,148						

KZN252 Newcastle - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of Investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market val at end of t month
		Yrs/Months							
R thousands									
Municipality									
Nedbank		12 months	Call Account		66	5.3%	5,043	-	5,0
Standard Bank		12 months	Call Account		1,226	4.5%	93,741	465	94,2
ABSA		12 months	Call Account		798	6.2%	60,642	(0)	60,6
FNB		12 months	Call Account		81	5.3%	7,104	67	7,1
Sanlam		12 months	Call Account		741		51,363	621	51,9
Municipality sub-total					2,911		217,893	1,153	219,0
Entities									
Entities sub-total					-		-	-	
TOTAL INVESTMENTS AND INTEREST	2				2,911		217,893	1,153	219,0

KZN252 Newcastle - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcomes	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:		-	289,692	-	1,500	117,709	48,282	69,427	143.8%	289,692
Local Government Equitable Share			284,747			112,711	47,458	65,253	137.5%	284,747
Water Services Operating Subsidy							-	-		
EPWP Incentive			2,411			964	402	562	139.9%	2,411
Energy Efficiency and Demand Management					1,500	1,500	-	1,500	#DIV/0!	
Finance Management	3		1,600			1,600	267	1,333	500.0%	1,600
Municipal Systems Improvement			934			934	156	778	500.0%	934
Other transfers and grants [insert description]										
Provincial Government:		-	8,900	-	-	-	1,483	(958)	-44.8%	8,900
Health subsidy							-	-		
IDP							-	-		
Sport and Recreation			150				25			150
Level 2 accreditation			3,000				500			3,000
Sport and Recreation			-				-	-		-
Community Library			252				42	(42)	-100.0%	252
Recapitalisation of Community Libraries	4		4,900				817	(817)	-100.0%	4,900
Museum			598				100	(100)	-100.0%	598
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Operating Transfers and Grants	5	-	298,592	-	1,500	117,709	48,765	68,469	137.6%	298,592
Capital Transfers and Grants										
National Government:		-	130,360	-	5,771	38,743	21,727	4,790	22.0%	130,360
Neighbourhood Development Partnership			12,000		4,011	6,203	2,000	4,203	210.2%	12,000
Municipal Infrastructure Grant (MIG)			107,320			30,780	17,887			107,320
Water service operating subsidy			-				-	-		-
Integrated national electrification			-				-	-		-
Energy efficiency & demand side management			4,000				667			4,000
Municipal water infrastructure			7,040		1,760	1,760	1,173	587	50.0%	7,040
Accreditation							-	-		-
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
Mastication Grant										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
Total Capital Transfers and Grants	5	-	130,360	-	5,771	38,743	21,727	4,790	22.0%	130,360
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	428,952	-	7,271	156,452	71,492	73,258	102.5%	428,952

KZN252 Newcastle - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Ye Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:	-	289,692	-	652	113,704	72,423	41,281	57.0%	285	
Local Government Equitable Share		284,747		-	112,711	71,187	41,524	58.3%	284	
Water Services Operating Subsidy										
EPWP Incentive		2,411		-	210	603	(393)	-65.1%		
Energy Efficiency and Demand Management				132	150		150	#DIV/0!		
Finance Management		1,600		521	633	400	233	58.3%		
Municipal Systems Improvement		934				234	(234)	-100.0%		
Provincial Government:	-	8,900	-	168	527	2,225	(911)	-48.9%	1	
Health subsidy										
IDP										
Sport and Recreation		150				38				
Level 2 accreditation		3,000				750				
Sport and Recreation										
Community Library		252		34	110	63	47	75.1%		
Recapitalisation of Community Libraries		4,900		134	416	1,225	(809)	-66.0%		
Museum		598				150	(150)	-100.0%		
District Municipality:										
[insert description]										
Other grant providers:										
[insert description]										
Total operating expenditure of Transfers and Grants:	-	298,592	-	820	114,231	74,648	40,370	54.1%	29	
Capital expenditure of Transfers and Grants										
National Government:	-	130,360	-	3,655	4,622	32,590	(5,550)	-17.0%	13	
Neighbourhood Development Partnership		12,000		184	210	3,000	(2,790)	-93.0%	1	
Municipal Infrastructure Grant (MIG)		107,320		3,471	4,412	26,830			10	
Water service operating subsidy										
Integrated national electrification										
Energy efficiency & demand side management		4,000				1,000	(1,000)	-100.0%		
Municipal water infrastructure		7,040				1,760	(1,760)	-100.0%		
Accreditation										
Other capital transfers [insert description]										
Provincial Government:										
Municipal Grant										
District Municipality:										
Other grant providers:										
Total capital expenditure of Transfers and Grants	-	130,360	-	3,655	4,622	32,590	(5,550)	-17.0%	1	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	428,952	-	4,475	118,853	107,238	34,821	32.5%	4	

KZN252 Newcastle - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q1 First Quarter

Description	Ref	Budget Year 2014/15				
		Approved Rollover 2013/14	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Water Services Operating Subsidy					-	
EPWP Incentive					-	
Integrated national electrification					-	
Energy Efficiency and Demand Management					-	
Finance Management					-	
Other transfers and grants [insert description]					-	
Provincial Government:		-	-	-	-	
Health subsidy					-	
Sport and Recreation					-	
Community Library					-	
Recapitalisation of Community Libraries					-	
Museum					-	
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
[insert description]					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Neighbourhood Development Partnership					-	
Municipal water infrastructure					-	
Accreditation					-	
Other capital transfers [insert description]					-	
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

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		-	417,784	-	31,361	90,164	104,446	(14,352)	-14%	360,656
% increase	4		6.5%							#DIV/0!
TOTAL MANAGERS AND STAFF		-	399,683	-	29,804	85,564	99,916	(14,352)	-14%	342,256

KZN252 Newcastle - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - Q1 First Q

Description	Ref	Budget Year 2014/15									
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Ye Foreca %	
R thousands	1										
Revenue By Source											
Property rates			242,670		18,712	55,100	60,667	(5,567)	-9%	220	
Property rates - penalties & collection charges							-	-			
Service charges - electricity revenue			609,525		56,806	134,704	152,381	(17,677)	-12%	538	
Service charges - water revenue			164,356		13,699	40,125	41,089	(964)	-2%	160	
Service charges - sanitation revenue			90,288		7,438	22,291	22,572	(281)	-1%	85	
Service charges - refuse revenue			73,450		6,202	18,514	18,362	152	1%	74	
Service charges - other							-	-			
Rental of facilities and equipment			6,479		469	1,758	1,620	138	9%	7	
Interest earned - external investments			16,872		546	4,941	4,218	723	17%	15	
Interest earned - outstanding debtors			8,131		706	2,109	2,033	76	4%	8	
Dividends received							-	-			
Fines			2,827		280	615	707	(92)	-13%	2	
Licences and permits			3		2	6	1	6	686%		
Agency services							-	-			
Transfers recognised - operational			298,618		1,377	119,640	74,655	44,985	60%	298	
Other revenue			13,142		2,531	3,240	3,286	(46)	-1%	13	
Gains on disposal of PPE							-	-			
Total Revenue (excluding capital transfers and contributions)			-	1,526,362	-	108,766	403,042	381,590	21,452	6%	1,430
Expenditure By Type											
Employee related costs			399,663		29,977	86,006	99,916	(13,910)	-14%	34	
Remuneration of councillors			18,121		1,404	4,158	4,530	(372)	-8%	11	
Debt impairment			296,728		-	-	74,182	(74,182)	-100%		
Depreciation & asset impairment			238,002		46,936	67,365	59,500	7,865	13%	26	
Finance charges			22,158		3,117	6,990	5,540	1,450	26%	2	
Bulk purchases			432,240		81,417	131,806	108,060	23,746	22%	52	
Other materials			3,558		326	413	889	(477)	-54%		
Contracted services			161,322		10,874	28,053	40,331	(12,278)	-30%	11	
Transfers and grants			54,913				13,728	(13,728)	-100%		
Other expenditure			231,763		22,463	22,883	57,941	(35,058)	-51%	9	
Loss on disposal of PPE							-	-			
Total Expenditure			-	1,858,469	-	196,514	347,674	464,617	(116,943)	-25%	1,39
Surplus/(Deficit)			-	(332,107)	-	(87,748)	55,369	(83,027)	138,395	-167%	4
Transfers recognised - capital								-			
Contributions recognised - capital								-			
Contributed assets								-			
Surplus/(Deficit) after capital transfers & contributions			-	(332,107)	-	(87,748)	55,369	(83,027)	138,395	-167%	4
Taxation											
Surplus/(Deficit) after taxation			-	(332,107)	-	(87,748)	55,369	(83,027)	138,395	-167%	4

KZN252 Newcastle - Supporting Table SCS Monthly Budget Statement - actuals and revised targets for cash receipts - Q1 First Quarter

Ref	Description	Budget Year 2014/15												2014/15 Medium Term Revenue & Expenditure Framework					
		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17			
		Outcome	Outcome	Outcome	Budget														
R thousands																			
1	Cash Receipts By Source	11,440	11,658	13,147	20,532	20,532	20,532	20,532	20,532	20,532	20,532	16,819	242,670	269,657	277,833				
	Property rates	23,721	28,925	34,518	50,794	50,794	50,794	50,794	50,794	50,794	50,794	50,794	688,525	660,601	712,680				
	Property rates - penalties & collection charges	5,055	5,811	4,983	13,686	13,686	13,686	13,686	13,686	13,686	13,686	13,687	164,355	175,851	168,172				
	Service charges - electricity revenue	2,369	2,391	2,162	7,524	7,524	7,524	7,524	7,524	7,524	7,524	7,524	90,288	96,608	103,371				
	Service charges - water revenue	2,299	2,475	2,305	6,121	6,121	6,121	6,121	6,121	6,121	6,121	6,121	73,450	78,591	84,083				
	Service charges - sanitation revenue																		
	Service charges - refuse																		
	Service charges - other	219	586	133	540	540	540	540	540	540	540	539	6,479	7,126	7,839				
	Rental of facilities and equipment	2,169	555	546	1,406	1,406	1,406	1,406	1,406	1,406	1,406	1,405	16,872	16,872	16,872				
	Interest earned - external investments	695	708	706	678	678	678	678	678	678	678	677	8,131	8,700	9,309				
	Interest earned - outstanding debtors																		
	Dividends received	149	186	280	236	236	236	236	236	236	236	236	2,827	3,110	3,421				
	Fines	2	3	2	0	0	0	0	0	0	0	1	3	4	4				
	Licences and permits																		
	Agency services	19	112,752	1,500	74,162	74,162	74,162	74,162	74,162	74,162	74,162	1,971	298,618	309,009	309,730				
	Transfer receipts - operating	1,609	3,473	2,531	1,026	1,026	1,026	1,026	1,026	1,026	1,026	1,860	13,142	15,392	14,894				
	Other revenue	49,735	169,537	62,793	176,714	176,714	176,714	176,714	176,714	176,714	176,714	101,645	1,526,362	1,631,532	1,728,226				
	Cash Receipts by Source																		
	Other Cash Flows by Source																		
	Transfer receipts - capital	33,388		5,771															
	Contributions & Contributed assets																		
	Proceeds on disposal of PPE																		
	Short term loans	(3,830)	4,014	(2,741)															
	Borrowing long term/finance																		
	Increase in consumer deposits																		
	Receipt of non-current debtors																		
	Receipt of non-current receivables	(10,065)																	
	Change in non-current investments	58	9,462	14,233															
	Total Cash Receipts by Source	69,766	183,013	80,056	176,714	176,714	176,714	176,714	176,714	176,714	176,714	101,645	1,526,362	1,631,532	1,728,226				
	Cash Payments by Type																		
	Employee related costs	26,234	29,814	29,977	33,243	33,243	33,243	33,243	33,243	33,243	33,243	33,993	399,663	423,745	448,662				
	Remuneration of councillors	1,368	1,366	1,404	1,510	1,510	1,510	1,510	1,510	1,510	1,510	1,510	18,121	19,571	21,136				
	Interest paid	1,937	1,936	3,117	24,727	24,727	24,727	24,727	24,727	24,727	24,727	24,727	296,728	317,499	339,724				
	Bulk purchases - Electricity	45,031	52,834	81,417	19,834	19,834	19,834	19,834	19,834	19,834	19,834	19,833	238,002	238,002	208,198				
	Bulk purchases - Water & Sewer	85	3	326	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	22,158	27,105	27,105				
	Other materials	(331)	16,148	10,874	297	297	297	297	297	297	297	296	3,558	3,050	3,162				
	Contracted services																		
	Grants and subsidies paid - other municipalities	9,284	19,349	13,063	31,585	31,585	31,585	31,585	31,585	31,585	31,585	100,764	161,322	124,017	127,914				
	Grants and subsidies paid - other	83,628	121,450	140,178	154,566	154,566	154,566	154,566	154,566	154,566	154,566	54,913	54,913	58,394	62,123				
	General expenses																		
	Cash Payments by Type	10,095	11,627	37,103	37,019	37,019	37,019	37,019	37,019	37,019	37,019	37,019	1,858,469	1,897,742	1,968,403				
	Other Cash Flow/Payments by Type																		
	Capital assets																		
	Repayment of borrowing																		
	Other Cash Flow/Payments	93,723	133,076	177,281	191,586	191,586	191,586	191,586	191,586	191,586	191,586	195,256	1,658,469	1,897,742	1,968,403				
	Total Cash Payments by Type	(23,957)	48,936	(23,019)	(89,034)	(89,034)	(89,034)	(89,034)	(89,034)	(89,034)	(89,034)	(93,612)	(332,107)	(266,210)	(240,177)				
	NET INCREASE/(DECREASE) IN CASH HELD	45,811	134,077	107,056	87,695	87,695	87,695	87,695	87,695	87,695	87,695	64,026	1,194,053	1,365,320	1,488,049				

KZN252 Newcastle - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - Q1 First Quarter

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend Original Budget
R thousands									
Monthly expenditure performance trend									
July		37,019		10,095	10,095	37,019	26,924	72.7%	2%
August		37,019		12,222	22,317	74,038	51,721	69.9%	5%
September		37,019		14,786	37,103	111,057	73,954	66.6%	8%
October		37,019				148,076	-		
November		37,019				185,095	-		
December		37,019				222,114	-		
January		37,019				259,134	-		
February		37,019				296,153	-		
March		37,019				333,172	-		
April		37,019				370,191	-		
May		37,019				407,210	-		
June		37,019				444,229	-		
Total Capital expenditure	-	444,229	-	37,103					

KZN252 Newcastle - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - Q1 First Quarter

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	171,348	-	6,154	9,068	42,835	33,769	78.8%	36,265
Infrastructure - Road transport		-	62,080	-	1,270	1,894	15,520	13,626	87.8%	7,576
Roads, Pavements & Bridges		-	60,080	-	1,270	1,894	15,020	13,126	87.4%	7,576
Storm water		-	2,000	-	-	-	500	500	100.0%	-
Infrastructure - Electricity		-	10,500	-	525	2,435	2,625	190	7.2%	9,739
Generation		-	-	-	-	-	-	-	-	-
Transmission & Retention		-	10,500	-	12	1,068	2,625	1,557	59.3%	4,271
Street Lighting		-	-	-	513	1,367	-	(1,367)	#DIV/0!	5,668
Infrastructure - Water		-	33,140	-	-	41	8,285	8,244	99.3%	164
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Retention		-	33,140	-	-	41	8,285	8,244	99.3%	164
Infrastructure - Sanitation		-	36,320	-	257	595	9,080	8,485	93.4%	2,381
Retention		-	36,320	-	-	-	9,080	9,080	100.0%	-
Sewerage purification		-	-	-	257	595	-	(595)	#DIV/0!	2,381
Infrastructure - Other		-	26,300	-	4,101	4,101	7,325	3,224	44.0%	16,404
Waste Management		-	-	-	3,800	3,800	-	(3,800)	#DIV/0!	15,200
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	26,300	-	301	301	7,325	7,024	95.9%	1,264
Community		-	11,300	-	59	448	2,825	2,379	84.2%	1,783
Parks & gardens		-	2,400	-	-	-	500	500	100.0%	-
Sportfields & stadia		-	1,000	-	-	-	250	250	100.0%	-
Swimming pools		-	1,000	-	-	448	250	(196)	-76.3%	1,783
Community halls		-	6,900	-	-	-	1,725	1,725	100.0%	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	59	-	-	-	-	-
Heritage assets		-	60	-	-	-	15	15	100.0%	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	60	-	-	-	15	15	100.0%	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	215,855	-	663	6,532	53,964	47,432	87.9%	28,129
General vehicles		-	3,600	-	-	1,294	900	(394)	-43.5%	5,177
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	14,435	-	13	13	3,600	3,595	99.6%	54
Computers - hardware/equipment		-	1,700	-	-	-	425	425	100.0%	-
Furniture and other office equipment		-	2,120	-	200	485	530	45	8.6%	1,938
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	194,000	-	-	6,599	48,500	41,901	86.4%	26,396
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	441	(1,859)	-	1,859	#DIV/0!	(7,436)
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
Lif sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Lif sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	334	-	-	-	84	84	100.0%	-
Computers - software & programming		-	334	-	-	-	84	84	100.0%	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	398,889	-	6,876	16,044	99,722	83,678	83.9%	64,176
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

References

1 Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) must reconcile to total capital expenditure in Table C5

Biological assets		-	-	-	-	-	-	-	-	
Lif sub-class										
Intangibles		-	-	-	-	-	-	-	-	
Computers - software & programming										
Other										
Total Capital Expenditure on renewal of existing assets	1	-	45,340	-	7,910	21,059	11,335	(5,724)	-85.8%	84,236

Specialised vehicles		-	-	-	-	-	-	-	-
Refuse									
Fire									
Conservancy									
Ambulances									

Reconciling

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) must reconcile to total capital expenditure in Table C5

check balance		-	-	-	104	-8	-	-	-	-31
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