ANNEXURE A

KNYSNA
Municipality Munisipaliteit uMasipala

Monthly Budget Statement

(Section 71 of the MFMA)

Prepared in terms of the Local Government:
Municipal Finance Management Act (No 56 of 2003);
Municipal Budget and Reporting Regulations; and
Government Gazette 32141, dated 17 April 2009.

May 2022

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PART 1: IN-YEAR REPORT

1. LEGAL CONTEXT

1.1 Monthly Budget Statement

Section 71 of the Municipal Finance Management Act (MFMA) determines that:

"(1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month –

(a) Actual revenue, per revenue source;
(b) Actual borrowings;
(c) Actual expenditure, per vote;
(d) Actual capital expenditure, per vote
(e) The amount of any allocations received;
(f) Actual expenditure on those allocations, excluding expenditure on –
(i) Its share of the local government equitable share; and
(ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
(g) When necessary, an explanation of –
(i) Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
(ii) Any material variances from the service delivery and budget implementation plan; and
(iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include –
(a) A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
(b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

(3) The amounts reflected in the statement must in each case be compared with

the corresponding amounts budgeted for in the municipality's approved budget.

(4) *The statement to the provincial treasury must be in the format of a signed document and in electronic format.*

(5) *The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.*

(6) *The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.*

(7) *The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter".*

1.2 Responsibility of the Executive Mayor

Section 54 of the MFMA determines that:

"(1) *On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must –*
- (a) *Consider the statement or report;*
- (b) *Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;*
- (c) *Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;*
- (d) *Issue any appropriate instructions to the accounting officer to ensure –*
  - (i) *That the budget is implemented in accordance with the service delivery and budget implementation plan; and*

(ii) That spending of funds and revenue collection proceed in accordance with the budget;

(e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and

(f) In the case of a section 72 report, submit the report to the council by 31 January of each year.

(2) If the municipality faces any serious financial problems, the mayor must –

(a) Promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include –

(i) Steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;

(ii) The tabling of an adjustments budget; or

(iii) Steps in terms of Chapter 13; and

(b) Alert the council and the MEC for local government in the province to those problems.

(3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly".

2. EXECUTIVE MAYOR'S REPORT

2.1 In-Year Report: Monthly Budget Statement

2.1.1 This report represents the Section 71 MFMA monthly budget statement for the month ending May 2022, and reflects the implementation of the budget and the financial state of affairs of the Municipality.

2.1.2 I hereby wish to submit a report to the Mayoral Committee on the implementation of the budget and the financial state of affairs of the Municipality as at the end of May 2022.

2.1.3 Further to the above, Section 54(1) of the MFMA determines that the Executive Mayor must consider the Section 71 report submitted by the Accounting Officer and assess whether the Municipality's approved budget is implemented in accordance with the approved Service Delivery Budget Implementation Plan (SDBIP), and if necessary issue appropriate instructions to the Accounting Officer.

2.2 Financial Problems or Risks Facing the Municipality

2.2.1 The cashflow position remains constrained, with a cashflow deficit resulting from cash commitments exceeding cash availability. The final draw-down of the approved ABSA loan will be processed in June 2022. This will however not provide much relief as instalments on current loans have to be repaid in June 2022.

2.2.2 Collection of outstanding debt remains a key challenge at the Municipality. Notice of possible disconnection/restriction of services were issued to consumers in May 2022, for implementation in June 2022.

2.2.3 The DBSA Revenue Enhancement project is progressing within the scheduled timeframes. The project milestones will be presented by Profmap at the next S80 Committee meeting. Implementation of the recommendations by Profmap will be audited by the Internal Audit department.

2.2.4 The Traffic Fines service provider has been mandated to drastically improve the collection rate. Additional cameras have been installed in recent month. Fines below a specific amount will not be considered for reduction.

2.2.5 In consideration of the current Municipal revenue base and the cash flow position, spending on non-core/unfunded/under-funded projects, to the detriment of basic service delivery and infrastructure, must be deliberated.

2.2.6 The Municipality has in recent years allocated limited budget towards Repairs and Maintenance of assets. This will undoubtedly expose the Municipality to unintended financial risk, as well as operational risk.

2.2.7 Water and Electricity distribution losses remain a material concern and requires strict management and control. An audit of the installation of prepaid water meters is strongly advised in order to determine whether all households pay for water supply.

2.2.8 The Integrated Human Settlements Grant expenditure of R 66.0 million needs to be collected from the Department of Human Settlements. The Municipality is strongly advised to make a final determination in relation to the continuation of the housing function.

2.2.9 A Project Team has been established to develop the Collab system for the processing of Overtime and Standby timesheets, thereby replacing manual timesheets. The main objective of this project implementation is to reduce excessive overtime and standby costs. Collab will interface directly with the payroll system. With the fields and restrictions to be created on Collab, multiple reports to aid decision-making, budget control and oversight will be available on a real-time basis.

2.2.10 To avert a possible cashflow deficit; misuse of municipal funds; and/or unauthorised expenditure at year-end, it is imperative that cost-reduction measures be implemented with immediate effect. An Unauthorised, Irregular, Fruitless and Wasteful Expenditure Reduction Strategy will be developed in the new financial year. Furthermore, the approved Cost Containment Policy requires strict implementation.

2.2.11 Assets which do not provide the minimum level of basic municipal services and do not provide any economic benefit to the Municipality should be considered for disposal. Proceeds from the disposal will be utilised to create a Capital Replacement Reserve. The Municipality intends to auction loose assets in the second half of the year.

2.3 Recommendations

(a) That the Mayoral Committee notes the Section 71 monthly budget statement report as at 31 May 2022.

(b) That the Mayoral Committee notes that the Section 71 monthly budget statement report as at 31 May 2022 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 June 2022, being the 10th working day after the end of May 2022.

(c) That the Mayoral Committee notes that the Section 71 monthly budget statement report as at 31 May 2022 will be published on the municipal website.

LEVAEL DAVIS
EXECUTIVE MAYOR

14 June 2022

3. ACCOUNTING OFFICER'S REPORT

3.1 Introduction

3.1.1 In accordance with Section 71(1) of the Municipal Finance Management Act (MFMA), I submit the required statement on the state of Knysna Municipality's budget reflecting the financial information for the month ending May 2022.

3.1.2 Section 54(1) of the MFMA requires from the Mayor of a Municipality to take certain actions, if needed, following receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

3.1.3 The financial performance of the operating and capital budget for the 2021/2022 financial year, and an overview of the financial position of the Municipality, is provided below.

3.2 Financial Performance Overview

3.2.1 Year-to-date actual operating revenue (Row 15 in Table 1 below) of R 816.4 million compared to the year-to-date budgeted operating revenue of R 798.5 million results in a positive variance of R 17.9 million or 2.2% (capital grants excluded). Variances of a material value in nature in the operating revenue budget are presented with appropriate comments in the table below.

Table 1: Variances between Year-to-Date Actual and Year-to-Date Budget

Row Number	Description	Original Budget	Current Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
1	Property Rates	248,920,705	248,930,052	230,545,349	230,711,391	-166,042	-0,1%	
2	Electricity Revenue	306,741,849	328,352,890	288,938,824	293,011,183	-4,072,359	-1,4%	The main contributing factor for the low electricity revenue is the unexpected Eskom load shedding schedules.
3	Water Revenue	74,860,303	71,169,871	67,056,875	64,853,952	2,202,923	3,4%	Increased revenue as a result of a higher number of replaced water meters which were previously faulty and/or on free-flow.
4	Sanitation Revenue	29,930,326	27,968,426	26,289,829	26,020,652	269,177	1,0%	
5	Refuse Revenue	28,273,392	24,961,272	23,397,969	23,196,644	201,325	0,9%	
6	Rental Revenue	5,947,784	5,146,114	4,367,873	4,570,304	-202,431	-4,4%	
7	Interest on Investments	3,650,000	2,026,013	1,718,952	1,766,542	-47,590	-2,7%	
8	Interest on Debtors	16,261,650	19,130,323	17,605,898	17,037,743	568,155	3,3%	
9	Fines Revenue	92,551,488	104,656,700	129,978	12,000	117,978	983,2%	Traffic Fines revenue is only recognised at year end.
10	Licences Revenue	1,580,277	1,620,502	1,351,184	1,420,302	-69,118	-4,9%	
11	Agency Services	3,780,000	3,654,335	3,761,843	3,370,916	390,927	11,6%	
12	Operating Grants	151,129,834	169,166,241	139,839,317	125,115,355	14,723,962	11,8%	The main contributor to the variance is in relation to revenue recognition of various grants for which expenditure has already been incurred.
13	Other Revenue	8,949,170	8,284,739	11,260,726	7,303,612	3,957,114	54,2%	The increased revenue is mainly in relation to new service connections and building plan fees.
14	Gains on Disposal of PPE	250,000	250,000	92,187	83,187	9,000	0,0%	
15	**Total Revenue (Capital Grants Excluded)**	**972,826,778**	**1,015,317,478**	**816,356,804**	**798,473,783**	**17,883,021**	**2,2%**	

3.2.2 Year-to-date actual operating expenditure (Row 27 in Table 1 below) of R 729.8 million compared to the year-to-date budgeted operating expenditure of R 776.6 million results in a positive variance of R 46.8 million or 6.0%. Variances of a material value in nature in the operating expenditure budget are presented with appropriate comments in the table below.

Table 1: Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Current Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
16	Employee Related Costs	290,454,556	295,952,560	247,102,811	250,873,677	3,770,866	1,5%	The positive variance is mainly as a result of the payment of the Danger Pay early in the financial year which was not allocated to ERC. As at 31 May 2022, the payment remained in the Balance Sheet. Reason provided was that there was insufficient budget to allocate the payment to ERC. This will be corrected in June 2022.
17	Remuneration of Councillors	10,373,294	9,321,208	8,266,486	8,285,776	19,290	0,2%	
18	Bad Debt Provision	131,220,351	142,920,351	46,035,330	45,797,730	-237,600	-0,5%	Traffic Fine impairment is only recognised at year-end.
19	Depreciation	45,670,094	43,670,094	0	186	186	0,0%	Depreciation is only recognised at year end.
20	Finance Charges	26,689,380	24,199,004	13,397,766	20,550,933	7,153,167	34,8%	The current year loan tender was delayed hence the late draw-downs of the loan. Payments in relation to existing loans will be processed in June 2022. Finance charges will then be recognised.
21	Bulk Purchases	229,094,800	243,467,132	196,703,878	211,444,860	14,740,982	7,0%	Decreased demand as a result of Eskom load shedding. Demand is expected to increase with the approach of the winter season.
22	Other Materials	42,655,082	46,996,388	37,277,286	40,360,336	3,083,050	7,6%	Delay in spending mainly as a result of: (i) The Constitutional Court ruling in relation to the Preferential Procurement Regulations, therefore delaying SCM processes (ii) Late capturing of requisitions due to insufficient budget allocations (iii) Delays in the commencement of SCM processes since the start of the financial year.
23	Contracted Services	133,214,229	168,644,145	126,512,415	143,239,618	16,727,203	11,7%	Delay in spending mainly as a result of: (i) The Constitutional Court ruling in relation to the Preferential Procurement Regulations, therefore delaying SCM processes (ii) Late capturing of requisitions due to insufficient budget allocations (iii) Delays in the commencement of SCM processes since the start of the financial year.
24	Transfers and Subsidies	4,876,643	4,152,946	906,936	2,962,534	2,055,598	69,4%	Positive variance mainly in relation to the Greater Knysna Food Security grant which was received late in the current financial year. Expenditure in relation to this grant and the Mayoral Bursary fund is expected to be processed in June 2022.
25	Other Expenditure	57,856,246	61,413,880	53,598,227	53,067,123	-531,104	-1,0%	
26	Loss on Disposal of PPE	0	0	0	0	0	0,0%	
27	Total Operating Expenditure	972,104,675	1,040,737,708	729,801,135	776,582,773	46,781,638	6,0%	

3.2.3 The year-to-date actual operating revenue compared to the year-to-date actual operating expenditure results in an operating surplus of R 86.6 million, with a positive variance of R 64.7 million (capital grants excluded) (Row 28 in Table 1 below).

3.2.4 The year-to-date actual surplus for the year (capital grants included) equates to R 115.6 million (Row 31 in Table 1 below).

3.2.5 Important to note is that the operating surplus will reduce significantly following year-end transactions which will be processed during the finalisation of the 2021/2022 Annual Financial Statements.

Table 1: Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Current Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
15	Total Revenue (Capital Grants Excluded)	972,826,778	1,015,317,478	816,356,804	798,473,783	17,883,021	2,2%	
27	Total Operating Expenditure	972,104,675	1,040,737,708	729,801,135	776,582,773	46,781,638	6,0%	
28	Operating Surplus/(Deficit)	722,103	-25,420,230	86,555,669	21,891,010	64,664,659	295,4%	
29	Capital Grants	47,684,166	52,855,737	29,065,470	33,306,371	-4,240,901	-12,7%	Due to low spending, less capital grants could be recognised as revenue. The main contributor is the low spending on the MIG, NDPG and WSIG grants.
30	Public Contributions	0	0	0	0	0	0,0%	
31	Surplus/(Deficit) for the Year	48,406,269	27,435,507	115,621,139	55,197,381	60,423,758	109,5%	

3.2.6 Traffic Fines Collection Rate

Table 2 below presents the traffic fines collection rate for the previous 5 financial years. The budgeted collection rate for the current year is 10%. The budgeted collection rates for the next 2 financial years include increases of 15% and 20% respectively.

Traffic Fines, as a revenue stream, has the potential to significantly increase the Municipality's revenue base however, the past performance depicted in the table below portrays a dismal picture.

Should the collection rate not improve in the 2021/2022 financial year, the Municipality must consider drastic action against the service provider for failure to perform at the expected collection levels.

Table 2: Traffic Fines Collection Rate										
		Handwritten Fines			Provincial Fines			Speeding Fines		
Row Number	Financial Year	Fines Issued	Payments Received	Collection Rate	Fines Issued	Payments Received	Collection Rate	Fines Issued	Payments Received	Collection Rate
Column Reference	A	B	C	D	E	F	G	H	I	J
1	2017	3,147,000	659,850	21,0%	3,199,360	740,800	23,2%	98,827,250	15,660,105	15,8%
2	2018	3,298,225	275,650	8,4%	3,332,489	544,200	16,3%	83,182,550	10,507,560	12,6%
3	2019	2,821,200	181,450	6,4%	4,629,150	370,250	8,0%	108,899,600	13,118,555	12,0%
4	2020	5,969,700	177,600	3,0%	8,126,170	296,700	3,7%	80,054,100	9,112,700	11,4%
5	2021	4,915,550	67,750	1,4%	7,838,701	169,450	2,2%	94,234,200	9,591,800	10,2%

3.2.7 Contracted Services

The year-to-date actual contracted services (Row 9 in Table 3 below) equates to R 126.4 million.

It should be noted that the original budget of R 133.2 million increased to R 168.6 million in the Current Budget.

There is R 42.1 million available to be spent by year-end. The slow spending is mainly attributable to delays resulting from the Constitutional Court ruling on the invalidity of sections in the Preferential Procumbent Regulations. Should this available amount not be fully spent by year-end, the savings must be utilised to off-set over-expenditure in other expenditure categories.

Table 3: Contracted Services

Row Number	Directorate	Expenditure 2019/2020	Expenditure 2020/2021	Original Budget 2021/2022	Current Budget 2021/2022	Actual May 2022	YTD Budget 2021/2022	YTD Actual 2021/2022	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	1,091,252	753,131	1,481,843	2,628,231	45,817	2,135,781	1,886,815	248,966
2	Corporate Services	6,149,623	6,961,660	6,741,763	10,907,844	1,150,802	8,417,256	5,098,022	3,319,234
3	Financial Services	13,685,404	11,157,378	11,563,785	5,734,633	170,240	4,881,526	4,215,108	666,418
4	Planning and Development	3,363,256	2,713,590	3,666,997	5,837,449	52,607	5,473,110	4,969,094	504,016
5	Integrated Human Settlements	67,342,593	56,528,102	22,723,821	36,597,667	2,160,545	28,560,334	19,944,851	8,615,483
6	Community Services	30,358,522	29,126,775	32,026,599	41,534,656	5,993,661	35,872,806	36,712,355	-839,549
7	Electrical Services	13,831,361	18,562,179	14,739,545	21,070,616	735,106	18,304,308	13,734,251	4,570,057
8	Technical Services	52,700,217	40,828,725	40,269,876	44,259,049	3,095,043	38,919,580	39,876,238	-956,658
9	Grand Total	188,522,229	166,631,541	133,214,229	168,570,145	13,403,823	142,564,701	126,436,734	16,127,967

Strict monitoring and control of contracted services is required in an effort to reduce unjustified expenditure, more especially for functions that should be performed internally and/or where existing staff are being paid to perform functions which external contractors are also performing. This results in a duplication of costs incurred by the Municipality.

The posts and the Job Descriptions of these respective officials must be reviewed in order to determine their suitability for these posts if functions contained in their respective Job Descriptions are in actual fact performed by external contractors/consultants.

3.2.8 Employee Related Costs

Overtime and Standby presented in the tables below highlight the excessive expenditure incurred by the Municipality.

Strict expenditure control is required <u>at all levels</u> to substantially reduce these costs to only planned / structured hours. Any deviation from this should ideally only relate to emergency situations.

Directorates have been informed at several platforms to reduce unnecessary overtime and standby hours. They have also been cautioned about unauthorised expenditure should the actual expenditure exceed the budget allocations.

3.2.8.1 Overtime

The year-to-date expenditure results in a negative variance of R 3.3 million (Row 9 in Table 4 below).

Important to note is that the original budget of R 11.1 million increased to R 20.5 million in the Current Budget. Despite this increase in the budget allocation, the year-to-date actual of R 21.7 million already exceeds the total year budget allocation of R 20.5 million.

Should Directorates fail to identify savings to off-set the over-expenditure, the overtime will be disclosed as unauthorised expenditure in the 2021/2022 Annual Financial Statements. This will eventually result in an investigation to be conducted by a committee of Council (MPAC).

Table 4: Overtime

Row Number	Directorate	Expenditure 2019/2020	Expenditure 2020/2021	Original Budget 2021/2022	Current Budget 2021/2022	Actual May 2022	YTD Budget 2021/2022	YTD Actual 2021/2022	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	7,689	0	0	41,780	1,770	29,056	2,500	26,556
2	Corporate Services	114,905	90,749	52,500	103,677	20,102	95,613	130,350	-34,737
3	Financial Services	63,225	63,050	25,000	40,154	5,880	37,155	55,639	-18,484
4	Planning and Development	147,541	14,355	0	48,621	2,976	45,965	44,580	1,385
5	Integrated Human Settlements	86,350	1,949	0	28,227	2,059	24,249	24,103	146
6	Community Services	11,409,060	10,878,939	6,153,744	11,954,939	1,406,768	10,622,078	12,668,416	-2,046,338
7	Electrical Services	1,092,107	1,225,393	941,637	1,347,178	137,979	1,215,223	1,429,261	-214,038
8	Technical Services	6,718,403	7,198,173	3,923,660	6,978,535	780,097	6,275,415	7,319,882	-1,044,467
9	**Grand Total**	**19,639,280**	**19,472,609**	**11,096,541**	**20,543,111**	**2,357,632**	**18,344,754**	**21,674,731**	**-3,329,977**

3.2.8.2 Standby

The year-to-date expenditure results in a negative variance of R 860.0 thousand (Row 9 in Table 5 below).

Important to note is that the original budget of R 2.1 million increased to R 4.8 million in the Current Budget. Despite this increase in the budget allocation, the year-to-date actual of R 5.2 million already exceeds the total year budget allocation of R 4.8 million.

Should Directorates fail to identify savings to off-set the over-expenditure, the standby will be disclosed as unauthorised expenditure in the 2021/2022 Annual Financial Statements. This will eventually result in an investigation to be conducted by a committee of Council (MPAC).

Table 5: Standby Allowance

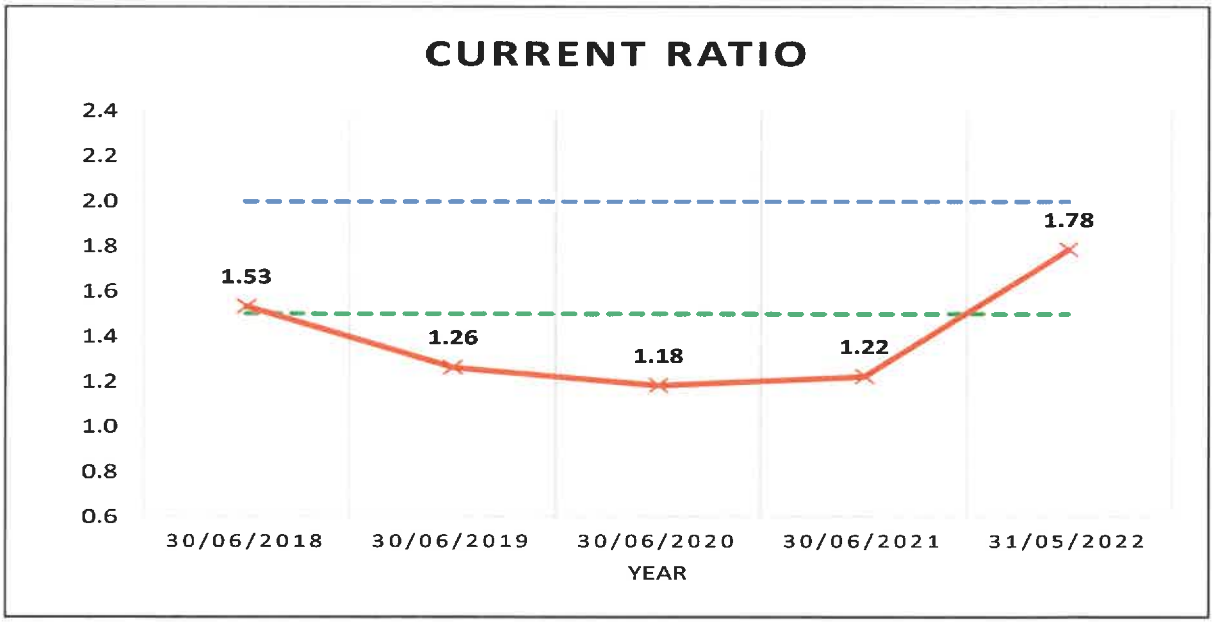
Row Number	Directorate	Expenditure 2019/2020	Expenditure 2020/2021	Original Budget 2021/2022	Current Budget 2021/2022	Actual May 2022	YTD Budget 2021/2022	YTD Actual 2021/2022	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	0	0	0	0	0
2	Corporate Services	24,594	194,774	152,000	165,196	15,604	148,775	172,061	-23,286
3	Financial Services	262,077	99,633	120,000	103,023	10,996	93,607	109,131	-15,524
4	Planning and Development	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0
6	Community Services	1,176,533	1,360,904	580,000	1,437,763	153,510	1,307,942	1,452,073	-144,131
7	Electrical Services	948,720	908,440	770,000	765,917	81,094	691,641	835,427	-143,786
8	Technical Services	2,401,352	2,760,161	440,000	2,332,931	267,312	2,114,918	2,648,206	-533,288
9	Grand Total	4,813,276	5,323,912	2,062,000	4,804,830	528,517	4,356,883	5,216,898	-860,015

3.3 Financial Position Overview

3.3.1 Current Ratio (1.78 : 1)

The Current Ratio as at 31 May 2022 equates to 1.78 : 1 compared to the National Treasury norm of 1.5 – 2 : 1. This is based on current assets of R 269.8 million and current liabilities of R 151.5 million.

The increased current ratio is primarily due to the draw-down of the first two tranches of the approved ABSA loans for the 2021/2022 financial year.



3.3.2 Cash and Cash Equivalents (R 44.8 million)

Cash and Cash Equivalents (Row 3 in Table 6 below) decreased by R 2.4 million from R 47.1 million in April 2022 to R 44.8 million in May 2022.

The final draw-down of the approved ABSA loan (R 22.8 million) will be processed in the final week of June 2022.

Furthermore, it should be noted that the Municipality does not have a Capital Replacement Reserve. It is therefore critical for debt collection and the recovery of unpaid grants to receive immediate priority.

3.3.3 Investments (R 37.9 million)

Investments (Row 2 in Table 6 below) increased by R 147.1 thousand from

R 37.8 million in April 2022 to R 37.9 million in May 2022.

Included in Investments is R 2.7 million currently ceded to DBSA as security for current external loans. Additionally, included in the Investments portfolio of R 37.9 million, is R 24.3 million which is currently ring-fenced for Unspent Grants.

The remaining balance in the Investments portfolio will be utilised for the payment of loans and creditors at year-end.

Table 6: Cash and Cash Equivalents versus Commitments

Row Number	Description	March 2022	April 2022	May 2022	Movement (C to D)
Column Reference	A	B	C	D	E
1	Cash at Bank	20,160,806	9,344,793	6,841,595	-2,503,198
2	Investments	2,730,729	37,759,687	37,906,809	147,122
3	**Total Cash and Cash Equivalents**	**22,891,535**	**47,104,480**	**44,748,404**	**-2,356,076**
4	Unspent Conditional Transfers and Grants	34,930,902	31,004,779	24,249,255	-6,755,524
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	0	0	0	0
7	Unspent External Loans	0	12,166,719	26,576,166	14,409,447
8	Payables from Exchange Transactions	25,822,157	21,123,544	18,443,417	-2,680,126
9	**Total Commitments**	**60,753,059**	**64,295,042**	**69,268,839**	**4,973,797**
10	**Surplus / (Shortfall)**	**-37,861,524**	**-17,190,562**	**-24,520,435**	**-7,329,873**

3.3.4 Cash Commitments (R 69.3 million)

Total commitments (Row 9 in Table 6 above) increased by R 5.0 million during the month under review from R 64.3 million at the end of April 2022 to R 69.3 million at the end of May 2022. Commitments exceed the cash and cash equivalents at the end of May 2022 by R 24.5 million (Row 10 in Table 6 above), thereby resulting in an unfavourable position.

3.3.5 Unpaid Conditional Grants (R 66.0 million)

Unpaid conditional grants (Row 4 in Table 7 below) increased by R 3.5 million during the month under review from R 62.5 million at the end of April 2022 to R 66.0 million at the end of May 2022.

Of material concern is the unpaid Integrated Human Settlements Grant of R 66.0 million which needs to be recovered from the Department of Human Settlements. The non-recovery of these funds has been reported over a prolonged period however, there has been no/insignificant progress to date. It is imperative, to avoid further undue and unnecessary cashflow constraints, for the Municipality to enforce strict measures/controls/ investigations to address this ongoing issue.

Table 7: Unpaid Conditional Grants					
Row Number	Description	March 2022	April 2022	May 2022	Movement (C to D)
Column Reference	A	B	C	D	E
1	Integrated Human Settlements Grant	58,341,619	62,452,493	65,957,926	3,505,433
2	Maintenance of Proclaimed Roads	77,054	77,054	77,054	0
3	Total	58,418,673	62,529,547	66,034,980	3,505,433

3.3.6 Unspent Conditional Grants (R 24.3 million)

Unspent conditional grants (Row 18 in Table 8 below) decreased by R 6.8 million during the month under review from R 31.0 million at the end of April 2022 to R 24.3 million at the end of May 2022. Unspent conditional grants are currently backed by investments.

Failure to spend the grant allocations will result in roll-over applications which need to be submitted to the various Treasuries. There is no guarantee that all the applications will be approved.

Of material concern, with reference to Rand values, are the unspent MIG, NDPG and WSIG grant balances as at 31 May 2022.

Table 8: Unspent Conditional Grants						
Row Number	Description	Directorate	March 2022	April 2022	May 2022	Movement (D to E)
Column Reference	A	B	C	D	E	F
1	Municipal Infrastructure Grant	Technical Services	14,888,078	12,566,486	7,978,282	-4,588,204
2	Finance Management Grant	Financial Services	872,287	837,336	467,764	-369,572
3	Library Services Grant	Community Services	1,449,408	471,499	362,395	-109,104
4	Municipal Electricity Master Plan	Electrical Services	490,000	490,000	490,000	0
5	Expanded Public Works Program	Planning and Development	145,290	94,632	59,523	-35,109
6	Neighbourhood Development Partnership Grant	Technical Services	9,708,351	9,535,851	8,415,471	-1,120,380
7	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	56,884	56,884	0
8	WC Disaster Management Grant	Community Services	3,795	3,795	3,795	0
9	Community Development Worker Grant	Corporate Services	21,576	14,824	2,921	-11,903
10	Water Services Infrastructure Grant	Technical Services	4,824,015	4,409,355	3,015,672	-1,393,683
11	Cultural Affairs and Support Grant (Netball Court)	Community Services	600,000	600,000	600,000	0
12	Nedbank: SMME Incubator Program	Planning and Development	371,217	304,118	296,097	-8,020
13	Municipal Intervention Grant	Technical Services	400,000	400,000	30,451	-369,549
14	Public Employment Support Grant	Planning and Development	1,100,000	1,100,000	1,100,000	0
15	District Grant: Security Cameras	Community Services	0	120,000	120,000	0
16	Food Security Grant	Community Services	0	0	1,000,000	1,000,000
17	Finance Management Capacity Building Grant	Financial Services	0	0	250,000	250,000
18	Total		34,930,902	31,004,779	24,249,255	-6,755,524

3.3.7 Payables from Exchange Transactions (R 18.4 million)

Payables from exchange transactions (Row 3 in Table 9 below) decreased by R 2.7 million during the month under review from R 21.1 million at the end of April 2022 to R 18.4 million at the end of May 2022.

The total amount of R 18.4 million includes R 13.6 million of retention creditors which are payable only after a final certificate for payment has been issued for contractors, which is usually twelve months following the completion date of the contracts. This retention amount is however not backed by cash or investments.

Table 9: Payables from Exchange Transactions

Row Number	Description	March 2022	April 2022	May 2022	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Payables	10,939,993	7,944,776	4,862,898	-3,081,878
2	Retentions	14,882,164	13,178,768	13,580,520	401,752
3	**Total**	**25,822,157**	**21,123,544**	**18,443,417**	**-2,680,126**

3.3.8 External Borrowings (R 330.9 million)

As a result of the second draw-down (R 20.0 million) of the approved ABSA loans (total of R86.9 million), external borrowings of R 310.9 million at the end of April 2022 increased to R 330.9 million at the end of May 2022 (Row 6 in Table 10 below). The final draw-down (R 22.8 million) will be processed in June 2022.

Table 10: External Borrowings

Row Number	Description	March 2022	April 2022	May 2022	Movement (C to D)
Column Reference	A	B	C	D	E
1	Opening Balance	267,691,470	266,802,303	310,912,303	44,110,000
2	New Loans Acquired	0	44,110,000	20,000,000	-24,110,000
3	Interest Capitalised	965,442	0	0	0
4	Repayments	-1,854,610	0	0	0
5	Adjustments	0	0	0	0
6	**Closing Balance**	**266,802,303**	**310,912,303**	**330,912,303**	**20,000,000**
7	**Budgeted Operating Revenue (Conditional Operating Grants excluded) =**			**944,723,237**	
8	**Gearing Ratio =**			**35,0%**	

External borrowings as a percentage of budgeted operating revenue (conditional operating grants excluded) equates to a gearing ratio of 35.0% which is below the National Treasury benchmark of 45%. The gearing ratio of 35.0% will however be recalculated at year-end based on actual operating revenue (conditional operating grants excluded).

External borrowings are taken up to fund capital expenditure only.

3.3.9 Consumer Debtors (R 342.9 million)

Total outstanding debtors of R 342.9 million as at 31 May 2022 (Row 7 in Table 11 below) is presented by both Income Source and by Customer Group.

Debtors over 90 days of R 277.1 million or 80.8% of the total outstanding debt includes R 88.5 million or 31.9% owed by organs of state and businesses.

Debt collection is of material concern. It is therefore imperative that the approved debt collection policies be strictly applied with immediate effect.

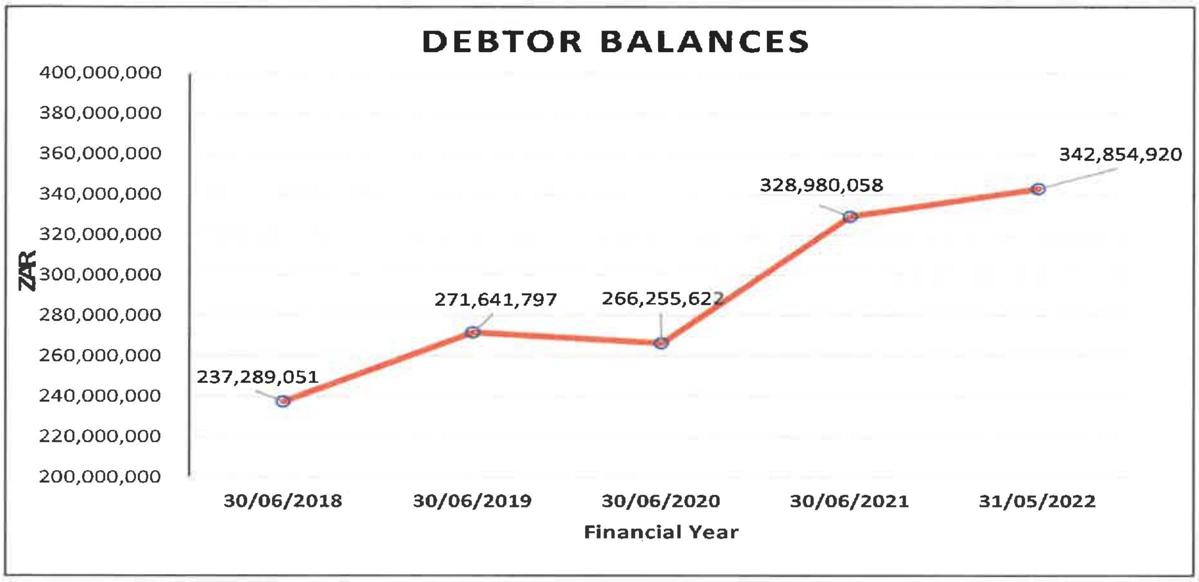
Various debt recovery programmes have been implemented in May 2022. The Municipality is exhausting all internal capabilities in an attempt to recover outstanding debt prior to handing over to debt collection firms.

Disconnection / restriction of services will be applied with effect from June 2022.

Table 11: Debtors Age Analysis

By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
1	Water	5,829,744	2,587,915	1,929,745	45,664,581	56,011,985
2	Electricity	15,635,956	4,930,635	2,953,028	42,201,634	65,721,253
3	Property Rates	15,029,909	4,869,428	3,045,804	78,848,589	101,793,730
4	Sanitation	2,137,574	1,179,763	995,371	56,530,937	60,843,645
5	Refuse	1,907,376	947,922	785,266	47,876,852	51,517,416
6	Other	463,157	234,984	273,021	5,995,729	6,966,891
7	**Grand Total**	**41,003,716**	**14,750,647**	**9,982,235**	**277,118,322**	**342,854,920**
8	**% of Total Outstanding Debtors =**	**12,0%**	**4,3%**	**2,9%**	**80,8%**	**100,0%**
By Customer Group						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
9	Organs of State	1,617,244	832,945	397,500	3,257,783	6,105,472
10	Commercial	13,904,052	5,015,727	3,553,529	85,250,971	107,724,279
11	Households	25,482,420	8,901,975	6,031,206	188,609,568	229,025,169
12	**Grand Total**	**41,003,716**	**14,750,647**	**9,982,235**	**277,118,322**	**342,854,920**
13	**% of Total Outstanding Debtors =**	**12,0%**	**4,3%**	**2,9%**	**80,8%**	**100,0%**

Below is a graphical representation of the year-on-year outstanding debtor balances. It is clearly evident that the collection of outstanding debt is deteriorating at an alarming rate.



3.3.10 Capital Expenditure per Directorate (55.3%)

The year-to-date actual capital expenditure of R 86.5 million (Row 9 in Table 12 below) equates to 55.3% (Row 10 in Table 12 below) of the capital expenditure budget of R 156.4 million. Commitments of R 39.9 million (25.5%) and the year-to-date actual capital expenditure in total equates to R 126.4 million or 80.8% of the capital expenditure budget after eleven months of the financial year.

Table 12: Capital Expenditure Budget per Directorate

Row Number	Directorate	Original Budget (OB)	Adjustments Budget (AB)	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	5,500	19,044	4,084	19,044	0	19,044	100,0%	0
2	Corporate Services	3,510,000	2,727,453	975,307	961,043	1,416,705	2,377,748	87,2%	349,705
3	Financial Services	342,000	317,750	310,905	316,842	0	316,842	99,7%	908
4	Planning and Development	380,000	652,532	332,532	408,351	947	409,298	62,7%	243,234
5	Integrated Human Settlements	14,654,600	14,116,555	3,421,380	6,850,072	1,642,265	8,492,337	60,2%	5,624,218
6	Community Services	6,600,000	13,336,530	10,870,678	7,400,704	1,061,322	8,462,026	63,4%	4,874,504
7	Electrical Services	16,250,000	21,683,332	13,508,294	12,946,540	6,762,892	19,709,432	90,9%	1,973,900
8	Technical Services	101,902,066	103,549,081	73,287,521	57,597,513	29,050,957	86,648,471	83,7%	16,900,610
9	Grand Total	143,644,166	156,402,277	102,710,701	86,500,111	39,935,088	126,435,198	80,8%	29,967,079
10	% of Adjusted Budget =				55,3%	25,5%	80,8%		19,2%

The respective Directorates are to ensure that the capital expenditure budget is fully spent by the end of the financial year.

3.3.11 Capital Expenditure per Funding Source (55.3%)

Table 13 below depicts the same financial information contained in Table 12 above however, Table 13 categorises the capital expenditure by funding source.

Table 13: Capital Expenditure Budget per Funding Source

Row Number	Funding Source	Original Budget (OB)	Adjustments Budget (AB)	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
Column Reference	A	B	C	D	E	F	G	H	I
1	National Government Grants	34,829,566	37,906,741	32,529,081	20,855,757	11,087,332	31,943,088	84,3%	5,963,653
2	Provincial Government Grants	12,854,600	15,329,000	3,133,825	7,101,017	2,423,757	9,524,774	62,1%	5,804,226
3	District Municipality Grant	0	120,000	0	0	0	0	0,0%	120,000
4	Borrowings	86,902,500	95,035,006	61,070,971	52,508,958	25,675,014	78,183,972	82,3%	16,851,034
5	Internally Generated Funds	9,057,500	8,011,530	5,976,824	6,034,379	748,986	6,783,364	84,7%	1,228,166
6	**Grand Total**	**143,644,166**	**156,402,277**	**102,710,701**	**86,500,111**	**39,935,088**	**126,435,198**	**80,8%**	**29,967,079**
7				% of Adjusted Budget =	55,3%	25,5%	80,8%		19,2%

The year-to-date actual and committed capital expenditure is funded by National and Provincial Government grants of 84.3% and 62.1% respectively; external borrowings of 82.3%; and, internally generated funds of 84.7%.

Year-to-date actual capital expenditure of R 86.5 million (55.3%) and capital commitments of R 40.0 million (25.5%) of the capital expenditure budget results in available funds of R 30.0 million (19.2%) which must be spent by the end of the financial year.

Following receipt of the final ABSA loan tranche and the payment of creditors and loans in June 2022, the Municipality will endeavour to invest unspent external loans, if any.

3.4 Remedial or Corrective Steps

There is still a requirement to concentrate on credit control and debt collection processes; the implementation of operating expenditure cost reduction measures; and, to monitor the performance of contractors implementing capital and operational projects.

Continuous and rigorous measures to improve the cashflow position must be implemented immediately to ensure long-term financial sustainability.

3.5 Conclusion

Poor debt collection, un/underfunded mandates and poor expenditure control are the main contributors towards a weak cash flow position. Should these challenges not receive immediate attention and timeous action, the Municipality will remain in a financially unhealthy position for an indefinite period.

RAYMOND ESAU
ACTING MUNICIPAL MANAGER

14 June 2022

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **Raymond Esau**, the Acting Municipal Manager of Knysna Municipality, hereby certify that -

X	The monthly budget statement
	The quarterly report on the implementation of the budget and financial state of affairs of the municipality
	The mid-year budget and performance assessment

for the month ending May 2022 of the 2021/2022 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

RAYMOND ESAU
ACTING MUNICIPAL MANAGER

14 June 2022

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knysna - Table C1 Monthly Budget Statement Summary - M11 May

Description	2020/21	Budget Year 2021/22							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	227,434	248,921	248,930	14,454	230,545	230,711	(166)	-0%	248,930
Service charges	400,195	439,806	452,452	33,048	405,683	407,082	(1,399)	-0%	452,452
Investment revenue	3,210	3,650	2,026	347	1,719	1,767	(48)	-3%	2,026
Transfers and subsidies	177,945	151,130	169,166	4,030	139,839	125,115	14,724	12%	169,166
Other own revenue	147,731	129,320	142,743	3,936	38,570	33,798	4,772	14%	142,743
Total Revenue (excluding capital transfers and contributions)	**956,515**	**972,827**	**1,015,317**	**55,815**	**816,357**	**798,474**	**17,883**	**2%**	**1,015,317**
Employee costs	279,130	290,455	295,813	21,774	247,103	250,874	(3,771)	-2%	295,813
Remuneration of Councillors	8,781	10,373	9,321	761	8,266	8,286	(19)	-0%	9,321
Depreciation & asset impairment	39,993	45,670	43,670	–	–	0	(0)	-100%	43,670
Finance charges	23,154	26,689	24,199	0	13,398	20,551	(7,153)	-35%	24,199
Inventory consumed and bulk purchases	241,177	271,750	289,881	19,387	233,981	251,805	(17,824)	-7%	289,881
Transfers and subsidies	5,988	4,877	4,075	201	907	2,963	(2,056)	-69%	4,075
Other expenditure	355,341	322,291	373,779	19,352	226,146	242,104	(15,958)	-7%	373,779
Total Expenditure	**953,564**	**972,105**	**1,040,738**	**61,475**	**729,801**	**776,583**	**(46,782)**	**-6%**	**1,040,738**
Surplus/(Deficit)	**2,951**	**722**	**(25,420)**	**(5,660)**	**86,556**	**21,891**	**64,665**	**295%**	**(25,420)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	46,419	47,684	52,856	8,649	29,065	33,306	(4,241)	-13%	52,856
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	1,169	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**	**60,424**	**109%**	**27,436**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**	**60,424**	**109%**	**27,436**
Capital expenditure & funds sources									
Capital expenditure	–	**143,644**	**156,402**	**14,295**	**86,500**	**102,711**	**(16,211)**	**-16%**	**93,760**
Capital transfers recognised	–	47,684	53,356	8,173	27,957	35,663	(7,706)	-22%	53,356
Borrowing	–	86,903	95,035	5,591	52,509	61,071	(8,562)	-14%	95,035
Internally generated funds	–	9,058	8,012	531	6,034	5,977	58	1%	8,012
Total sources of capital funds	–	**143,644**	**156,402**	**14,295**	**86,500**	**102,711**	**(16,211)**	**-16%**	**156,402**
Financial position									
Total current assets	291,431	303,521	277,006		269,800				277,006
Total non current assets	1,434,027	1,563,187	1,544,687		1,515,165				1,544,687
Total current liabilities	240,833	231,674	250,724		151,523				250,724
Total non current liabilities	379,294	473,583	441,322		418,026				441,322
Community wealth/Equity	**1,052,491**	**1,161,452**	**1,130,466**		**1,215,417**				**1,130,466**
Cash flows									
Net cash from (used) operating	(718,333)	91,816	77,843	25,575	44,353	(498,429)	(542,782)	109%	77,843
Net cash from (used) investing	–	(143,394)	(157,723)	(14,310)	(65,908)	–	65,908	#DIV/0!	(157,723)
Net cash from (used) financing	(30,982)	52,038	52,038	19,811	30,961	–	(30,961)	#DIV/0!	52,038
Cash/cash equivalents at the month/year end	**(769,467)**	**74,560**	**14,488**	–	**44,748**	**(1,414,128)**	**(1,458,876)**	**103%**	**(13,354)**

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	41,004	14,751	9,982	18,838	6,792	6,420	91,173	153,896	342,855
Creditors Age Analysis									
Total Creditors	4,863	–	–	–	–	–	–	–	4,863

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**283,448**	**287,359**	**290,632**	**16,157**	**263,754**	**263,137**	617	0%	**290,632**
Executive and council		5,319	4,494	4,365	177	4,375	4,198	177	4%	4,365
Finance and administration		278,128	282,865	286,267	15,980	259,379	258,939	440	0%	286,267
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**178,423**	**150,171**	**175,007**	**5,009**	**44,873**	**34,263**	10,610	31%	**175,007**
Community and social services		12,312	10,386	12,483	197	11,996	9,936	2,060	21%	12,483
Sport and recreation		1,654	1,642	1,354	107	1,169	1,225	(56)	-5%	1,354
Public safety		109,383	91,444	104,866	11	137	99	37	38%	104,866
Housing		55,074	46,699	56,305	4,694	31,571	23,002	8,569	37%	56,305
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**13,897**	**24,284**	**26,160**	**2,993**	**15,858**	**19,766**	(3,908)	-20%	**26,160**
Planning and development		8,311	8,828	9,716	1,499	9,104	6,170	2,933	48%	9,716
Road transport		5,587	15,456	15,344	1,494	6,755	13,596	(6,841)	-50%	15,344
Environmental protection		–	–	1,100	–	–	–	–		1,100
Trading services		**528,334**	**558,697**	**576,374**	**40,305**	**520,937**	**514,614**	6,323	1%	**576,374**
Energy sources		294,170	327,723	349,494	25,413	311,104	313,784	(2,680)	-1%	349,494
Water management		103,369	106,921	110,011	7,312	104,251	98,205	6,046	6%	110,011
Waste water management		81,670	74,213	70,160	5,850	61,292	58,618	2,674	5%	70,160
Waste management		49,125	49,840	46,710	1,730	44,290	44,007	283	1%	46,710
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,004,103**	**1,020,511**	**1,068,173**	**64,464**	**845,422**	**831,780**	**13,642**	**2%**	**1,068,173**
Expenditure - Functional										
Governance and administration		**155,978**	**199,563**	**189,962**	**9,925**	**145,680**	**151,261**	(5,582)	-4%	**189,962**
Executive and council		34,973	36,346	29,323	(4,349)	12,130	12,595	(464)	-4%	29,323
Finance and administration		118,393	160,320	156,717	14,085	130,470	135,385	(4,915)	-4%	156,717
Internal audit		2,611	2,897	3,923	189	3,079	3,281	(202)	-6%	3,923
Community and public safety		**272,138**	**226,099**	**265,531**	**15,105**	**132,384**	**143,513**	(11,129)	-8%	**265,531**
Community and social services		22,409	15,085	16,225	905	12,686	13,118	(432)	-3%	16,225
Sport and recreation		20,984	23,969	22,404	1,552	19,175	19,499	(324)	-2%	22,404
Public safety		158,970	139,423	166,522	8,400	62,955	63,217	(263)	0%	166,522
Housing		69,774	47,623	60,381	4,248	37,569	47,679	(10,110)	-21%	60,381
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**73,819**	**81,393**	**81,045**	**4,780**	**61,094**	**65,811**	(4,717)	-7%	**81,045**
Planning and development		35,549	41,013	37,965	2,818	31,274	33,208	(1,934)	-6%	37,965
Road transport		33,396	34,318	36,438	1,657	26,032	27,124	(1,092)	-4%	36,438
Environmental protection		4,874	6,062	6,642	305	3,788	5,478	(1,690)	-31%	6,642
Trading services		**449,310**	**465,049**	**504,200**	**31,665**	**390,643**	**415,998**	(25,355)	-6%	**504,200**
Energy sources		257,591	289,388	311,957	20,074	244,607	265,367	(20,760)	-8%	311,957
Water management		65,203	64,973	71,142	3,517	50,893	55,964	(5,071)	-9%	71,142
Waste water management		74,692	68,255	72,436	4,192	53,897	53,780	117	0%	72,436
Waste management		51,824	42,433	48,664	3,882	41,247	40,888	360	1%	48,664
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**951,245**	**972,105**	**1,040,738**	**61,475**	**729,801**	**776,583**	**(46,782)**	**-6%**	**1,040,738**
Surplus/ (Deficit) for the year		**52,858**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**	**60,424**	**109%**	**27,436**

Table C3: Financial Performance (Revenue and Expenditure by Municipal Vote)

WC048 Knysna - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	Ref	2020/21	Budget Year 2021/22							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	5,754	–	–	–	–		5,754
Vote 3 - COMMUNITY SERVICES (33: IE)		58	–	120	–	4	–	4	#DIV/0!	120
Vote 4 - FINANCIAL SERVICES (34: IE)		–	–	–	–	–	–	–		–
Vote 5 - OPERATING SERVICES (35: IE)		1,902	–	1,100	–	–	–	–		1,100
Vote 6 - 1. Executive AND Council (110: IE)		5,569	4,494	4,515	177	4,525	4,198	327	7.8%	4,515
Vote 7 - 2. Corporate (120: IE)		3,743	3,688	4,104	232	3,612	3,706	(95)	-2.6%	4,104
Vote 8 - 3. Finance (130: IE)		243,221	279,177	276,246	15,748	255,604	255,220	384	0.2%	276,246
Vote 9 - 5. Planning (150: IE)		19,636	4,261	5,484	455	5,564	4,742	822	17.3%	5,484
Vote 10 - 6. Community (160: IE)		193,623	159,142	171,026	2,492	63,306	60,477	2,829	4.7%	171,026
Vote 11 - 7. Electricity (170: IE)		293,018	327,723	349,494	25,413	311,104	313,784	(2,680)	-0.9%	349,494
Vote 12 - 8. Technical (180: IE)		188,259	195,327	194,025	15,254	170,136	166,650	3,485	2.1%	194,025
Vote 13 - 9. Housing Services (190: IE)		55,074	46,699	56,305	4,694	31,567	23,002	8,564	37.2%	56,305
Total Revenue by Vote	2	**1,004,103**	**1,020,511**	**1,068,173**	**64,464**	**845,422**	**831,780**	**13,642**	**1.6%**	**1,068,173**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		–	–	–	31	31	–	31	#DIV/0!	–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	1,000	–	–	690	(690)	-100.0%	1,000
Vote 3 - COMMUNITY SERVICES (33: IE)		768	–	133	2	18	95	(77)	-81.0%	133
Vote 4 - FINANCIAL SERVICES (34: IE)		–	–	–	–	–	–	–		–
Vote 5 - OPERATING SERVICES (35: IE)		857	–	16	2	2	15	(13)	-85.7%	16
Vote 6 - 1. Executive AND Council (110: IE)		41,587	43,126	37,188	(3,790)	18,696	19,354	(658)	-3.4%	37,188
Vote 7 - 2. Corporate (120: IE)		51,837	58,480	64,507	7,807	51,153	53,093	(1,940)	-3.7%	64,507
Vote 8 - 3. Finance (130: IE)		53,232	80,890	75,345	5,088	65,586	67,637	(2,051)	-3.0%	75,345
Vote 9 - 5. Planning (150: IE)		25,162	27,225	28,491	1,622	21,676	24,813	(3,137)	-12.6%	28,491
Vote 10 - 6. Community (160: IE)		262,539	242,331	271,783	16,100	152,208	152,723	(515)	-0.3%	271,783
Vote 11 - 7. Electricity (170: IE)		260,430	293,522	314,956	20,285	247,248	267,986	(20,738)	-7.7%	314,956
Vote 12 - 8. Technical (180: IE)		185,170	178,909	186,939	10,080	135,614	142,498	(6,884)	-4.8%	186,939
Vote 13 - 9. Housing Services (190: IE)		69,664	47,623	60,381	4,248	37,569	47,679	(10,110)	-21.2%	60,381
Total Expenditure by Vote	2	**951,245**	**972,105**	**1,040,738**	**61,475**	**729,801**	**776,583**	**(46,782)**	**-6.0%**	**1,040,738**
Surplus/ (Deficit) for the year	2	**52,858**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**	**60,424**	**109.5%**	**27,436**

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		227,434	248,921	248,930	14,454	230,545	230,711	(166)	0%	248,930
Service charges - electricity revenue		275,116	306,742	328,353	24,900	288,939	293,011	(4,072)	-1%	328,353
Service charges - water revenue		72,575	74,860	71,170	5,132	67,057	64,854	2,203	3%	71,170
Service charges - sanitation revenue		26,623	29,930	27,968	1,581	26,290	26,021	269	1%	27,968
Service charges - refuse revenue		25,881	28,273	24,961	1,434	23,398	23,197	201	1%	24,961
Rental of facilities and equipment		5,756	5,948	5,146	368	4,368	4,570	(202)	-4%	5,146
Interest earned - external investments		3,210	3,650	2,026	347	1,719	1,767	(48)	-3%	2,026
Interest earned - outstanding debtors		14,900	16,262	19,130	1,816	17,606	17,038	568	3%	19,130
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		108,739	92,551	104,657	9	130	12	118	983%	104,657
Licences and permits		1,591	1,580	1,621	129	1,351	1,420	(69)	-5%	1,621
Agency services		3,630	3,780	3,654	248	3,762	3,371	391	12%	3,654
Transfers and subsidies		177,945	151,130	169,166	4,030	139,839	125,115	14,724	12%	169,166
Other revenue		11,199	8,949	8,285	1,357	11,261	7,304	3,957	54%	8,285
Gains		1,915	250	250	9	92	83	9	11%	250
Total Revenue (excluding capital transfers and contributions)		**956,515**	**972,827**	**1,015,317**	**55,815**	**816,357**	**798,474**	**17,883**	**2%**	**1,015,317**
Expenditure By Type										
Employee related costs		279,130	290,455	295,813	21,774	247,103	250,874	(3,771)	-2%	295,813
Remuneration of councillors		8,781	10,373	9,321	761	8,266	8,286	(19)	0%	9,321
Debt impairment		142,237	131,220	142,920	4,185	46,035	45,798	238	1%	142,920
Depreciation & asset impairment		39,993	45,670	43,670	–	–	0	(0)	-100%	43,670
Finance charges		23,154	26,689	24,199	0	13,398	20,551	(7,153)	-35%	24,199
Bulk purchases - electricity		199,242	229,095	243,467	16,368	196,704	211,445	(14,741)	-7%	243,467
Inventory consumed		41,935	42,655	46,414	3,019	37,277	40,360	(3,083)	-8%	46,414
Contracted services		161,885	133,214	169,621	13,479	126,512	143,240	(16,727)	-12%	169,621
Transfers and subsidies		5,988	4,877	4,075	201	907	2,963	(2,056)	-69%	4,075
Other expenditure		51,219	57,856	61,237	1,687	53,598	53,067	531	1%	61,237
Losses		–	–	–	–	–	–	–		–
Total Expenditure		**953,564**	**972,105**	**1,040,738**	**61,475**	**729,801**	**776,583**	**(46,782)**	**-6%**	**1,040,738**
Surplus/(Deficit)		**2,951**	**722**	**(25,420)**	**(5,660)**	**86,556**	**21,891**	**64,665**	**0**	**(25,420)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		46,419	47,684	52,856	8,649	29,065	33,306	(4,241)	(0)	52,856
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		1,169	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**			**27,436**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**			**27,436**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**			**27,436**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**50,539**	**48,406**	**27,436**	**2,989**	**115,621**	**55,197**			**27,436**

Table C5: Capital Expenditure (Municipal Vote, Standard Classification and Funding)

WC048 Knysna - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	2020/21	Budget Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 14 - CAPITAL SUSPENSE (28: CS)		–	–	–	–	–	–	–		–
Vote 15 - CORPORATE SERVICES (32: CS)		–	–	–	–	–	–	–		–
Vote 16 - 1. Executive AND Council (110: CS)		–	–	–	–	–	–	–		–
Vote 17 - 2. Corporate (120: CS)		–	–	–	–	–	–	–		–
Vote 18 - 3. Finance (130: CS)		–	–	–	–	–	–	–		–
Vote 19 - 5. Planning (150: CS)		–	–	–	–	–	–	–		–
Vote 20 - 6. Community (160: CS)		–	–	–	–	–	–	–		–
Vote 21 - 7. Electricity (170: CS)		–	–	–	–	–	–	–		–
Vote 22 - 8. Technical (180: CS)		–	–	–	–	–	–	–		–
Vote 23 - 9. Housing Services (190: CS)		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2							–		
Vote 14 - CAPITAL SUSPENSE (28: CS)		–						–		15
Vote 15 - CORPORATE SERVICES (32: CS)		–						–		120
Vote 16 - 1. Executive AND Council (110: CS)		–						–		140
Vote 17 - 2. Corporate (120: CS)		–						–		–
Vote 18 - 3. Finance (130: CS)		–	7,238	7,517	299	4,503	4,309	195	5%	4
Vote 19 - 5. Planning (150: CS)		–	58,617	57,857	4,683	28,544	43,118	(14,575)	-34%	2,727
Vote 20 - 6. Community (160: CS)		–	3,740	5,782	221	3,111	3,320	(208)	-6%	5,782
Vote 21 - 7. Electricity (170: CS)		–	13,250	17,898	1,143	10,152	10,823	(671)	-6%	17,898
Vote 22 - 8. Technical (180: CS)		–	46,145	53,232	6,085	33,340	37,720	(4,380)	-12%	53,232
Vote 23 - 9. Housing Services (190: CS)		–	14,655	14,117	1,864	6,850	3,421	3,429	100%	14,117
Total Capital single-year expenditure	4	–	143,644	156,402	14,295	86,500	102,711	(16,211)	-16%	93,760
Total Capital Expenditure		–	**143,644**	**156,402**	**14,295**	**86,500**	**102,711**	**(16,211)**	**-16%**	**93,760**
Capital Expenditure - Functional Classification										
Governance and administration		–	7,238	7,517	299	4,503	4,309	195	5%	7,517
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	7,238	7,517	299	4,503	4,309	195	5%	7,517
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	18,395	19,899	2,085	9,961	6,741	3,220	48%	19,899
Community and social services		–	990	1,579	221	667	393	275	70%	1,579
Sport and recreation		–	1,450	2,300	–	1,063	1,143	(80)	-7%	2,300
Public safety		–	1,300	1,904	–	1,381	1,784	(403)	-23%	1,904
Housing		–	14,655	14,117	1,864	6,850	3,421	3,429	100%	14,117
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	58,617	57,857	4,683	28,544	43,118	(14,575)	-34%	57,857
Planning and development		–	600	1,015	95	431	307	124	41%	1,015
Road transport		–	58,017	56,843	4,588	28,112	42,811	(14,699)	-34%	56,843
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	59,395	71,130	7,228	43,492	48,543	(5,051)	-10%	71,130
Energy sources		–	13,250	17,898	1,143	10,152	10,823	(671)	-6%	17,898
Water management		–	23,701	36,597	2,212	24,400	26,530	(2,130)	-8%	36,597
Waste water management		–	19,584	9,083	1,016	4,654	3,639	1,015	28%	9,083
Waste management		–	2,860	7,551	2,858	4,286	7,551	(3,265)	-43%	7,551
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	–	143,644	156,402	14,295	86,500	102,711	(16,211)	-16%	156,402
Funded by:										
National Government		–	34,830	37,907	5,771	20,856	32,529	(11,673)	-36%	37,907
Provincial Government		–	12,855	15,329	2,402	7,101	3,134	3,967	127%	15,329
District Municipality		–	–	120	–	–	–	–		120
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		–	–	–	–	–	–	–		–
Transfers recognised - capital		–	47,684	53,356	8,173	27,957	35,663	(7,706)	-22%	53,356
Borrowing	6	–	86,903	95,035	5,591	52,509	61,071	(8,562)	-14%	95,035
Internally generated funds		–	9,058	8,012	531	6,034	5,977	58	1%	8,012
Total Capital Funding		–	143,644	156,402	14,295	86,500	102,711	(16,211)	-16%	156,402

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2020/21	Budget Year 2021/22			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash		27,541	74,101	(301)	6,842	(301)
Call investment deposits		14,789	–	14,789	37,907	14,789
Consumer debtors		132,896	137,278	135,717	146,393	135,717
Other debtors		103,694	83,034	113,802	63,680	113,802
Current portion of long-term receivables		4	–	4	4	4
Inventory		12,507	9,108	12,995	14,975	12,995
Total current assets		**291,431**	**303,521**	**277,006**	**269,800**	**277,006**
Non current assets						
Long-term receivables		3,572	2,194	2,318	2,318	2,318
Investments		4,108	10,807	4,108	(0)	4,108
Investment property		69,819	68,541	69,679	69,819	69,679
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,338,994	1,464,129	1,451,065	1,425,494	1,451,065
Biological		–	–	–	–	–
Intangible		99	80	80	99	80
Other non-current assets		17,435	17,435	17,435	17,435	17,435
Total non current assets		**1,434,027**	**1,563,187**	**1,544,687**	**1,515,165**	**1,544,687**
TOTAL ASSETS		**1,725,459**	**1,866,708**	**1,821,692**	**1,784,965**	**1,821,692**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		37,352	32,529	36,992	36,992	36,992
Consumer deposits		13,509	13,717	13,509	14,540	13,509
Trade and other payables		151,113	142,850	166,943	60,397	166,943
Provisions		38,858	42,577	33,280	39,594	33,280
Total current liabilities		**240,833**	**231,674**	**250,724**	**151,523**	**250,724**
Non current liabilities						
Borrowing		252,244	353,148	306,944	296,561	306,944
Provisions		127,050	120,435	134,378	121,465	134,378
Total non current liabilities		**379,294**	**473,583**	**441,322**	**418,026**	**441,322**
TOTAL LIABILITIES		**620,127**	**705,256**	**692,046**	**569,549**	**692,046**
NET ASSETS	2	**1,105,332**	**1,161,452**	**1,129,647**	**1,215,417**	**1,129,647**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,052,491	1,115,952	1,130,466	1,215,417	1,130,466
Reserves		–	45,500	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1,052,491**	**1,161,452**	**1,130,466**	**1,215,417**	**1,130,466**

Table C7: Cash Flow

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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		–	228,527	228,954	15,563	211,057	–	211,057	#DIV/0!	228,954
Service charges		–	423,282	438,490	24,473	262,058	–	262,058	#DIV/0!	438,490
Other revenue		–	30,694	29,210	1,801	23,914	–	23,914	#DIV/0!	29,210
Transfers and Subsidies - Operational		–	151,130	155,973	1,002	75,556	–	75,556	#DIV/0!	155,973
Transfers and Subsidies - Capital		–	47,684	46,719	–	4,536	–	4,536	#DIV/0!	46,719
Interest		–	3,650	2,026	292	1,240	–	1,240	#DIV/0!	2,026
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(740,256)	(761,584)	(796,417)	(17,404)	(509,607)	(510,854)	(1,247)	0%	(796,417)
Finance charges		21,923	(26,689)	(24,199)	–	(16,785)	12,425	29,210	235%	(24,199)
Transfers and Grants		–	(4,877)	(2,913)	(152)	(7,616)	–	7,616	#DIV/0!	(2,913)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(718,333)**	**91,816**	**77,843**	**25,575**	**44,353**	**(498,429)**	**(542,782)**	**109%**	**77,843**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	250	250	–	4	–	4	#DIV/0!	250
Decrease (increase) in non-current receivables		–	–	–	–	28,590	–	28,590	#DIV/0!	–
Decrease (increase) in non-current investments		–	–	–	–	(70)	–	(70)	#DIV/0!	–
Payments										
Capital assets		–	(143,644)	(157,973)	(14,310)	(94,433)	–	94,433	#DIV/0!	(157,973)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(143,394)**	**(157,723)**	**(14,310)**	**(65,908)**	**–**	**65,908**	**#DIV/0!**	**(157,723)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	86,903	86,903	20,000	64,110	–	64,110	#DIV/0!	86,903
Increase (decrease) in consumer deposits		(947)	–	–	(189)	(1,248)	–	(1,248)	#DIV/0!	–
Payments										
Repayment of borrowing		(30,035)	(34,865)	(34,865)	–	(31,900)	–	31,900	#DIV/0!	(34,865)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(30,982)**	**52,038**	**52,038**	**19,811**	**30,961**	**–**	**(30,961)**	**#DIV/0!**	**52,038**
NET INCREASE/ (DECREASE) IN CASH HELD		**(749,315)**	**460**	**(27,842)**	**31,076**	**9,406**	**(498,429)**			**(27,842)**
Cash/cash equivalents at beginning:		(20,152)	74,101	42,330		35,342	(915,699)			14,488
Cash/cash equivalents at month/year end:		(769,467)	74,560	14,488		44,748	(1,414,128)			(13,354)

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description	NT Code	Budget Year 2021/22											
R thousands		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	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5,830	2,588	1,930	1,704	1,673	1,355	20,258	20,675	56,012	45,665	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15,636	4,931	2,953	12,535	1,344	1,054	7,415	19,854	65,721	42,202	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	15,030	4,869	3,046	2,465	2,045	1,812	28,023	44,504	101,794	78,849	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,138	1,180	995	916	877	824	17,966	35,948	60,844	56,531	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,907	948	785	713	676	630	13,295	32,562	51,517	47,877	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	340	135	177	80	80	80	482	6,605	7,979	7,327	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	123	100	96	426	97	665	3,732	(6,251)	(1,012)	(1,331)	–	–
Total By Income Source	**2000**	**41,004**	**14,751**	**9,982**	**18,838**	**6,792**	**6,420**	**91,173**	**153,896**	**342,855**	**277,118**	–	–
2020/21 - totals only		**37,739**	**16,432**	**8,736**	**7,347**	**7,185**	**5,258**	**60,512**	**150,321**	**293,529**	**230,623**	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,617	833	398	422	202	159	1,301	1,174	6,105	3,258	–	–
Commercial	2300	13,904	5,016	3,554	12,980	1,994	1,739	24,209	44,329	107,724	85,251	–	–
Households	2400	25,482	8,902	6,031	5,436	4,596	4,522	65,663	108,393	229,025	188,610	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**41,004**	**14,751**	**9,982**	**18,838**	**6,792**	**6,420**	**91,173**	**153,896**	**342,855**	**277,118**	–	–

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2021/22									Prior year totals for chart (same period)
R thousands		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	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	2,579	–	–	–	–	–	–	–	2,579	451
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	2,284	–	–	–	–	–	–	–	2,284	5,349
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**4,863**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4,863**	5,801

Supporting Table SC5: Investment Portfolio

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

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
R thousands		Yrs/Months												
Municipality														
Nedbank - Business (Ringfenced_WSIG)	03/7881173637/02	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	4,827	20	–		4,848
Nedbank - Business (Ringfenced_MIG)	03/7881042702/17	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	7,894	33	–		7,927
Nedbank - Business (Ringfenced_NDPG)	03/7881085932/03	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	5,003	21	–		5,024
Investec - (Ceded to DBSA)	021941-500	Call	Call Deposit	Call Deposit	Fixed	3.35%	0	0	Call Deposit	2,722	10	–		2,732
Investec - (Own Funds)	021941-503	Call	Call Deposit	Call Deposit	Fixed	3.35%	0	0	Call Deposit	18	0	–		18
Nedbank - Various PT/NT GRANTS	03/7881531940/54	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	4,483	19	–		4,502
Standard Bank - MIG2021/22	288567420-029	Call	Call Deposit	Call Deposit	Fixed	4.25%	0	0	Call Deposit	7,002	24	–		7,026
Standard Bank - NDPG 2021/22	288567420-030	Call	Call Deposit	Call Deposit	Fixed	4.25%	0	0	Call Deposit	4,710	16	–		4,726
Standard Bank - PESG	288567420-031	Call	Call Deposit	Call Deposit	Fixed	4.25%	0	0	Call Deposit	1,100	4	–		1,104
Municipality sub-total										37,760		–	–	37,907
Entities														
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2									37,760		–	–	37,907

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	107,777	107,777	–	101,240	33,623	67,617	201.1%	107,777
Local Government Equitable Share		–	98,572	98,572	–	98,572	32,857	65,715	200.0%	98,572
Local Government Financial Management Grant		–	1,550	1,550	–	1,550	158	1,392	880.7%	1,550
Water Services Operating Subsidy		–	–	–	–	–	–	–		–
Energy Efficiency and Demand Side Management		–	–	–	–	–	–	–		–
Integrated National Electrification (INEP)		–	–	–	–	–	–	–		–
CoGTA: Municipal Infrastructure Grant (MIG)	3	–	4,567	4,567	–	–	328	(328)	-100.0%	4,567
Expanded Public Works Programme Integrated Grant		–	1,118	1,118	–	1,118	280	838	299.3%	1,118
Neighbourhood Development Partnership Grant		–	1,304	1,304	–	–	–	–		1,304
WSIG		–	666	666	–	–	–	–		666
Provincial Government:		–	43,112	44,212	1,435	33,484	11,793	21,691	183.9%	44,212
Disaster and Emergency Services		–	–	–	–	–	–	–		–
Title Deeds Restoration		–	–	–	–	–	–			–
LG&H: Community Development Worker		–	57	57		57	–	57	#DIV/0!	57
LG&H: Integrated Housing & Human Settlements	4	–	33,802	33,802	1,185	20,646	11,312	9,334	82.5%	33,802
CA: Library Conditional Operational		–	8,493	8,493	–	10,921	481	10,440	2168.9%	8,493
Financial management Capacity Building Grant		–	250	250	–	–	–	–		250
Forensic Grant					–	400		400	#DIV/0!	–
Financial Management Support (WC FMGSG)		–	510	510	–	–	–	–		510
PW: Maintenance & Construction of Transport Infrastructure		–	–	–	–	–	–	–		–
Maintenance of Proclaimed Roads					–	110		110	#DIV/0!	–
Municipal Public Employment Support				1,100	–	1,100	–	1,100	#DIV/0!	1,100
Finance Capacity Buidling Grant		–	–		250	250	–	250	#DIV/0!	–
District Grant		–	–	–	–	–	–	–		–
Food Security Grant		–	–		1,000	1,000	–	1,000	#DIV/0!	–
0		–	–	–	–	–	–	–		–
Other grant providers:		–	240	240	–	–	240	(240)	-100.0%	240
Nedbank SMME Incubator Programme		–	240	240	–	–	240	(240)	-100.0%	240
Non-profit institutions:Unspecified		–	–	–	–	–	–			–
Total Operating Transfers and Grants	5	–	151,130	152,230	1,435	134,724	45,656	89,068	195.1%	152,230
Capital Transfers and Grants										
National Government:		–	34,830	34,830	–	39,567	9,531	14,929	156.6%	39,472
CoGTA: Municipal Infrastructure Grant (MIG)		–	21,693	21,693	–	24,460	9,531	14,929	156.6%	–
Energy Efficiency and Demand Side Management		–	–	–	–	–	–			21,693
Integrated National Electrification (INEP)		–	–	–	–	–	–			8,696
Neighbourhood Development Partnership Grant		–	8,696	8,696	–	10,000	–			9,083
WSIG		–	4,441	4,441	–	5,107	–			–
Provincial Government:		–	12,855	13,255	–	981	1,842	(862)	-46.8%	12,855
LG&H: Integrated Housing & Human Settlements		–	12,855	12,855	–	581	1,842	(1,262)	-68.5%	12,855
Municipal Intervention Grant		–	–	400	–	400	–			–
Other grant providers:		–	–	120	–	120	–	120	#DIV/0!	–
District Grant: Security Camera		–	–	120		120	–	120	#DIV/0!	–
Total Capital Transfers and Grants	5	–	47,684	48,204	–	40,668	11,373	14,188	124.7%	52,327
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	198,814	200,434	1,435	175,392	57,029	103,256	181.1%	204,556

Supporting Table SC7(1): Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May										
		2020/21	Budget Year 2021/22							
Description R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	107,777	107,777	525	102,389	33,623	67,865	201.8%	107,777
Local Government Equitable Share		–	98,572	98,572	–	98,572	32,857	65,715	200.0%	98,572
Local Government Financial Management Grant		–	1,550	1,550	370	1,082	158	924	584.7%	1,550
Water Services Operating Subsidy		–	–	–	–	–	–	–		–
Energy Efficiency and Demand Side Management		–	–	–	–	–	–	–		–
Integrated National Electrification (INEP)		–	–	–	–	–	–	–		–
CoGTA: Municipal Infrastructure Grant (MIG)		–	4,567	4,567	120	1,554	328	1,226	373.6%	4,567
Expanded Public Works Programme Integrated Grant		–	1,118	1,118	35	1,058	280			1,118
Neighbourhood Development Partnership Grant		–	1,304	1,304	–	–	–			1,304
WSIG		–	666	666	–	122	–			666
Provincial Government:		–	43,112	43,112	3,006	34,298	11,793	21,501	182.3%	42,862
Disaster and Emergency Services		–	–	–	–	–	–	–		–
Title Deeds Restoration		–	–	–	–	–	–	–		–
LG&H: Community Development Worker		–	57	57	12	69	–	69	#DIV/0!	57
LG&H: Integrated Housing & Human Settlements		–	33,802	33,802	2,827	23,585	11,312	12,273	108.5%	33,802
CA: Library Conditional Operational		–	8,493	8,493	168	9,639	481	9,158	1902.6%	8,493
Financial management Capacity Building Grant		–	250	250	–	–	–	–		–
Financial Management Support (WC FMGSG)		–	510	510	–	–	–	–		510
Maintenance of Proclaimed Roads			–	–	–	110				–
Forensic Investigation			–	–		338				
TRP			–	–		557				
District Municipality:		–	–	–	–	–	–	–		–
								–		
								–		
Other grant providers:		–	240	240	8	144	240	(96)	-40.0%	240
Nedbank SMME Incubator Programme		–	240	240	8	144	240	(96)	-40.0%	240
Non-profit institutions:Unspecified		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		–	151,130	151,130	3,539	136,831	45,656	91,175	199.7%	151,130
Capital expenditure of Transfers and Grants										
National Government:		–	34,830	34,830	6,982	23,820	9,531	14,290	149.9%	34,830
CoGTA: Municipal Infrastructure Grant (MIG)		–	21,693	21,693	4,468	14,927	9,531	(9,531)	-100.0%	21,693
Energy Efficiency and Demand Side Management		–	–	–	–	–	–	–		–
Integrated National Electrification (INEP)		–	–	–	–	–	–	–		–
Neighbourhood Development Partnership Grant		–	8,696	8,696	1,120	1,585	–	–		8,696
WSIG		–	4,441	4,441	1,394	7,309	–	1,789	#DIV/0!	4,441
							–			
Provincial Government:		–	12,855	13,255	2,233	8,502	2,242	(1,120)	-49.9%	13,255
LG&H: Integrated Housing & Human Settlements		–	12,855	12,855	1,864	8,132	1,842	(1,120)	-60.8%	12,855
Municipal Intervention Grant		–	–	400	370	370	400	(1,120)	-280.0%	400
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	47,684	48,084	9,215	32,322	11,773	20,549	174.5%	48,084
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	198,814	199,214	12,754	169,153	57,429	111,724	194.5%	199,214

Supporting Table SC7(2): Expenditure against Approved Roll-overs

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M11 May

Description	Ref	Budget Year 2021/22				
R thousands		Approved Rollover 2020/21	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Local Government Equitable Share					–	
Local Government Financial Management Grant					–	
LG&H: Community Development Worker					–	
LG&H: Integrated Housing & Human Settlements					–	
CA: Library Conditional Operational					–	
Financial management Capacity Building Grant					–	
Municipal Public Employment Support					–	
Finance Capacity Buidling Grant		–	–	–	–	
District Grant					–	
Energy Efficiency and Demand Side Management					–	
Integrated National Electrification (INEP)					–	
Neighbourhood Development Partnership Grant					–	
WSIG					–	
		–	–	–	–	
					–	
					–	
		–	–	–	–	
					–	
					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs		–	–	–	–	
Total Capital Transfers and Grants					–	
					–	
					–	
					–	
					–	
					–	
		–	–	–	–	
					–	
					–	
		–	–	–	–	
					–	
					–	
		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

Supporting Table SC8: Councillor and Staff Benefits

WC048 Knysna - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration R thousands	Ref	2020/21 Audited Outcome	Budget Year 2021/22 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6,628	8,086	7,328	599	6,399	6,483	(83)	-1%	7,328
Pension and UIF Contributions		361	414	393	38	369	350	19	5%	393
Medical Aid Contributions		90	100	143	14	127	125	1	1%	143
Motor Vehicle Allowance		646	716	316	20	315	297	19	6%	316
Cellphone Allowance		669	760	683	54	637	618	19	3%	683
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		265	298	133	6	128	126	1	1%	133
Sub Total - Councillors		**8,659**	**10,373**	**8,997**	**731**	**7,976**	**8,000**	**(24)**	**0%**	**8,997**
% increase	4		**19.8%**	**3.9%**						**3.9%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,748	5,155	3,096	152	2,540	2,785	(246)	-9%	3,096
Pension and UIF Contributions		577	376	390	13	305	351	(46)	-13%	390
Medical Aid Contributions		178	139	125	5	102	113	(11)	-10%	125
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		900	702	702	–	–	485	(485)	-100%	702
Motor Vehicle Allowance		793	574	446	19	370	405	(35)	-9%	446
Cellphone Allowance		30	23	13	–	13	13	–		13
Housing Allowances		78	72	4	–	4	4	–		4
Other benefits and allowances		133	74	92	5	76	83	(7)	-8%	92
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**7,438**	**7,116**	**4,868**	**194**	**3,411**	**4,240**	**(829)**	**-20%**	**4,868**
% increase	4		**-4.3%**	**-34.6%**						**-34.6%**
Other Municipal Staff										
Basic Salaries and Wages		155,689	174,972	167,424	13,204	146,072	148,516	(2,445)	-2%	167,424
Pension and UIF Contributions		28,281	30,857	29,544	2,429	26,840	26,455	386	1%	29,544
Medical Aid Contributions		12,449	15,849	12,771	1,074	11,563	11,413	150	1%	12,771
Overtime		24,013	13,159	25,348	2,801	24,103	22,702	1,402	6%	25,348
Performance Bonus		12,937	13,224	12,413	26	12,415	12,409	6	0%	12,413
Motor Vehicle Allowance		7,887	7,151	7,217	630	6,745	6,459	285	4%	7,217
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		2,967	3,005	2,410	213	2,199	2,143	56	3%	2,410
Other benefits and allowances		7,733	6,850	15,545	746	10,486	13,268	(2,781)	-21%	15,545
Payments in lieu of leave		1,491	3,726	3,726	457	3,269	3,269	–		3,726
Long service awards		2,312	2,744	2,744	–	–	–	–		2,744
Post-retirement benefit obligations	2	15,932	11,802	11,802	–	–	–	–		11,802
Sub Total - Other Municipal Staff		**271,692**	**283,339**	**290,944**	**21,580**	**243,692**	**246,634**	**(2,942)**	**-1%**	**290,944**
% increase	4		**4.3%**	**7.1%**						**7.1%**
Total Parent Municipality		**287,789**	**300,828**	**304,809**	**22,505**	**255,079**	**258,873**	**(3,795)**	**-1%**	**304,809**
TOTAL SALARY, ALLOWANCES & BENEFITS		**287,789**	**300,828**	**304,809**	**22,505**	**255,079**	**258,873**	**(3,795)**	**-1%**	**304,809**
% increase	4		**4.5%**	**5.9%**						**5.9%**
TOTAL MANAGERS AND STAFF		**279,130**	**290,455**	**295,813**	**21,774**	**247,103**	**250,874**	**(3,771)**	**-2%**	**295,813**

Supporting Table SC9: Monthly targets for Cash Receipts and Payments

WC048 Knysna - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M11 May

Description	Ref	Budget Year 2021/22												2021/22 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	2021/22	+1 2022/23	+2 2023/24
Cash Receipts By Source																
Property rates		13,056	33,172	40,411	18,608	16,254	14,733	15,442	14,760	14,228	14,829	15,563	17,897	228,954	237,976	253,517
Service charges - electricity revenue		14,024	12,444	20,604	16,634	13,456	15,381	14,256	16,450	15,591	13,646	15,594	149,528	317,607	344,352	394,478
Service charges - water revenue		4,509	4,948	5,640	4,665	4,304	4,306	4,680	5,575	5,665	5,202	5,713	11,851	67,058	69,091	72,948
Service charges - sanitation revenue		1,289	2,542	2,854	1,691	1,592	1,393	1,700	1,443	1,467	1,421	1,578	9,567	28,535	31,673	33,497
Service charges - refuse		1,412	2,686	3,278	1,709	1,710	1,536	1,462	1,504	1,468	1,450	1,589	5,486	25,290	29,635	31,336
Rental of facilities and equipment		262	241	239	244	386	472	506	400	157	142	174	1,950	5,174	6,422	6,768
Interest earned - external investments		59	123	70	102	127	127	130	58	56	96	292	786	2,026	4,000	4,700
Interest earned - outstanding debtors		59	123	70	102	127	127	130	58	56	96	292	786	2,026	4,000	4,700
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,317	1,131	712	5	11	1	4	15	3	12	11	7,253	10,476	10,861	11,437
Licences and permits		121	108	112	120	131	84	119	114	147	101	130	332	1,621	1,683	1,794
Agency services		112	126	125	122	132	123	133	146	180	260	125	2,072	3,654	4,082	4,409
Transfers and Subsidies - Operational		40,797	1	2	2	1	32,638	10	2	1,101	2	1,002	80,418	155,973	185,116	173,761
Other revenue		536	805	791	1,084	1,217	776	2,302	1,172	1,477	1,327	1,042	(4,244)	8,285	9,221	9,493
Cash Receipts by Source		**77,554**	**58,451**	**74,907**	**45,088**	**39,448**	**71,695**	**40,875**	**41,697**	**41,597**	**38,583**	**43,103**	**283,680**	**856,679**	**938,113**	**1,002,837**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		4,536	–	–	–	–	–	–	–	–	–	–	42,183	46,719	61,739	70,226
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	4	–	–	246	250	250	250
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	44,110	20,000	22,793	86,903	70,120	70,000
Increase (decrease) in consumer deposits		33	(25)	87	123	–	(44)	(1,050)	(73)	(61)	(51)	(189)	1,248	–	–	–
Decrease (increase) in non-current receivables		–	22,546	–	6,044	–	–	–	–	–	–	–	(28,590)	–	–	–
Decrease (increase) in non-current investments		(12)	(12)	(11)	(35)	–	–	–	–	–	–	–	70	–	–	–
Total Cash Receipts by Source		**82,112**	**80,961**	**74,983**	**51,221**	**39,448**	**71,651**	**39,825**	**41,624**	**41,541**	**82,642**	**62,914**	**321,629**	**990,550**	**1,070,222**	**1,143,313**

Cash Payments by Type												–			
Employee related costs	17,481	19,579	19,487	22,858	33,819	22,292	22,679	21,696	20,701	41,897	21,767	(559,061)	(294,804)	(309,273)	(329,111)
Remuneration of councillors	758	758	388	757	629	783	753	757	755	1,510	754	(8,600)	–	–	–
Interest paid	377	766	2,910	–	2	9,911	638	248	966	967	0	(40,984)	(24,199)	(27,833)	(29,054)
Bulk purchases - Electricity	152	–	–	–	–	–	–	–	–	–	–	(232,025)	(231,873)	(275,557)	(319,227)
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	(46,561)	(46,561)	(29,393)	(30,719)
Contracted services	1,283	7,483	26,906	13,115	15,848	11,123	15,016	10,217	19,165	23,189	13,317	(315,712)	(159,050)	(181,539)	(173,227)
Grants and subsidies paid - other municipalities	–	–	–	–	1,583	59	226	2,086	279	386	(50)	(4,568)	–	–	–
Grants and subsidies paid - other	5	3	65	1,275	1,196	19	11	70	60	141	201	(5,961)	(2,913)	(2,155)	(2,258)
General expenses	6,662	8,416	31,528	3,984	3,275	4,436	3,321	4,092	6,174	13,705	1,501	(151,221)	(64,129)	(65,219)	(68,540)
Cash Payments by Type	**28,476**	**40,459**	**82,169**	**44,849**	**59,882**	**52,461**	**38,420**	**35,825**	**44,018**	**75,013**	**34,258**	**(1,364,694)**	**(823,529)**	**(890,969)**	**(952,137)**
Other Cash Flows/Payments by Type															
Capital assets	1,960	5,773	14,117	6,625	12,751	8,301	4,762	4,957	8,076	12,801	14,310	63,540	157,973	141,739	151,227
Repayment of borrowing	1,010	1,843	877	–	–	22,808	2,628	879	1,855	–	–	(66,765)	(34,865)	(43,345)	(50,329)
Other Cash Flows/Payments	67,313	23,198	(32,748)	(17,130)	(5,647)	(11,873)	11,068	5,455	(29,602)	(29,385)	16,702	2,649	–	–	–
Total Cash Payments by Type	**98,759**	**71,273**	**64,416**	**34,344**	**66,985**	**71,697**	**56,878**	**47,117**	**24,346**	**58,429**	**65,270**	**(1,365,269)**	**(700,421)**	**(792,575)**	**(851,239)**
NET INCREASE/(DECREASE) IN CASH HELD	**(16,647)**	**9,688**	**10,567**	**16,877**	**(27,537)**	**(46)**	**(17,053)**	**(5,493)**	**17,195**	**24,213**	**(2,356)**	**44,748**	**1,690,971**	**1,862,797**	**1,994,553**
Cash/cash equivalents at the month/year beginning:	35,342	18,695	28,382	38,949	55,826	28,289	28,243	11,190	5,697	22,892	47,104	44,748	14,488	64,270	49,190
Cash/cash equivalents at the month/year end:	18,695	28,382	38,949	55,826	28,289	28,243	11,190	5,697	22,892	47,104	44,748	89,497	1,705,459	1,927,068	2,043,743

Supporting Table SC13(a): Capital Expenditure on New Assets

WC048 Knysna - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	19,500	24,523	1,157	15,219	15,298	79	0.5%	24,523
Roads Infrastructure		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	10,250	14,636	628	9,374	9,751	378	3.9%	14,636
MV Networks		–	6,750	9,286	94	6,588	5,688	(901)	-15.8%	9,286
LV Networks		–	3,500	5,200	535	2,785	4,064	1,279	31.5%	5,200
Capital Spares		–	–	150	–	–	–	–		150
Water Supply Infrastructure		–	5,900	8,242	320	5,242	4,730	(511)	-10.8%	8,242
Dams and Weirs		–	–	1,309	–	635	635	–		1,309
Pump Stations		–	–	623	320	320	–	(320)	#DIV/0!	623
Water Treatment Works		–	1,650	2,060	–	579	388	(191)	-49.2%	2,060
Capital Spares		–	4,250	4,250	–	3,707	3,707	–		4,250
Sanitation Infrastructure		–	2,400	676	–	107	107	–		676
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	2,400	676	–	107	107	–		676
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	500	955	185	483	548	66	12.0%	955
Drainage Collection		–	500	955	185	483	548	66	12.0%	955
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	450	14	23	14	161	147	91.5%	14
Data Centres		–	450	14	23	14	161	147	91.5%	14
Community Assets		–	900	679	–	–	–	–		679
Community Facilities		–	900	679	–	–	–	–		679
Halls		–	–	179	–	–	–	–		179
Taxi Ranks/Bus Terminals		–	900	500	–	–	–	–		500
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	14,655	14,117	1,864	6,850	3,421	(3,429)	-100.2%	14,117
Operational Buildings		–	–	–	–	–	–	–		–
Housing		–	14,655	14,117	1,864	6,850	3,421	(3,429)	-100.2%	14,117
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	14,655	14,117	1,864	6,850	3,421	(3,429)	-100.2%	14,117
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Computer Equipment		–	505	630	30	547	292	(255)	-87.5%	630
Computer Equipment		–	505	630	30	547	292	(255)	-87.5%	630
Furniture and Office Equipment		–	903	1,107	225	335	265	(70)	-26.4%	1,107
Furniture and Office Equipment		–	903	1,107	225	335	265	(70)	-26.4%	1,107
Machinery and Equipment		–	1,800	2,389	126	1,399	1,647	248	15.0%	2,389
Machinery and Equipment		–	1,800	2,389	126	1,399	1,647	248	15.0%	2,389
Transport Assets		–	7,710	16,356	2,858	9,412	13,674	4,262	31.2%	16,356
Transport Assets		–	7,710	16,356	2,858	9,412	13,674	4,262	31.2%	16,356
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	–	45,972	59,800	6,259	33,762	34,597	835	2.4%	59,800

Supporting Table SC13(b): Capital Expenditure on Renewal of Existing Assets

WC048 Knysna - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	38,555	38,635	5,099	18,912	29,484	10,573	35.9%	38,635
Roads Infrastructure		–	37,055	36,734	4,588	18,376	29,460	11,083	37.6%	36,734
Roads		–	37,055	36,734	4,588	18,376	29,460	11,083	37.6%	36,734
Storm water Infrastructure		–	–	400	370	370	–	(370)	#DIV/0!	400
Drainage Collection		–	–	400	370	370	–	(370)	#DIV/0!	400
Water Supply Infrastructure		–	1,500	1,361	–	25	25	–		1,361
Water Treatment Works		–	1,500	600	–	25	25	–		600
Distribution		–	–	761	–	–	–	–		761
Sanitation Infrastructure		–	–	140	141	141	–	(141)	#DIV/0!	140
Waste Water Treatment Works		–	–	140	141	141	–	(141)	#DIV/0!	140
Community Assets		–	1,650	1,708	–	1,708	1,708	–		1,708
Sport and Recreation Facilities		–	1,650	1,708	–	1,708	1,708	–		1,708
Capital Spares		–	1,650	1,708	–	1,708	1,708	–		1,708
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	800	1,300	–	68	500	432	86.5%	1,300
Housing		–	800	1,300	–	68	500	432	86.5%	1,300
Staff Housing		–	800	1,300	–	68	500	432	86.5%	1,300
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	–	41,005	41,643	5,099	20,687	31,692	11,005	34.7%	41,643

Supporting Table SC13(c): Expenditure on Repairs & Maintenance

WC048 Knysna - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		35,673	35,519	41,850	3,028	36,311	36,957	646	1.7%	41,850
Roads Infrastructure		5,562	6,400	7,396	68	5,567	6,519	952	14.6%	7,396
Roads		5,531	6,357	7,375	68	5,567	6,504	938	14.4%	7,375
Capital Spares		31	43	21	–	–	14	14	100.0%	21
Storm water Infrastructure		2,052	2,415	2,129	46	1,931	2,000	69	3.5%	2,129
Drainage Collection		4	–	–	–	–	–	–		–
Storm water Conveyance		2,048	2,415	2,129	46	1,931	2,000	69	3.5%	2,129
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		11,711	11,677	13,036	747	9,968	11,194	1,225	10.9%	13,036
Power Plants		9	0	–	–	–	–	–		–
HV Substations		2,461	1,949	2,136	45	2,039	2,067	28	1.3%	2,136
HV Switching Station		100	1,208	143	–	108	129	21	16.2%	143
HV Transmission Conductors		1,301	1,208	1,527	40	1,508	1,388	(120)	-8.7%	1,527
MV Networks		5,013	4,665	5,780	560	3,767	4,690	924	19.7%	5,780
LV Networks		2,828	2,647	3,450	103	2,546	2,919	373	12.8%	3,450
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		8,486	8,559	12,070	2,119	11,646	10,247	(1,399)	-13.7%	12,070
Water Treatment Works		6,371	5,575	9,045	1,233	9,198	7,886	(1,312)	-16.6%	9,045
Capital Spares		2,115	2,985	3,025	886	2,448	2,361	(87)	-3.7%	3,025
Sanitation Infrastructure		7,762	5,893	6,406	48	6,361	6,181	(180)	-2.9%	6,406
Waste Water Treatment Works		7,762	5,893	6,406	48	6,361	6,181	(180)	-2.9%	6,406
Solid Waste Infrastructure		101	575	813	–	838	816	(22)	-2.7%	813
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		101	575	813	–	838	816	(22)	-2.7%	813
Community Assets		2,418	4,233	3,021	31	2,167	2,663	496	18.6%	3,021
Community Facilities		1,881	2,962	2,074	19	1,414	1,794	380	21.2%	2,074
Halls		342	462	273	2	132	225	92	41.0%	273
Fire/Ambulance Stations		70	68	64	–	12	44	32	72.9%	64
Museums		0	117	71	4	49	60	11	18.1%	71
Libraries		355	514	187	2	167	139	(28)	-20.1%	187
Cemeteries/Crematoria		150	322	307	–	200	272	72	26.6%	307
Police		166	362	203	–	31	145	114	78.6%	203
Purls		–	–	–	–	–	–	–		–
Public Open Space		798	1,117	968	11	822	909	87	9.6%	968
Sport and Recreation Facilities		537	1,271	947	12	753	869	116	13.3%	947
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		537	1,271	947	12	753	869	116	13.3%	947
Other assets		2,071	2,467	2,627	104	2,109	2,218	109	4.9%	2,627
Operational Buildings		1,418	1,767	1,830	56	1,421	1,476	54	3.7%	1,830
Municipal Offices		252	555	662	24	191	316	124	39.3%	662
Depots		1,166	1,212	1,168	33	1,230	1,160	(70)	-6.0%	1,168
Capital Spares		–	–	–	–	–	–	–		–
Housing		654	700	796	47	688	743	55	7.4%	796
Staff Housing		643	676	742	3	644	705	62	8.8%	742
Social Housing		11	24	54	45	45	37	(7)	-19.4%	54
Capital Spares		–	–	–	–	–	–	–		–
Furniture and Office Equipment		0	63	5	(1)	–	4	4	100.0%	5
Furniture and Office Equipment		0	63	5	(1)	–	4	4	100.0%	5
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		5,680	5,760	6,158	523	5,571	5,310	(261)	-4.9%	6,158
Transport Assets		5,680	5,760	6,158	523	5,571	5,310	(261)	-4.9%	6,158
Total Repairs and Maintenance Expenditure	1	45,843	48,043	53,660	3,684	46,158	47,152	993	2.1%	53,660

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class										
Infrastructure		–	–	–	–	–	–	–		–
Roads Infrastructure		–	–	–	–	–	–	–		–
Roads								–		
Road Structures								–		
Road Furniture								–		
Capital Spares								–		
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection								–		
Storm water Conveyance								–		
Attenuation								–		
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants								–		
HV Substations								–		
HV Switching Station								–		
HV Transmission Conductors								–		
MV Substations								–		
MV Switching Stations								–		
MV Networks								–		
LV Networks								–		
Capital Spares								–		
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs								–		
Boreholes								–		
Reservoirs								–		
Pump Stations								–		
Water Treatment Works								–		
Bulk Mains								–		
Distribution								–		
Distribution Points								–		
PRV Stations								–		
Capital Spares								–		
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Pump Station								–		
Reticulation								–		
Waste Water Treatment Works								–		
Outfall Sewers								–		
Toilet Facilities								–		
Capital Spares								–		
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites								–		
Waste Transfer Stations								–		
Waste Processing Facilities								–		
Waste Drop-off Points								–		
Waste Separation Facilities								–		
Electricity Generation Facilities								–		
Capital Spares								–		
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines								–		
Rail Structures								–		
Rail Furniture								–		
Drainage Collection								–		
Storm water Conveyance								–		
Attenuation								–		
MV Substations								–		
LV Networks								–		
Capital Spares								–		

Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment								–		
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment								–		
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment								–		
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets								–		
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Total Depreciation	1	–	–	–	–	–	–	–		–

Supporting Table SC13(e): Upgrading of Existing Assets

WC048 Knysna - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M11

Description	Ref	2020/21	Budget Year 2021/22							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		–	–	–	–	–	–	–		–
Roads Infrastructure		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing								–		
Social Housing								–		
Capital Spares								–		
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets								–		
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes								–		
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment								–		
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment								–		
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment								–		
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets								–		
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Total Capital Expenditure on upgrading of existing	1	–	–	–	–	–	–	–		–