Knysna
Municipality Munisipaliteit uMasipala
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CONSOLIDATED QUARTER TWO SECTION 52 (d) AND SECTION 71 REPORT

(Non-Financial and Financial Performance Assessment)

2022/2023

DECEMBER 2022

This report is prepared in terms of the Local Government: Municipal Finance Management Act, No. 56 of 2003, the Municipal Budget and Reporting Regulations and Government Gazette 32141, dated 17 April 2009

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EXECUTIVE SUMMARY

This report is compiled in terms of Section 52 and Section 71 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, which requires reporting on a quarterly and monthly basis the implementation of the budget and the financial state of affairs of the Municipality.

This report is divided into two components, component A representing the non-financial performance, and component B representing the financial performance of the Municipality for the second quarter of the 2022/2023 financial year, stretching from 1 October 2022 to 31 December 2022.

COMPONENT A: NON-FINANCIAL PERFORMANCE ASSESSMENT REPORT

MUNICIPAL MANAGER'S QUALITY CERTIFICATE: NON-FINANCIAL PERFORMANCE ASSESSMENT

Knysna Local Municipality - Consolidated Section 52 (d) and Section 71 Report - December 2022

MUNICIPAL MANAGER'S QUALITY CERTIFICATE: NON-FINANCIAL PERFORMANCE ASSESSMENT

I, **Roland Butler**, the Acting Municipal Manager of Knysna Local Municipality, hereby certify that –

✓	the quarterly report on the implementation of the budget of Knysna Municipality
	the mid-year performance assessment

for the second quarter ending **December 2022** of the **2022/2023** financial year has been prepared in accordance with Section 52(d) of the Municipal Finance Management Act and Regulations made under that Act.

Name: Mr. Roland Butler

The Acting Municipal Manager, Knysna Local Municipality (WC048)

Signature: ______________________ **Date:** 20/01/2023

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NON-FINANCIAL PERFORMANCE ASSESSMENT

The Service Delivery and Budget Implementation Plan, referred to and hereafter to be referred to as the SDBIP of Knysna Local Municipality is aligned to its Integrated Development Plan (IDP) and Budget. The implementation of the Budget is monitored through the SDBIP by means of an electronic performance management system, referred to as Ignite.

The purpose of the in-year monitoring and reporting on the implementation of the SDBIP is to report progress on the implementation of the budget, identify any major problems and institute, where necessary mitigating measures to address the same. The approved SDBIP for the 2022/2023 financial year has a total of fifty-nine (59) key performance indicators, hereafter referred to as KPI's that must be managed, implemented and monitored by respective directors under the leadership of the Accounting Officer and reported on via the Office of the Executive Mayor to council.

Quarter 2 had sixteen (16) KPIs to implement and the table below provides an overview of its implementation status:

STATUS	PROGRESS
Not Met	5 (31.25%)
Almost Met	2 12.5%)
Met (Met, Well Met and Extremely Well Met)	9 (56.25%)
TOTAL	**16 (100%)**

Management identified corrective measures to be put in place in order to address areas of underperformance noted in the second quarter. This is done to ensure that the KPIs are implemented by the end of the financial year. The progress on these measures will be monitored and reported on in the Annual Performance Report of the organisation.

The remaining **forty-three (43)** KPIs will be measured and reported on at the specified time during the remainder of financial year.

INTRODUCTION

Section 52 (d) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003, requires of the Executive Mayor to submit a quarterly report to council on the implementation of the budget as well as the financial state of affairs of the municipality, within 30 days after the end of each quarter.

This Non-Financial Performance Assessment Report represents the quarter-two outcomes of the set indicators and targets prepared in accordance with Circular 13 of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003, and the Municipal Budget and Reporting Regulations.

The information herein illustrates the Municipality's Quarter Two Non-Financial Performance Assessment for the period 01 October 2022 to 31 December 2022.

PERFORMANCE MONITORING

The SDBIP serves as a contract between the administration, council, and the community it serves. It serves as a management, implementation, and monitoring tool that will assist the Executive Mayor, Councillors, Municipal Manager, Senior Managers, and the Community to monitor the implementation of the budget, performance of senior management, and the achievement of strategic objectives of council.

The diagram below illustrates the vital role of the stakeholders in performance management:

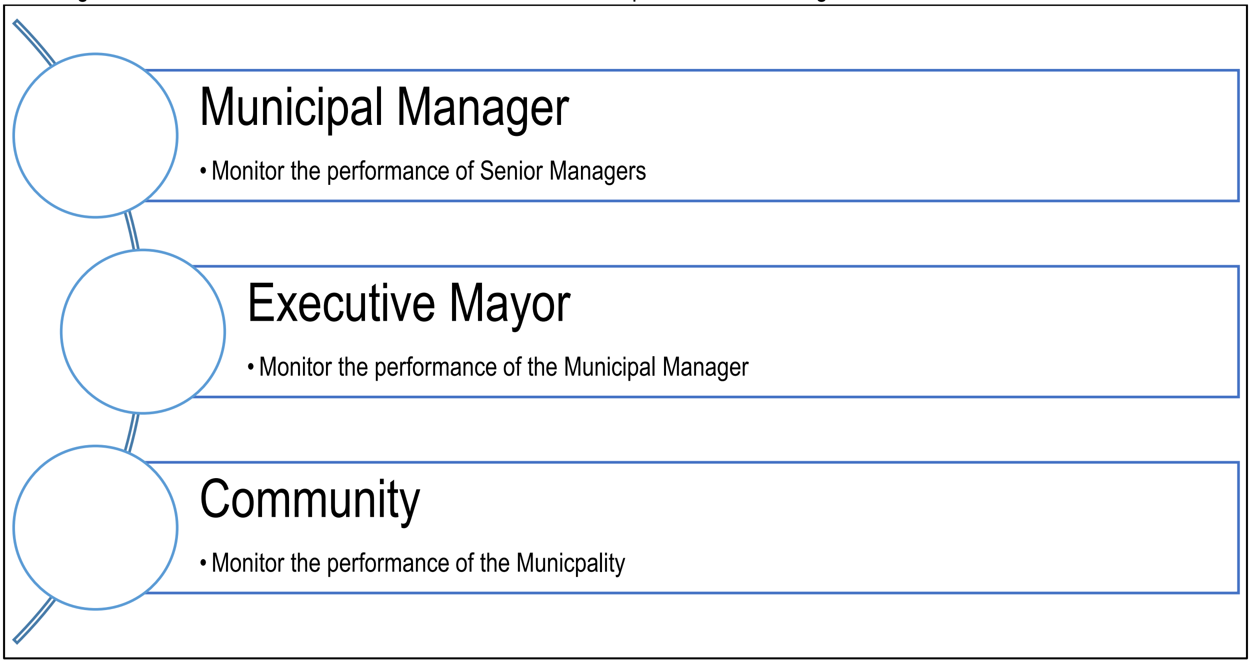


Figure 1 - Stakeholders in Performance Management

It is therefore of utmost importance that the SDBIP align with the signed performance agreements between the Executive Mayor and Municipal Manager, and that of the Municipal Manager and Directors reporting to him. These performance agreements are determined and concluded at the start of each financial year and may be reviewed as circumstances determine.

The approved SDBIP indicators and targets are transferred onto an electronic web-based performance management system. The KPIs and targets are then monitored on a continued basis to determine whether performance targets; were reported on, met or not met. The system is designed to send automated monthly e-mail reminders to key performance indicator owners for the updating of actual performance against projected targets.
The objective of the performance management system includes:

- Facilitating:
    - Strategy development;
    - Increased accountability;
    - Learning and improvement; and
    - Decision-making.
- Provide early warning signs of under-performance; and
- Creating a culture of performance as well as best practice.

The overall assessment of actual performance against targets set for KPIs as documented in the SDBIP is illustrated in terms of the following assessment methodology (as per the performance management system):

KPI RESULT	CATEGORY	CALCULATION EXPLANATION
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.
R	KPI Not Met	0% <= Actual/Target <= 66.999%
O	KPI Almost Met	67.000% <= Actual/Target <= 99.999%
G	KPI Met	Actual meets Target (Actual/Target = 100%)
G2	KPI Well Met	100.001% <= Actual/Target <= 132.999%
B	KPI Extremely Well Met	133.000% <= Actual/Target

Table 1 - Performance Assessment Criteria

SERVICE DELIVERY PERFORMANCE

The SDBIP is a key management, implementation and monitoring tool. It sets out how the Municipality aims to deliver on its Constitutional mandate which include-

- Providing democratic and accountable government for local communities;
- Ensure the provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and healthy environment; and
- Encouraging the involvement of communities and community organisations in the matters of local government.

Knysna Local Municipality strives to achieve its Constitutional mandate within its financial and administrative capacity in an efficient, effective, and economical manner.

For the 2022/2023 financial year, a total of **fifty-nine (59)** top-layer (strategic) key performance indicators were approved to measure and monitor the implementation of the municipality's budget. For the period under review, a total of **sixteen (16)** KPIs were due for implementation of which a detailed representation is reflected later in this report. The remaining **forty-three (43)** KPIs will be measured and reported on at the specified time during the remainder of financial year.

The graph following represents an overview of the overall performance of the Municipality for the second quarter of the 2022/2023 financial year:

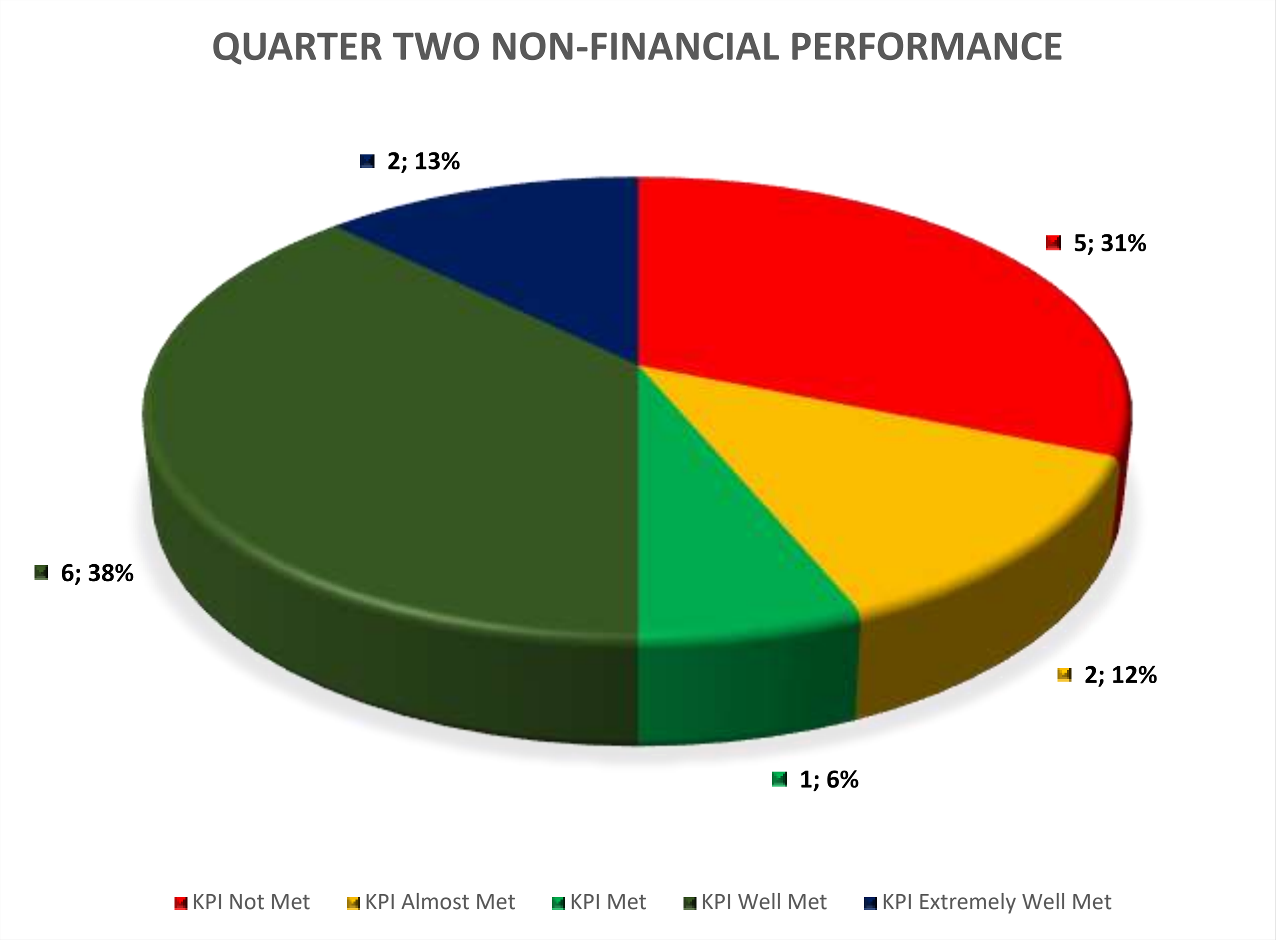


Figure 2 - Overall Performance

A total of **nine (9)** KPIs were met for the period under review, **two (2)** were almost met, and **five (5)** were not met for the period **1 October 2022 to 31 December 2022**.[1]

The remainder of this report is structured to illustrate the service delivery performance of Knysna Local Municipality per:

- National Key Performance Area;
- Strategic Objective; and
- Directorate.

[1] Key performance indicators met, include the results of the key performance indicators met, well met, and extremely well met.

PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA

Section 43(1) of the Local Government: Municipal Systems Act, No, 32 of 2000, states that:

"The Minister, after consultation with the MECs for local government and organised local government representing local government nationally, may -

(a) by regulation prescribe general key performance indicators that are appropriate and that can be applied to local government generally; and

(b) when necessary, review and adjust those general key performance indicators."

These general key performance areas, hereinafter referred to as National Key Performance Areas (NKPAs) are prescribed in the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The table below illustrates the Municipality's performance against the National Key Performance Areas (NKPA's):

Knysna Municipality Overall National Key Performance Area Performance Result		NATIONAL KEY PERFORMANCE AREA				
		Basic Service Delivery	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development	Good Governance and Public Participation
Not Met	5 (31.25%)	-	-	2 (66.67%)	-	3 (60%)
Almost Met	2 (12.50%)	2 (25%)	-	-	-	-
Met	2 (12.50%)	-	-	-	-	1 (20%)
Well Met	6 (37.50%)	6 (75%)	-	-	-	-
Extremely Well Met	2 (12.50%)	-	-	1 (33.33%)	-	1 (20%)
Total:	16*[2]	8	0	3	0	5
	100%	50%	0%	18.75%	0%	31.25%

Table 2 - National Key Performance Area Performance - Overall Result

Annexure A provides a detailed overview of the respective KPIs linked to the National Key Performance Areas.

[2] * Excludes 43 key performance indicators which had no target/actual for the reporting period.

PERFORMANCE PER MUNICIPAL STRATEGIC OBJECTIVES

The Council of Knysna Local Municipality crafted a set of strategic objectives which are aligned to the national strategic focus areas as well as the Provincial Strategic Goals of the Western Cape Government. This is intended to guide directorates within the municipality to develop departmental business plans with specific deliverables and targets to give effect to the strategic objectives of Council.

The following table provides the alignment of Knysna's strategic objectives against the national strategic focus areas and provincial strategic goals:

Strategic Focus Area / National Key Performance Area (NKPA and MKPA)	Strategic Objective (SO)	Priority (PR)
Basic Service Delivery	To improve and maintain current basic service delivery through specific infrastructural development projects	Sanitation
		Electricity
		Streets and Storm Water Management
		Water Supply
		Integrated Human Settlements
	To promote a safe and healthy environment through the protection of our natural resources	Environmental Conservation
		Disaster management
Local Economic Development	To create an enabling environment for social development and economic growth	Decent employment opportunities and job creation
		Rural development
		Youth development
		Care for the elderly
		Opportunities for women and people living with disability
		HIV/Aids awareness
Municipal Financial Viability and Transformation	To grow the revenue base of the municipality	Sound Financial Planning
Municipal Transformation and Organisational Development	To structure and manage the municipal administration to ensure efficient service delivery	Institutional capacity building
Good Governance and Public Participation	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Ward committees System
		Communication
		Responsive and accountable system of Local Government

Table 3 - Alignment Table

The table below illustrates the Municipality's performance against the Strategic Objectives:

Knysna Municipality Overall Strategic Objective Performance Result		STRATEGIC OBJECTIVES					
		To improve and maintain current basic service delivery through specific infrastructural development projects	To promote a safe and healthy environment through the protection of our natural resources	To create an enabling environment for social development and economic growth	To grow the revenue base of the municipality	To structure and manage the municipal administration to ensure efficient service delivery	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication
Not Met	5 (31.25%)	-	-	-	2 (66.67%)	-	3 (60%)
Almost Met	2 (12.50%)	2 (25%)	-	-	-	-	-
Met	2 (12.50%)	-	-	-	-	-	1 (20%)
Well Met	6 (37.50%)	6 (75%)	-	-	-	-	-
Extremely Well Met	2 (12.50%)	-	-	-	1 (33.33%)	-	1 (20%)
Total:	16*[3]	8	0	0	3	0	5
	100%	50%	0%	0%	18.75%	0%	31.25%

Table 4 - Strategic Objectives Performance - Overall Results

PERFORMANCE PER DIRECTORATE

[3] * Excludes 43 key performance indicators which had no target/actual for the reporting period.

The administrative component of Knysna Local Municipality is headed by the Municipal Manager, supported by six directors reporting directly to him in terms of Section 56 of the Local Government: Municipal Systems Act, Act No. 32 of 2000. Apart from the legislative powers and functions, the Municipality deemed it fit to review and re-design the organisational structure to effectively address local needs, operational requirements, and service delivery demands. Subsequent to a comprehensive consultation process with all internal stakeholders, the new organisational structure of the municipality was adopted by Council on 29 October 2018 (SC09/10/18). The restructuring of the staff establishment was benchmarked against industry norms and financial sustainability was one of the key considerations.

DIRECTORATE	DIRECTORATE OBJECTIVE
Office of the Municipal Manager	The Municipal Manager heads the Administration arm of the Knysna Municipality and is therefore responsible and accountable for tasks and functions as provided for in section 55 of the Municipal Systems Act, other functions and tasks as provided for in legislation as well as functions delegated to him/her by the Executive Mayor and Council. According to the Municipal Finance Management Act he/she also assumes the role of Accounting Officer.
Corporate Services	The Directorate is responsible for the administrative processes that ensure good governance and the achievement of Council's strategic objectives. The directorate incorporates the Departments of
Financial Services	To manage and provide financial services in order to ensure financial viability, compliance and reporting. The Directorate administrates all finance-related services. These include
Planning and Economic Development	To ensure that the functional and pro-active planning and the implementation of the municipality's constitutional obligations pertaining to land use planning, economic development, and environmental management
Community Services	To render integrated community services to enhance community development in general and promote a clean and safe environment.
Infrastructure Services	To manage infrastructure services provisioning in order to ensure the rendering of sustainable and affordable services to the community. Services pertaining mainly to bulk infrastructure are the responsibility of the Director Technical Services. It also incorporates all Electrical & Mechanical services related to distribution of electricity and oversees the municipality's fleet and mechanical workshop.
Human Settlements Administration	The local Directorate of Human Settlements acts as an agent for Provincial Government and is working with them to achieve their vision, to develop sustainable integrated human settlements. Sustainable settlements are residential areas that allow its residents to access social and economic opportunities close to where they live.

Table 5 - Organisational Structure

The table below illustrates the Municipality's performance per Directorate:

Knysna Municipality Overall Directorate Performance Result		DIRECTORATES						
		Office of the Municipal Manager	Corporate Services	Financial Services	Planning and Economic Development	Community Services	Infrastructure Services	Human Settlements Administration
Not Met	5 (31.25%)	1 (33.33%)	1 (50%)	2 (20%)	-	-	-	1 (100%)
Almost Met	2 (12.50%)	-	-	2 (20%)	-	-	-	-
Met	2 (12.50%)	1 (33.33%)	-	-	-	-	-	-
Well Met	6 (37.50%)	-	-	6 (60%)	-	-	-	-
Extremely Well Met	2 (12.50%)	1 (33.33%)	1 (50%)	-	-	-	-	-
Total:	16*[4]	3	2	10	0	0	0	1
	100%	18.75%	12.50%	62.50%	0%	0%	0%	6.25%

Table 6 - Directorate Performance - Overall Result

[4] * Excludes 43 key performance indicators which had no target/actual for the reporting period.

ANNEXURE A - 2022/2023 QUARTER TWO NON-FINANCIAL PERFORMANCE ASSESSMENT RESULTS PER NATIONAL KEY PERFORMANCE AREA

BASIC SERVICE DELIVERY

National Key Performance Area: **Basic Service Delivery**

Strategic Objectives:
To improve and maintain current basic service delivery through specific infrastructural development project

To promote a safe and healthy environment through the protection of our natural resources[5]

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL24	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for water or have pre-paid meters as at 30 June of the financial year	Last Value	15 801	**15 801**	**15 846**	G2	Residential properties that have access to water = 15,846.	No corrective measure is required. The key performance indicator is met for the quarter under review.

[5] There are no key performance indicators due for the strategic objective "*To promote a safe and healthy environment through the protection of our natural resources*" for the quarter under review.

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources[5]									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL25	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June of the financial year	Last Value	21 348	**21 348**	**22 680**	G2	2,903 Prepaid Meters = 19,777 Total Meters = 22,680.	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL26	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for sewerage as at 30 June of the financial year	Last Value	13 172	**13 172**	**13 160**	O	Revenue Services: Residential properties that have access to sewerage = 13,160.	The municipality is in a process of a Revenue Enhancement drive, with the assistance of DBSA, also the Municipality has now appointed an Accountant - Revenue enhancement and Realisation who will solemnly concentrate on these matters to ensure that all properties that are connected to the water infrastructure are billed accordingly.

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources[5]									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL27	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for refuse removal as at 30 June of the financial year	Last Value	16 227	**16 227**	**14 596**	O	Residential properties that have access to Refuse removal = 14,596.	The municipality is in a process of a Revenue Enhancement drive, with the assistance of DBSA, also the Municipality has now appointed an Accountant - Revenue enhancement and Realisation who will solemnly concentrate on these matters to ensure that all properties that are connected to the water infrastructure are billed accordingly.
TL30	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at 30 June of the financial year	Last Value	1 690	**1 690**	**1 920**	G2	1920 applications received.	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL31	Provide free basic electricity to indigent account holders connected to the municipal electrical infrastructure network	Number of indigent households receiving free basic electricity as at 30 June of the financial year	Last Value	1 425	**1 425**	**1 675**	G2	1920 were received excluding Rheenendal which is supplied by Eskom the number of applications is 1,675.	No corrective measure is required. The key performance indicator is met for the quarter under review.

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources[5]									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL32	Provide free basic sanitation to indigent account holders connected to the municipal sanitation infrastructure network	Number of indigent households receiving free basic sanitation as at 30 June of the financial year	Last Value	1 690	**1 690**	**1 920**	G2	See the attached number of applications received.	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL33	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June of the financial year	Last Value	1 690	**1 690**	**1 920**	G2	See attached number of applications received.	No corrective measure is required. The key performance indicator is met for the quarter under review.

Table 7 - Basic Service Delivery Performance

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

National Key Performance Area: Municipal Financial Viability and Management

Strategic Objectives:
To grow the revenue base of the municipality

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL7	Capital conditional grant spending measured by the percentage (%) spent	95% of the capital conditional grant spent by end-June	Last Value	95%	**40%**	**62%**	B	The expenditure on the conditional operating grants equates to 62% (YTD Actual: R 100, 249, 396 / Total Roll-Over Adjusted Budget: R 161, 667, 903 * 100 = 62%)	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL8	Operational conditional grant spending measured by the percentage (%) spent	95% of the operational conditional grant spent by end-June	Last Value	95%	**30%**	**24.68%**	R	The expenditure on the conditional operating grants equates to 24.68% (YTD Actual: R 11, 468, 932 / Total Roll-Over Adjusted Budget: R 46, 468, 087 * 100 = 24.68%).	Expedite supply chain management processes to prioritize the appointment of services providers.

National Key Performance Area: Municipal Financial Viability and Management Strategic Objectives: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL17	The percentage of a municipality's operating budget actually spent on implementing its workplace skills plan by 30 June 2023 {(Actual total training expenditure divided by total training (budget) x100}	90% of the municipal operating budget spent by end-June	Last Value	90%	40%	9.26%	R	9.26% of the budget was spent on the implementation of the Workplace Skills Plan for the second quarter (Total expenditure: R 140, 902.10 (November: R 14, 0162.10 and December: R 740.00) / Total budget: R 1, 520, 000 * 100 = 9.26%). The Municipality has a Tender comprising of a panel of Services Providers for training and development. The implementation of the training initiatives is being delayed with little to no responses from the Service Providers in respect of requests for quotes.	With the current situation in regard to the delayed responses, the Municipality will be advertising requests for quotes outside the tender, to mitigate the risk of not implementing training initiatives within the organisation.

Table 8 - Municipal Financial Viability and Management

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

National Key Performance Area: Good Governance and Public Participation

Strategic Objectives:
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL10	Submission of Quarterly Audit Committee Reports to Council	Four Audit Committee Reports submitted to Council for the financial year	Accumulative	4	1	1	G	The Audit Committee Quarterly Report for the period 1 July 2022 to 31 October 2022 served before an Ordinary Council meeting held on 13 December 2022.	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL15	Number of Council Meetings held	Four Council meetings held for the financial year	Accumulative	4	1	4	B	Four Council meetings were held for the second quarter of the 2022/2023 financial year.	No corrective measure is required. The key performance indicator is met for the quarter under review.
TL20	Comply with all the relevant legislation and procedures tested annually by the Auditor-General of South Africa	Zero findings in the Auditor General's report on material non-compliance with laws and regulations	Zero	0	0	4	R	For the 2021/2022 Audit, the Auditor-General noted the following material findings on compliance with specific matters in key legislation - Consequence Management, Expenditure Management, Human Resource Management, and Strategic Planning and Performance Management.	Management will review the material findings on compliance issued by the Auditor-General.

National Key Performance Area: Good Governance and Public Participation

Strategic Objectives:
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 October - 31 December 2022			Consolidated Performance Comment	Consolidated Corrective Measures
					Target	Actual	R		
TL21	Submit the Section 52(d) Report to Council following the end of each quarter as prescribed in the Local Government: Municipal Finance Management Act, No. 56 of 2002	Four Section 52(d) Reports submitted to Council by end-June	Accumulative	4	2	1	R	**Integrated Development Plan and Institutional Performance Management:** No updates were available on the performance management system at the time of finalizing this report.	
TL54	Facilitate Housing Imbizos on the human settlements plan for the financial year	Four Housing Imbizos held for the financial year	Accumulative	4	1	0	R	**Integrated Development Plan and Institutional Performance Management:** No updates were available on the performance management system at the time of finalizing this report.	

Table 9 - Good Governance and Public Participation

COMPONENT B: FINANCIAL PERFORMANCE ASSESSMENT REPORT

PART 1 - IN-YEAR REPORT

1. LEGAL CONTEXT

1.1 MONTHLY BUDGET STATEMENT

Section 71 (1) 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 QUARTERLY BUDGET STATEMENT

Chapter 7 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 ("the MFMA") makes provision for the responsibilities of Mayors. Section 52 of the MFMA states that -

The mayor of a municipality –

(a) must provide general political guidance over the fiscal and financial affairs of the municipality;

(b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;

(c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and

(e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor."

1.3 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

(iv) 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 MAYORS' REPORT

2.1 IN-YEAR REPORT: MONTHLY BUDGET STATEMENT

2.1.1 This report represents the Section 71 MFMA monthly budget statement and Section 52 quarterly budget statement as at 31 December 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 December 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.

2.1.4 The submission of this report forms part of the responsibilities of the Executive Mayor of Knysna Municipality, as determined in Section 52(d) of the MFMA. This report is intended to inform the Municipal Council on the state of the financial affairs of the Municipality to enable Council to exercise its oversight responsibility.

2.2 FINANCIAL PROBLEMS OR RISKS FACING THE MUNICIPALITY

2.2.1 As at 31 December 2022, the Commitments exceed the Cash and Cash Equivalents. The cash balance as at 31 December 2022 was critically low, therefore resulting in the majority of Creditors not being paid timeously.

2.2.2 A short-term Overdraft facility up to a maximum of R20 million was approved by Council in January 2023. This is expected to reduce the strain on the cashflow, and to also ensure that Service Providers continue to deliver uninterrupted services to the Municipality.

2.2.3 The collection of outstanding debt and the recovery of all unpaid grants is critical and thus requires priority. Aggressive debt collection measures have been implemented.

2.2.4 The electricity crisis has had a severe impact on the municipal revenue base. Furthermore, infrastructure not designed to accommodate such a high frequency of Eskom switching has been affected. Repairs / replacement / maintenance of affected infrastructure has had a profound effect on both service delivery and the cashflow.

2.2.5 The DBSA Revenue Enhancement project was expected to be completed by 30 November 2022. Due to various reasons, the completion date has been extended to 31 January 2023.

2.2.6 Strict expenditure control must be applied to ensure that unauthorised expenditure is avoided, and that there is no abuse of municipal funds. Unauthorised, Irregular and Fruitless and Wasteful Expenditure must be prevented. The approved Cost Containment Policy must be fully implemented.

2.2.7 Spending on non-core municipal functions must be decreased in an attempt to reduce the strain on both the budget and the cashflow.

2.2.8 The upcoming Adjustments Budget in February 2023 is expected to be exceptionally challenging. Drastic adjustments will have to be made in an attempt to achieve a fully funded, credible and realistic Budget, with a view to substantially improving the cashflow position.

2.3 RECOMMENDATION

(a) That Council notes the Section 71 monthly budget statement and Section 52 quarterly budget statement as at 31 December 2022.

(b) That Council notes that the Section 71 monthly budget statement and Section 52 quarterly budget statement report as at 31 December 2022 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 16 January 2023, being the 10th working day after the end of December 2022.

(c) That Council notes that the Section 71 monthly budget statement and Section 52 quarterly budget statement as at 31 December 2022 will be published on the municipal website.

CLLR AUBREY TSENGWA
EXECUTIVE MAYOR
16 January 2023

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 December 2022.

3.1.2 Section 52(d) of the MFMA requires from the Executive Mayor to submit a quarterly report to Council on the implementation of the approved budget. The report relates to the quarter ending 31 December 2022.

3.1.3 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).

3.1.4 The financial performance of the operating and capital budget for the 2022/2023 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 557.4 million compared to the year-to-date budgeted operating revenue of R 564.0 million results in a negative variance of R 6.6 million or -1.2% (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	261,551,911	261,551,911	164,874,038	164,463,030	411,008	0.2%	
2	Electricity Revenue	354,321,348	354,321,348	159,167,198	168,031,999	-8,864,801	-5.3%	The significant monetary fluctuation are being investigated. However it should be noted that the unexpected Eskom load shedding schedules is the main contributor towards the variance.
3	Water Revenue	74,586,025	74,586,025	41,773,626	41,224,243	549,383	1.3%	
4	Sanitation Revenue	29,310,910	29,310,910	18,971,633	18,948,044	23,589	0.1%	
5	Refuse Revenue	27,831,817	27,831,817	19,258,473	19,367,001	-108,528	-0.6%	
6	Rental Revenue	5,444,020	5,444,020	6,813,897	3,397,410	3,416,487	100.6%	The positive variance is as a result of new rental agreements entered into by the Municipality.
7	Interest on Investments	2,046,273	2,046,273	984,689	965,321	19,368	2.0%	
8	Interest on Debtors	19,321,626	19,321,626	14,210,620	12,445,579	1,765,041	14.2%	The repo rate has increased significantly compared to the prior year, hence the increased revenue.
9	Fines Revenue	119,059,010	119,059,010	21,167,720	29,010,139	-7,842,419	-27.0%	The main contributor to the negative variance is Traffic fines. This is as a result of the section being understaffed, faulty speed cameras, and theft of road signs. Traffic Fines Revenue will be adjusted in the next Adjustments Budget
10	Licences Revenue	1,698,285	1,698,285	687,781	778,503	-90,722	-11.7%	
11	Agency Services	3,829,743	3,829,743	2,001,971	2,325,817	-323,846	-13.9%	
12	Operating Grants	154,945,913	161,677,903	100,249,399	97,941,274	2,308,125	2.4%	The main contributor to the variance is the Housing grant which is more than budgeted.
13	Other Revenue	7,862,155	7,862,155	6,853,800	5,054,391	1,799,409	35.6%	The main contributor to the variance is Augmentation fees received.
14	Gains on Disposal of PPE	250,000	250,000	381,739	0	381,739	0.0%	
15	**Total Revenue (Capital Grants Excluded)**	**1,062,059,036**	**1,068,791,026**	**557,396,584**	**563,952,751**	**-6,556,167**	**-1.2%**	

3.2.1 (a) Due to unprecedented Eskom load-shedding and properties disconnecting from the grid, a material downward adjustment will have to be made to Electricity Revenue in the February 2023 Adjustments Budget.

3.2.1 (b) Traffic Fines Revenue is significantly lower than anticipated. It is clearly evident that the Service Provider is not issuing Traffic Fines as expected. Urgent intervention is required to compel the Service Provider to improve performance, which will ultimately increase Revenue.

3.2.2 Year-to-date actual operating expenditure (Row 27 in Table 1 below) of R 466.4 million compared to the year-to-date budgeted operating expenditure of R 451.0 million results in a negative variance of R 15.7 million or -3.5%. 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	299,851,209	306,661,011	145,396,246	142,044,695	-3,351,551	-2.4%	The main contributors to the variance are the overtime and standby costs. Most of the Department has overspend on the Overtime and Standby refer Table 3 and 4 below.
17	Remuneration of Councillors	9,749,165	9,749,165	4,884,483	4,917,629	33,146	0.7%	
18	Bad Debt Provision	148,240,813	148,240,813	29,450,044	29,450,044	0	0.0%	
19	Depreciation	43,687,538	43,687,538	26,465,372	26,465,366	-6	0.0%	
20	Finance Charges	28,846,141	28,846,141	12,635,437	13,588,200	952,763	7.0%	
21	Bulk Purchases	262,156,491	262,156,491	111,683,003	114,667,617	2,984,614	2.6%	The unexpected Eskom load shedding schedules is the main contributor towards the variance.
22	Other Materials	38,783,549	38,726,291	24,605,548	18,812,753	-5,792,795	-30.8%	The variance is mainly as a result of water chemical supplies which is excessively more than projected, as well as the B&V legal dispute for the collapsing of the retaining wall in Hornlee. The overspending will be addressed in the upcoming Adjustments Budget.
23	Contracted Services	166,577,351	164,287,432	77,844,739	66,776,713	-11,068,026	-16.6%	The overspending is mainly on the Housing Services grant funded projects. The overspending will be addressed in the upcoming Adjustments Budget.
24	Transfers and Subsidies	1,916,506	2,678,506	203,899	281,224	77,325	27.5%	
25	Other Expenditure	61,466,236	65,239,055	33,225,283	33,696,814	471,531	1.4%	
26	Loss on Disposal of PPE	0	0	0	0	0	0.0%	
27	**Total Operating Expenditure**	**1,061,274,999**	**1,070,272,443**	**466,394,054**	**450,701,055**	**-15,692,999**	**-3.5%**	

3.2.2 (a) There are several vacant positions which have been budgeted in the 2022/2023 financial year. The over-spending on Overtime and Standby is off-set by the underspending on the unfilled budgeted positions.

It should be noted that some of these critical vacant positions are affecting service delivery, impacting audit findings by the AGSA, and also contributing towards excessive Overtime and Standby Costs.

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 91.0 million, and a negative variance of R 22.2 million (capital grants excluded) (Row 28 in Table 1 below).

3.2.4 The year-to-date actual operating surplus (capital grants included) equates to R 102.5 million and a negative variance of R 20.4 million (Row 31 in Table 1 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
15	**Total Revenue (Capital Grants Excluded)**	**1,062,059,036**	**1,068,791,026**	**557,396,584**	**563,952,751**	**-6,556,167**	**-1.2%**	
27	**Total Operating Expenditure**	**1,061,274,999**	**1,070,272,443**	**466,394,054**	**450,701,055**	**-15,692,999**	**-3.5%**	
28	**Operating Surplus/(Deficit)**	**784,037**	**-1,481,417**	**91,002,530**	**113,251,696**	**-22,249,166**	**-19.6%**	
29	Capital Grants	46,468,087	46,468,087	11,468,933	9,642,129	1,826,804	18.9%	The main contributors to the variance is the NDPG and INEP grant projects that are progressing faster than anticipated.
30	Public Contributions	0	0	0	0	0	0.0%	
31	**Surplus/(Deficit) for the Year**	**47,252,124**	**44,986,670**	**102,471,463**	**122,893,825**	**-20,422,362**	**-16.6%**	

3.2.5 REVENUE ENHANCEMENT PROJECT STATUS

The Revenue Enhancement Project entails the development and implementation of a Revenue Enhancement Programme (REP) for Knysna Municipality within an eighteen (18) month period. Table 2 below details the project milestones to date:

Table 2: Revenue Enhancement Milestones			
Milestone	**Project Milestone Description**	**Status**	**Envised End Date**
1	Inception meeting and development of Project Implementation Plan (PIP) informed by the scope of work to determine roll out of work package	Completed	N/a
2	Existing situation / (AS-IS) assessment highlighting the areas that need to be considered for the improvement of the situation and Stakeholder engagement	Completed	N/a
3	Tariff structure review and restructuring thereof and ascertain how tariffs are based in respect of land usage, zoning and tariffs levied to different customer categories	Completed	N/a
4	2 251 x Electricity & Water meters Audit, metering management & land use/ zoning (Desktop audit on all stands and physical verification on 10% of the stands)	Completed	N/a
5	22 509 x Customer Data Quality and Consumer Management, Integrating geo-spatial information with billing systems and financial information. (Data cleansing report)	Completed	N/a
6	Development of best practice procedures & staffing requirements to enhance customer care and operations processes	Completed	Report to be reviewed by TPS Committee
7	Implementation of the low hanging fruits/initiatives quick wins (within budget) and transfer of skills to the relevant municipal officials		Jan-23
8	Identification and prioritisation of the interventions/ projects for the short term, medium to long term		Jan-23
9	Final Revenue Enhancement Programme report with findings and Presentation of the report to the Municipal Council		Jan-23

3.2.6 OVERTIME

The year-to-date actual Overtime expenditure (Row 9 in Table 3 below) of R 9.1 million exceeds the year-to-date budgeted Overtime expenditure of R 3.6 million by R 5.5 million.

Of material concern is that the year-to-date actual Overtime expenditure already exceeds the budgeted allocation for the entire 2022/2023 financial year. Savings will have to be identified in the upcoming Adjustments Budget to off-set this over-expenditure.

Table 3: Overtime									
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Original Budget 2022/2023	Current Budget 2022/2023	Actual December 2022	YTD Budget 2022/2023	YTD Actual 2022/2023	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	4,978	0	0	0	0	2,616	-2,616
2	Corporate Services	90,749	162,478	142,500	142,500	19,615	55,354	114,856	-59,502
3	Financial Services	63,050	58,470	25,000	25,000	6,048	11,136	36,869	-25,733
4	Planning and Development	14,355	44,580	1,000,000	1,000,000	3,148	499,984	26,475	473,509
5	Integrated Human Settlements	1,949	24,103	0	0	2,255	0	23,278	-23,278
6	Community Services	10,878,939	9,414,187	2,800,000	2,829,000	845,659	1,634,539	4,222,486	-2,587,947
7	Electrical Services	1,225,393	1,557,015	941,637	941,637	127,656	449,233	903,593	-454,360
8	Technical Services	7,198,173	7,088,695	2,680,863	2,651,863	612,600	956,740	3,788,310	-2,831,570
9	**Grand Total**	**19,472,609**	**18,354,507**	**7,590,000**	**7,590,000**	**1,616,979**	**3,606,986**	**9,118,483**	**-5,511,497**

3.2.7 STANDBY

The year-to-date actual Standby expenditure (Row 9 in Table 4 below) of R 3.0 million exceeds the year-to-date budgeted Standby expenditure of R 1.7 million by R 1.3 million.

Of material concern is that the total year-to-date Standby expenditure already exceeds the budgeted allocation for the entire 2022/2023 financial year. Savings will have to be identified in the upcoming Adjustments Budget to off-set this over-expenditure.

Table 4: Standby Allowance									
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Original Budget 2022/2023	Current Budget 2022/2023	Actual December 2022	YTD Budget 2022/2023	YTD Actual 2022/2023	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	194,774	187,924	152,000	152,000	16,270	96,246	98,691	-2,445
3	Financial Services	99,633	116,329	120,000	120,000	10,615	53,616	86,020	-32,404
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	1,360,904	1,582,999	580,000	580,000	129,957	729,918	799,298	-69,380
7	Electrical Services	908,440	916,804	770,000	770,000	88,820	491,022	491,293	-271
8	Technical Services	2,760,161	2,887,134	440,000	440,000	249,471	305,580	1,497,288	-1,191,708
9	**Grand Total**	**5,323,912**	**5,691,190**	**2,062,000**	**2,062,000**	**495,132**	**1,676,382**	**2,972,589**	**-1,296,207**

3.2.8 USE OF CONSULTANTS PER DIRECTORATE

The table below depicts the year-to-date Use of Consultants per Directorate.

Table 5: Use of Consultants per Directorate

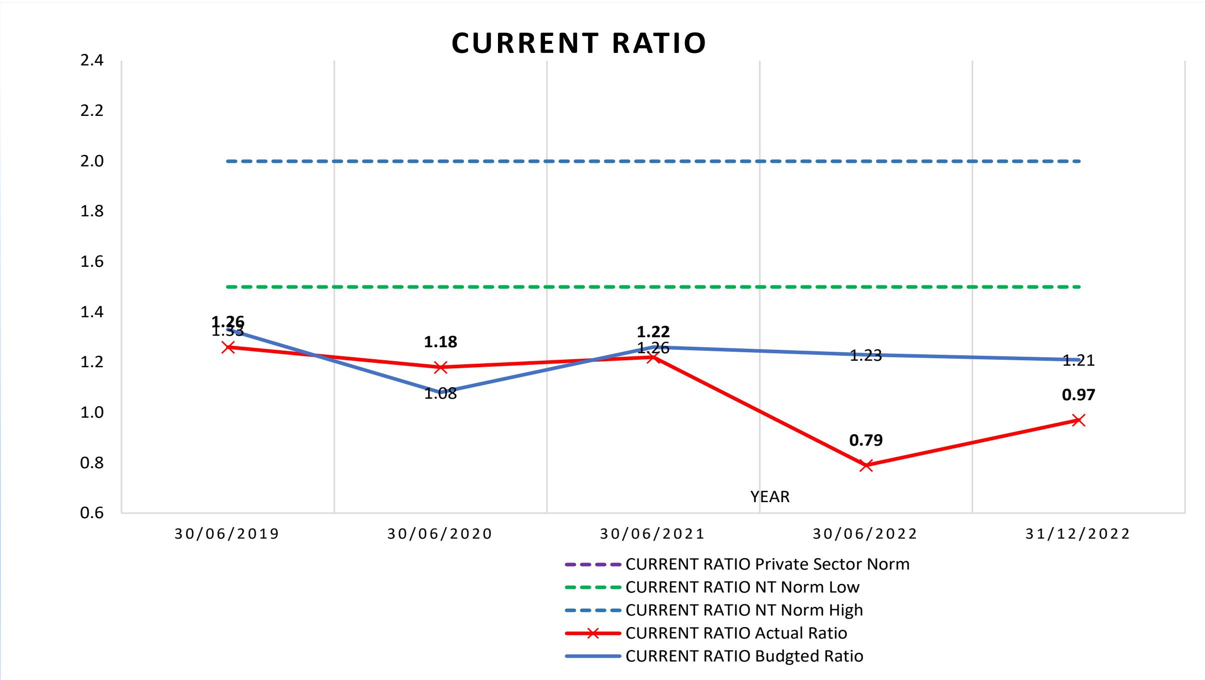
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Original Budget 2022/2023	Current Budget 2022/2023	Actual December 2022	YTD Budget 2022/2023	YTD Actual 2022/2023	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	270,000	150,000	0	0	0	0	0	0
2	Corporate Services	5,090,579	4,540,688	4,545,217	3,545,217	599,133	2,646,393	2,987,505	-341,112
3	Financial Services	10,480,437	3,791,019	6,427,106	4,520,996	131,842	1,633,566	1,320,440	313,126
4	Planning and Development	816,380	1,401,449	5,175,479	4,642,521	87,748	1,777,168	297,451	1,479,717
5	Integrated Human Settlements	4,988,330	1,129,751	1,050,000	1,050,000	0	35,237	892,269	-857,032
6	Community Services	172,354	299,625	653,229	653,229	0	360,323	30,647	329,676
7	Electrical Services	17,250	224,427	291,407	291,407	0	127,796	0	127,796
8	Technical Services	383,593	2,897,026	4,628,641	4,538,641	33,022	1,010,401	810,350	200,051
9	**Grand Total**	**22,218,922**	**14,433,986**	**22,771,079**	**19,242,011**	**851,746**	**7,590,884**	**6,338,663**	**1,252,221**

3.3 FINANCIAL POSITION OVERVIEW

3.3.1 CURRENT RATIO (0.97 : 1)

The Current Ratio as at 31 December 2022 equates to 0.97 : 1 compared to the National Treasury norm of 1.5 – 2 : 1, and a budgeted current ratio of 1.21 : 1.

The actual current ratio is based on current assets of R 221.4 million and current liabilities of R 229.4 million.

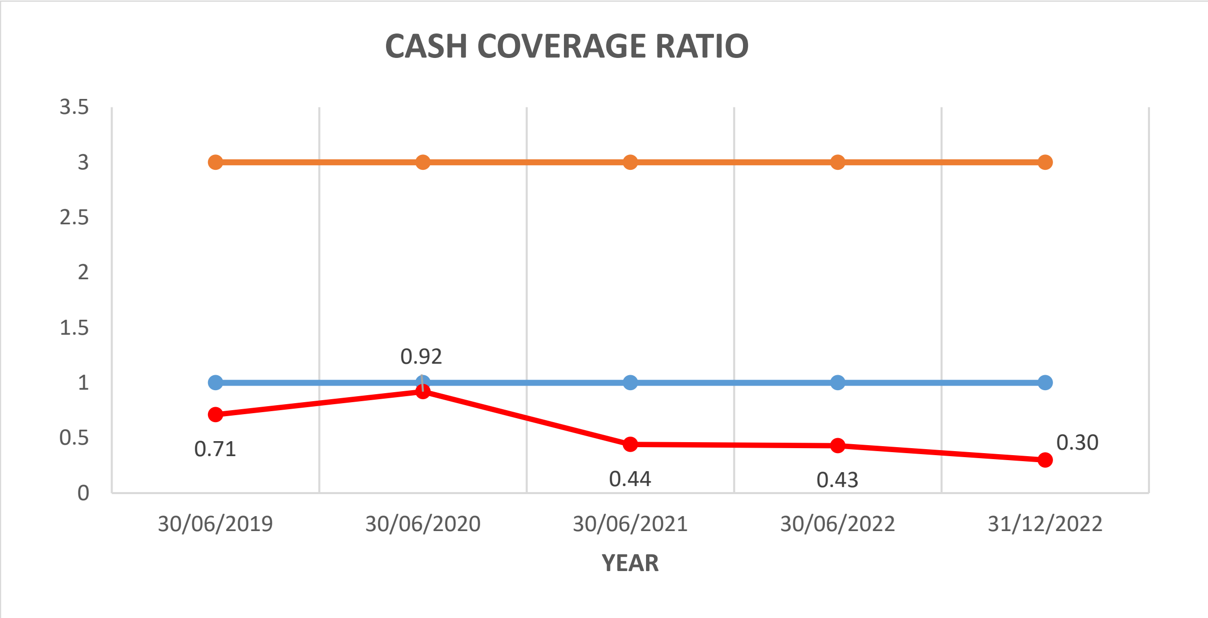


It is of material concern that the current ratio is below the NT Norm, and also the budgeted ratio.

Critical intervention is required to ensure that a realistic and achievable financial turnaround strategy is developed and implemented with immediate effect.

3.3.2 CASH/COST COVERAGE RATIO (0.30 MONTHS)

The Cash Coverage Ratio as at 31 December 2022 equates to 0.30 months compared to the National Treasury norm of 1 – 3 months.



3.3.3 CASH AND CASH EQUIVALENTS (R 24.0 MILLION)

Cash and Cash Equivalents (Row 3 in Table 6 below) equating to R 24.0 million as at 31 December 2022 was reserved to accommodate payments to Eskom and SARS, which were payable at the beginning of January 2023.

The total actual cash balance in the primary bank accounts (as per the Nedbank and Standard Bank Statements) equates to R 20,8 million as at 31 December 2022.

There are **insufficient** cash resources to ensure that funds are available for Unspent Loan-funded projects, Unspent Grants and Creditors.

The Municipality does not have a Capital Replacement Reserve and does not envisage the creation thereof in the short to medium term. It is therefore critical for debt collection and the recovery of unpaid grants to receive immediate priority.

3.3.4 CURRENT INVESTMENTS (R 18.5 THOUSAND)

Investments (Row 2 in Table 6 below) equated to R 18.5 thousand at the end of December 2022.

Table 6: Cash and Cash Equivalents versus Commitments					
Row Number	**Description**	**October 2022**	**November 2022**	**December 2022**	**Movement (C to D)**
Column Reference	**A**	**B**	**C**	**D**	**E**
1	Cash at Bank	12,471,215	28,665,514	23,995,658	-4,669,856
2	Investments - Current	9,538,677	1,153,587	18,573	-1,135,014
3	**Total Cash and Cash Equivalents**	**22,009,892**	**29,819,101**	**24,014,231**	**-5,804,870**
4	Unspent Conditional Transfers and Grants	20,476,325	14,470,748	13,907,113	-563,635
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	0	0	0	0
7	Unspent External Loans	9,910,613	6,079,415	1,075,609	-5,003,806
8	Payables from Exchange Transactions	18,389,751	26,898,710	36,988,407	10,089,698
9	**Total Commitments**	**48,776,689**	**47,448,873**	**51,971,130**	**4,522,256**
10	**Surplus / (Shortfall)**	**-26,766,797**	**-17,629,772**	**-27,956,899**	**-10,327,126**

3.3.4 CASH COMMITMENTS (R 52.0 MILLION)

Total commitments (Row 9 in Table 6 above) increased by R 4.5 million during the month under review from R 47.5 million at the end of November 2022 to R 52.0 million at the end of December 2022. Commitments exceed the cash and cash equivalents at the end of December 2022 by R 28.0 million (Row 10 in Table 6 above), thereby resulting in a shortfall.

3.3.5 UNPAID CONDITIONAL GRANTS (R 8.9 MILLION)

Unpaid conditional grants (Row 3 in Table 7 below) reflects a total balance of R 8.9 million at the end of December 2022.

The Municipality has spent R8.9 million from own cash resources to fund grant-related projects. This additional burden on the municipal cashflow requires immediate attention in order to avoid a repeat of this once again spiralling out of control.

Table 7: Unpaid Conditional Grants					
Row Number	**Description**	**Opening Balance**	**Receipts**	**Expenditure**	**Closing Balance**
Column Reference	**A**	**B**	**C**	**D**	**F**
1	Integrated Human Settlements Grant	4,747,392	-6,200,743	10,202,824	8,749,474
2	Maintenance of Proclaimed Roads	77,054	0	80,000	157,054
3	**Total**	**4,824,446**	**-6,200,743**	**10,282,824**	**8,906,528**

3.3.6 UNSPENT CONDITIONAL GRANTS (R 13.9 MILLION)

Unspent conditional grants (Row 17 in Table 8 below) reflects a total balance of R13.9 million as at 31 December 2022. To avoid future Roll-Over Grant applications being rejected, Directorates are to ensure full spending of their respective grants by 30 June 2023.

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Table 8: Unspent Conditional Grants

Row Number	Description	Directorate	Opening Balance	Receipts	Expenditure	Repayment of Unspent	Closing Balance
Column Reference	A	B	C	D	E	F	G
1	Municipal Infrastructure Grant	Technical Services	155,005	8,341,000	-6,278,636	-155,005	2,062,364
2	Library Services Grant	Community Services	0	7,106,000	-6,576,415	0	529,585
3	Municipal Electricity Master Plan	Electrical Services	490,000	0	0	-490,000	0
4	Expanded Public Works Program	Planning and Development	0	731,000	-651,055	0	79,945
5	Neighbourhood Development Partnership Grant	Technical Services	2,524,386	5,000,000	-2,539,246	-2,524,386	2,460,754
6	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	0	0	0	56,884
7	WC Disaster Management Grant	Community Services	3,795	0	0	-3,795	0
8	Water Services Infrastructure Grant	Technical Services	771,161	0	0	-771,161	0
9	Nedbank: SMME Incubator Program	Planning and Development	236,676	0	0	0	236,676
10	Public Employment Support Grant	Planning and Development	893,232	0	0	0	893,232
11	District Grant: Security Camera	Community Services	120,000	0	0	0	120,000
12	Food Security Grant	Planning and Development	1,000,000	0	0	0	1,000,000
13	Finance Management Grant Capacity Building Grant	Financial Services	38,273	0	0	0	38,273
14	Integrated National Electrification Programme	Electrical Services	0	10,000,000	-5,071,411	0	4,928,589
15	Finance Management Grant	Financial Services	0	1,721,000	-266,803	0	1,454,197
16	Community Development Workers Grant	Planning and Development	0	56,000	-9,384	0	46,616
17	**Total**		**6,289,412**	**32,955,000**	**-21,392,952**	**-3,944,347**	**13,907,113**

3.3.7 APPROVED GRANTS

In comparison with the total approved Grants of R203.7 million, R81 million remains uncollected as at 31 December 2022 (Row 18 in Table 9 below). The final tranche of the Equitable Share is expected to be released to the Municipality in March 2023.

Directorates are to ensure timeous receipt of all Grants due to the Municipality.

Table 9: Approved Grants

Row Number	Description	Directorate	Approved Grant Amount (Original Budget)	Approved Grant Amount (RollOver Budget)	Total Approved Grants (C+D)	Grants Received	Uncollected Grant Amount (E-F)
Column Reference	A	B	C	D	E	F	G
1	Equitable Share	All	111,170,000	0	111,170,000	80,042,000	31,128,000
2	Municipal Infrastructure Grant	Technical Services	39,114,000	0	39,114,000	8,341,000	30,773,000
3	Municipal Electricity Master Plan	Electrical Services	0	0	0	0	0
4	Expanded Public Works Program	Planning and Development	1,044,000	0	1,044,000	731,000	313,000
5	Neighbourhood Development Partnership Grant	Technical Services	5,000,000	0	5,000,000	5,000,000	0
6	Energy Efficiency Demand Side Management Grant	Electrical Services	0	0	0	0	0
7	Water Services Infrastructure Grant	Technical Services	0	0	0	0	0
8	Integrated National Electrification Programme	Electrical Services	10,730,000	0	10,730,000	10,000,000	730,000
9	Finance Management Grant	Financial Services	1,721,000	0	1,721,000	1,721,000	0
10	Library Services Grant	Community Services	10,659,000	0	10,659,000	7,106,000	3,553,000
11	Community Development Workers Grant	Planning and Development	56,000	0	56,000	56,000	0
12	Human Settlements Development Grant	Planning and Development	21,840,000	0	21,840,000	7,385,593	14,454,407
13	Maintenance and Construction of Transport Infrastructure Grant	Technical Services	80,000	0	80,000	0	80,000
14	Nedbank: SMME Incubator Program	Planning and Development	0	236,676	236,676	236,676	0
15	Public Employment Support Grant	Planning and Development	0	893,232	893,232	893,232	0
16	District Grant: Security Camera	Community Services	0	120,000	120,000	120,000	0
17	Food Security Grant	Planning and Development	0	1,000,000	1,000,000	1,000,000	0
18	**Total**		**201,414,000**	**2,249,908**	**203,663,908**	**122,632,501**	**81,031,407**

3.3.8 UNAPPROVED ROLLOVER GRANTS

Specific Roll-over Grant applications have been rejected by both National Treasury and Provincial Treasury. A total of R 3.5 million was deducted from the Equitable Share received during December 2022. A detailed breakdown is presented in Table 10 below.

The Municipality still awaits the outcome of the Roll-Over Grant application submitted to the Garden Route District Municipality. Furthermore, the Municipality is yet to repay the R4.7 million unapproved Roll-Over Grant in relation to the Title Deed Restoration Project.

Table 10: Unapproved Roll-Over Grants					
Row Number	Description	Directorate	Unspent Balance as at 30 June 2022	Repayment of Unspent	Closing Balance
Column Reference	A	B	C	D	E
1	Title Deed Restoration Grant	Integrated Human Settlements	4,724,758	0	4,724,758
2	Neighbourhood Development Partnership Grant	Technical Services	2,524,386	-2,524,386	0
3	Municipal Infrastructure Grant	Technical Services	155,005	-155,005	0
4	Water Services Infrastructure Grant	Technical Services	771,161	-771,161	0
5	**Total**		**8,175,310**	**-3,450,552**	**4,724,758**

3.3.9 PAYABLES FROM EXCHANGE TRANSACTIONS (R 37.0 MILLION)

Payables from Exchange Transactions (Row 3 in Table 10 below) increased by R 10.1 million during the month under review from R 26.9 million at the end of November 2022 to R 37.0 million at the end of December 2022.

Table 11: Payables from Exchange Transactions					
Row Number	Description	October 2022	November 2022	December 2022	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Payables	4,998,925	13,651,700	23,673,935	10,022,235
2	Retentions	13,390,826	13,247,010	13,314,472	67,463
3	**Total**	**18,389,751**	**26,898,710**	**36,988,407**	**10,089,698**

As a result of the strained cashflow position, payments to Creditors need to be delayed. Payments to interest-billing Creditors are being prioritised. It should be noted that continued non-payment to Creditors may affect service delivery standards.

3.3.10 EXTERNAL BORROWINGS (R 316.5 MILLION)

External Borrowings equate to R 316.5 million (Row 6 in Table 12 below), and are taken up to fund capital expenditure only. The decrease in the borrowings is a result of the bi-annual repayment amounting to R 31.8 million which was processed during December 2022.

The item in relation to the Borrowings of R65,4 million to fund 2022/2023 capital expenditure will serve in Council in January 2023. The first draw-down will be processed in February 2023.

Table 12: External Borrowings					
Row Number	**Description**	**October 2022**	**November 2022**	**December 2022**	**Movement (C to D)**
Column Reference	**A**	**B**	**C**	**D**	**E**
1	Opening Balance	337,114,047	337,114,047	337,114,047	0
2	New Loans Acquired	0	0	0	0
3	Interest Capitalised	0	0	11,193,520	11,193,520
4	Repayments	0	0	-31,770,241	-31,770,241
5	Adjustments	0	0	0	0
6	**Closing Balance**	**337,114,047**	**337,114,047**	**316,537,326**	**-20,576,720**
7	**Budgeted Operating Revenue (Conditional Operating Grants excluded) =**			1,018,283,123	
8	**Gearing Ratio =**			**31.1%**	

External borrowings as a percentage of budgeted operating revenue (conditional operating grants excluded) equates to a gearing ratio of 31.1% which is below the National Treasury benchmark of 45%. The gearing ratio of 31.1% will however be recalculated at year-end based on actual operating revenue (conditional operating grants excluded).

3.3.9 CONSUMER DEBTORS (R 408.6 MILLION)

Total outstanding debtors of R 408.6 million as at 31 December 2022 (Row 7 in Table 13 below) is presented by both Income Source and by Customer Group.

Debtors over 90 days of R 333.8 million or 81.7% of the total outstanding debt includes R 108.9 million or 32.6% owed by Organs of State and Businesses.

The total outstanding debtors have increased by R 5.3 million from R 403.3 million as at 30 November 2022 to R 408.6 million at 31 December 2022.

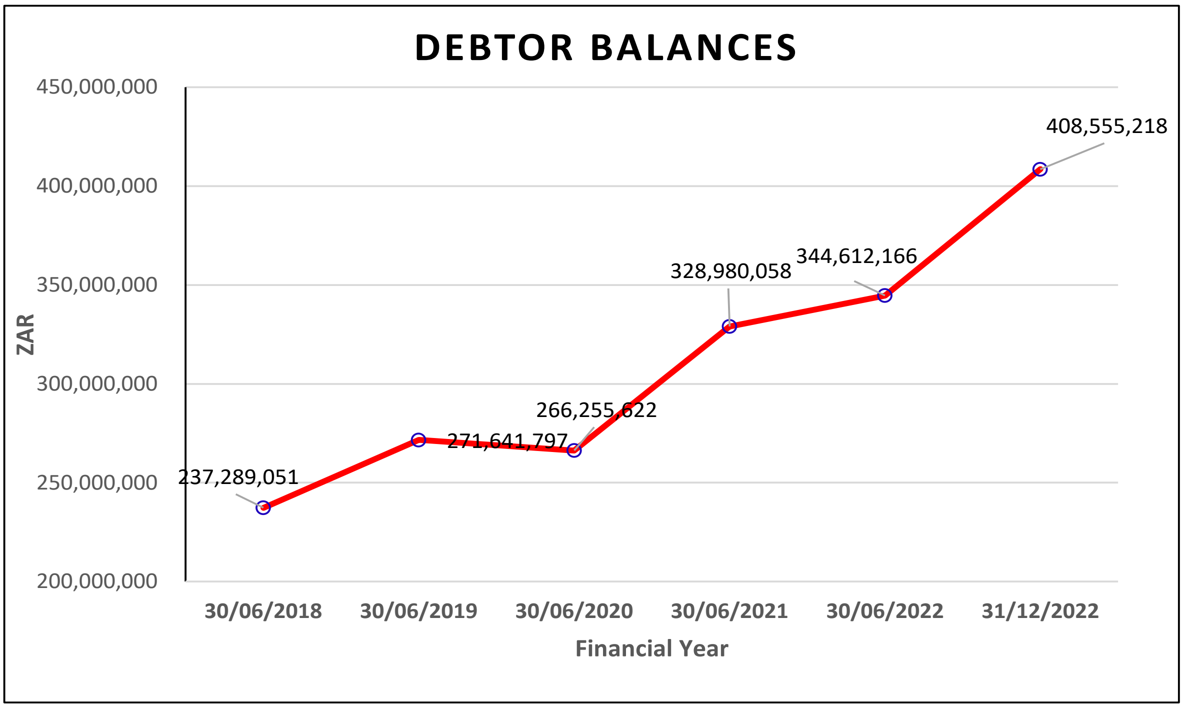
The Municipality is exhausting all internal capabilities in an attempt to recover outstanding debt prior to handing over to debt collection firms. There are several vacant positions in the Income Department, thereby preventing the department from optimally functioning. Priority should be given to filling these posts, which are in fact fully budgeted for.

The Municipality will continue to disconnect/restrict services where possible.

Table 13: Debtors Age Analysis

Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
	By Income Source					
Column Reference	A	B	C	D	E	F
1	Water	6,590,995	2,995,320	2,127,124	59,484,346	71,197,785
2	Electricity	15,193,744	5,138,342	3,796,741	48,779,389	72,908,216
3	Property Rates	15,957,582	6,332,855	3,576,349	94,145,661	120,012,447
4	Sanitation	2,488,793	1,509,490	1,152,129	66,612,513	71,762,925
5	Refuse	2,285,595	1,291,871	997,376	56,011,527	60,586,369
6	Other	1,288,487	1,042,073	980,270	8,776,646	12,087,476
7	**Grand Total**	**43,805,196**	**18,309,951**	**12,629,989**	**333,810,082**	**408,555,218**
8	**% of Total Outstanding Debtors =**	**10.7%**	**4.5%**	**3.1%**	**81.7%**	**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	1,750,049	1,017,916	632,510	8,842,117	12,242,592
10	Commercial	15,747,808	6,630,763	4,988,532	100,092,854	127,459,957
11	Households	26,307,339	10,661,272	7,008,947	224,875,111	268,852,669
12	**Grand Total**	**43,805,196**	**18,309,951**	**12,629,989**	**333,810,082**	**408,555,218**
13	**% of Total Outstanding Debtors =**	**10.7%**	**4.5%**	**3.1%**	**81.7%**	**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 DEBTORS COLLECTION RATE (83.7%)

The overall Debtors Collection Rate as at 31 December 2022 equates to 83.7% (Row 14 in Table 14 below). This has slightly increased by 0.6% from November 2022.

Table 14: Debtor Collection Rate

Row Number	Month	Annual / Monthly Billing	Payments Received	% Revenue Collected	Year-to-Date Billing	Year-to-Date Payments Received	Year-to-Date % Revenue Collected	% Increase in Payment Rate
Column Reference	A	B	C	D	E	F	G	H
1	July 2022(Annual)	136,724,321	40,927,564	24.3%	168,513,207	40,927,564	24.3%	24.3%
2	July 2022 (Monthly)	31,788,886						
3	August 2022 (Monthly)	46,022,226	83,027,633	180.4%	214,535,433	123,955,197	57.8%	33.5%
4	September 2022 (Monthly)	46,757,225	64,497,473	137.9%	261,292,658	188,452,670	72.1%	14.3%
5	October 2022 (Monthly)	45,506,499	56,396,425	123.9%	306,799,157	244,849,095	79.8%	7.7%
6	November 2022 (Monthly)	45,286,180	47,563,815	105.0%	352,085,338	292,412,910	83.1%	3.2%
7	December 2022 (Monthly)	47,988,834	42,357,897	88.3%	400,074,171	334,770,807	83.7%	0.6%
8	January 2023 (Monthly)							
9	February 2023 (Monthly)							
10	March 2023 (Monthly)							
11	April 2023 (Monthly)							
12	May 2023 (Monthly)							
13	June 2023 (Monthly)							
14	**Totals**	**400,074,171**	**334,770,807**	**83.7%**	**400,074,171**	**334,770,807**	**83.7%**	**0.6%**

3.3.11 CAPITAL EXPENDITURE PER DIRECTORATE (24.9%)

The year-to-date actual capital expenditure of R 31.0 million (Row 9 in Table 15 below) equates to 24.9% (Row 10 in Table 15 below) of the capital expenditure budget of R 124.2 million. Commitments of R 18.2 million (14.6%) and the year-to-date actual capital expenditure in total equates to R 49.1 million or 39.6% of the capital expenditure budget.

Table 15 Capital Expenditure 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	350,000	350,000	59,586	0	219,244	219,244	62.6%	130,756
2	Corporate Services	2,839,700	3,639,700	1,386,041	273,790	216,268	490,058	13.5%	3,149,642
3	Financial Services	445,000	445,000	403,867	359,135	0	359,135	80.7%	85,865
4	Planning and Development	524,550	631,251	242,047	194,543	4,414	198,957	31.5%	432,294
5	Integrated Human Settlements	2,012,445	2,012,445	1,517,806	110,242	219,913	330,155	16.4%	1,682,290
6	Community Services	18,370,217	22,546,919	8,732,850	4,549,313	3,069,669	7,618,983	33.8%	14,927,936
7	Electrical Services	16,810,435	16,850,511	7,487,727	7,821,126	3,773,100	11,594,226	68.8%	5,256,285
8	Technical Services	76,221,934	77,746,599	39,118,320	17,658,587	10,687,826	28,346,413	36.5%	49,400,186
9	**Grand Total**	**117,574,281**	**124,222,425**	**58,948,244**	**30,966,737**	**18,190,434**	**49,157,171**	**39.6%**	**75,065,254**
10				**% of Adjusted Budget =**	**24.9%**	**14.6%**	**39.6%**		**60.4%**

3.3.12 CAPITAL EXPENDITURE PER FUNDING SOURCE (24.9%)

Table 16 below depicts the same financial information contained in Table 15 above however, Table 16 categorises the capital expenditure by funding source.

Table 16: Capital Expenditure 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	46,468,086	46,468,086	24,967,293	11,591,481	2,465,738	14,057,219	30.3%	32,410,867
2	Borrowings	65,352,445	71,593,888	30,822,114	18,521,395	15,309,659	33,831,054	47.3%	37,762,834
3	Internally Generated Funds	5,753,750	6,160,451	3,158,837	853,860	415,037	1,268,898	20.6%	4,891,553
4	**Grand Total**	**117,574,281**	**124,222,425**	**58,948,244**	**30,966,737**	**18,190,434**	**49,157,171**	**39.6%**	**75,065,254**
5				**% of Adjusted Budget =**	**24.9%**	**14.6%**	**39.6%**		**60.4%**

The year-to-date actual and committed capital expenditure is funded by National Government grants of 30.3%; external borrowings of 47.3%; and, internally generated funds of 20.6%.

Year-to-date actual capital expenditure of R 31.0 million (24.9%) and capital commitments of R 18.2 million (14.6%) of the capital expenditure budget results in available funds of R 75.1 million (60.4%). This is however subject to cash availability.

3.4 COST CONTAINMENT

During recent years, National Treasury highlighted the extent of the wastage of public resources on unnecessary expenditure. In an attempt to promote good governance and the management of municipal finances, National Treasury gazetted Cost Containment Regulations to ensure that municipal resources are used effectively, efficiently and economically. As per the Regulation, municipalities are required to implement cost saving measures, and to provide a quarterly report thereon to Council.

Table 17 below presents the budget, expenditure and savings realised on the cost containment categories of expenditure to be reported on as per the National Treasury Cost Containment Regulations.

Table 17: Cost Containment

Row Number	Expenditure Measures	Approved Budget	Quarter 1 Expenditure	Quarter 2 Expenditure	Quarter 3 Expenditure	Quarter 4 Expenditure	Year-to-Date Expenditure	% of Approved Budget	Available Budgeted Expenditure
Column Reference	A	B	C	D	E	F	G	H	I
1	Use of Consultants	19,242,011	2,898,340	3,440,322			6,338,663	32.9%	12,903,348
2	Vehicles used for political office-bearers	0	0	0			0	0.0%	0
3	Travel and Subsistence	1,173,272	140,595	216,358			356,952	30.4%	816,320
4	Domestic Accommodation	326,365	60,649	25,858			86,507	26.5%	239,858
5	Sponsorships, Events and Catering	1,821,500	94,500	164,500			259,000	14.2%	1,562,500
6	Communication	181,710	825	53,196			54,021	29.7%	127,690
7	Other related expenditure items	0	0	0			0	0	0
8	**Totals**	**22,744,858**	**3,194,909**	**3,900,234**	**0**	**0**	**7,095,143**	**31.2%**	**15,649,715**

3.5 Remedial or Corrective Steps

(a) Strengthen Debt Collection and Credit Control processes;

(b) Conversion of all conventional meters to prepaid meters;

(a) Amendments to the Debt Collection and Credit Control policies;

(b) Revenue Enhancement strategies by DBSA must be implemented timeously;

(c) Traffic Fines Service Provider to improve performance;

(d) Implementation of drastic cost reduction measures, and strict expenditure control;

(e) Closely monitor and manage the performance of Service Providers / Contractors;

(f) Improve Cashflow Management to ensure long-term financial sustainability;

(g) Fill critical positions which have been budgeted in the current year;

(h) Review and assessment of Human Settlement Grants;

(i) Amendments to the Overtime and Standby Policy;

(j) Implementation of Shift Systems; and

(k) Approve fully funded, realistic and credible Budgets;

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.

The Municipality has undertaken a holistic revenue enhancement research by DBSA. This report will be implemented shortly. In addition to aforementioned a Steering Committee has been established which will monitor progress made with debt collection and cost containment measures to ensure strict revenue and expenditure control to enhance proper cash flow management.

Above will probably pave the way to a more positive cash flow situation.

ROLAND BUTLER
ACTING MUNICIPAL MANAGER
16 January 2023

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **Roland Butler**, the Acting Municipal Manager of Knysna Municipality, hereby certify that -

X	The monthly budget statement
X	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 and quarter, ending December 2022 of the 2022/2023 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

ROLAND BUTLER
ACTING MUNICIPAL MANAGER

16 January 2023

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knysna - Table C1 Monthly Budget Statement Summary - M06 December

Description	2021/22	Budget Year 2022/23							
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	248,030	261,552	261,552	15,485	164,874	164,463	411	0%	261,552
Service charges	438,615	486,050	486,050	33,029	239,171	247,571	(8,400)	-3%	486,050
Investment revenue	1,982	2,046	2,046	135	985	965	19	2%	2,046
Transfers and subsidies	119,119	154,946	161,678	39,071	100,249	97,941	2,308	2%	161,678
Other own revenue	165,657	157,465	157,465	7,547	52,118	53,012	(894)	-2%	157,465
Total Revenue (excluding capital transfers and contributions)	**973,404**	**1,062,059**	**1,068,791**	**95,266**	**557,397**	**563,953**	**(6,556)**	**-1%**	**1,068,791**
Employee costs	287,942	299,851	306,661	23,138	145,396	142,045	3,352	2%	306,661
Remuneration of Councillors	9,401	9,749	9,749	841	4,884	4,918	(33)	-1%	9,749
Depreciation & asset impairment	56,420	43,688	43,688	4,810	26,465	26,465	0	0%	43,688
Finance charges	28,726	28,846	28,846	11,196	12,635	13,588	(953)	-7%	28,846
Inventory consumed and bulk purchases	284,217	300,940	300,883	19,359	136,289	133,480	2,808	2%	300,883
Transfers and subsidies	1,939	1,917	2,679	13	204	281	(77)	-27%	2,679
Other expenditure	362,611	376,284	377,767	20,165	140,520	129,924	10,596	8%	377,767
Total Expenditure	**1,031,255**	**1,061,275**	**1,070,272**	**79,521**	**466,394**	**450,701**	**15,693**	**3%**	**1,070,272**
Surplus/(Deficit)	**(57,851)**	**784**	**(1,481)**	**15,745**	**91,003**	**113,252**	**(22,249)**	**-20%**	**(1,481)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	40,015	46,468	46,468	689	11,469	9,642	1,827	19%	46,468
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)	222	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**	**(20,422)**	**-17%**	**44,987**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**	**(20,422)**	**-17%**	**44,987**
Capital expenditure & funds sources									
Capital expenditure	**–**	**117,574**	**124,222**	**5,771**	**30,967**	**58,948**	**(27,982)**	**-47%**	**124,222**
Capital transfers recognised	–	46,468	46,468	689	11,591	24,967	(13,376)	-54%	46,468
Borrowing	–	61,190	71,594	5,004	18,521	30,822	(12,301)	-40%	71,594
Internally generated funds	**–**	**9,916**	**6,160**	**78**	**854**	**3,159**	**(2,305)**	**-73%**	**6,160**
Total sources of capital funds	**–**	**117,574**	**124,222**	**5,771**	**30,967**	**58,948**	**(27,982)**	**-47%**	**124,222**
Financial position									
Total current assets	207,815	300,236	296,034		221,449				296,034
Total non current assets	1,503,436	1,620,963	1,627,611		1,522,328				1,627,611
Total current liabilities	272,058	239,234	243,946		229,410				243,946
Total non current liabilities	421,025	475,956	475,956		393,727				475,956
Community wealth/Equity	**1,038,213**	**1,206,009**	**1,197,250**		**1,020,597**				**1,197,250**
Cash flows									
Net cash from (used) operating	176,088	88,230	88,230	54,727	169,683	121,604	(48,079)	-40%	88,230
Net cash from (used) investing	(112,438)	(117,324)	(121,526)	(915)	(30,023)	(58,592)	(28,569)	49%	(121,526)
Net cash from (used) financing	(35,043)	26,325	26,325	(20,600)	(23,036)	(16,909)	6,127	-36%	26,325
Cash/cash equivalents at the month/year end	**40,524**	**22,613**	**18,411**	**(5,805)**	**24,014**	**55,483**	**31,469**	**57%**	**18,411**
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	43,805	18,310	12,630	50,993	7,711	7,836	81,375	185,896	408,555
Creditors Age Analysis									
Total Creditors	23,674	–	–	–	–	–	–	–	23,674

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		288,631	297,736	303,461	24,311	192,024	188,083	3,941	2%	303,461
Executive and council		10,221	4,366	4,366	1,332	3,238	2,919	319	11%	4,366
Finance and administration		278,410	293,370	299,095	22,979	188,785	185,163	3,622	2%	299,095
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		135,410	154,802	154,802	4,395	39,420	44,944	(5,524)	-12%	154,802
Community and social services		12,733	12,292	12,292	1,145	7,357	7,648	(291)	-4%	12,292
Sport and recreation		1,276	1,464	1,464	107	653	710	(57)	-8%	1,464
Public safety		96,249	119,156	119,156	2,259	21,197	29,052	(7,855)	-27%	119,156
Housing		25,150	21,890	21,890	884	10,213	7,534	2,679	36%	21,890
Health		–	–	–	–	–	–	–		–
Economic and environmental services		24,054	21,587	22,594	887	9,930	7,374	2,556	35%	22,594
Planning and development		10,860	11,022	11,136	415	4,638	4,297	340	8%	11,136
Road transport		12,986	10,565	10,565	473	5,293	3,077	2,216	72%	10,565
Environmental protection		207	–	893	–	–	–	–		893
Trading services		565,546	634,401	634,401	66,362	327,492	333,194	(5,702)	-2%	634,401
Energy sources		335,421	388,147	388,147	31,204	181,793	187,537	(5,744)	-3%	388,147
Water management		112,524	109,508	109,508	17,315	68,525	66,412	2,113	3%	109,508
Waste water management		70,848	87,572	87,572	9,744	42,649	44,847	(2,198)	-5%	87,572
Waste management		46,753	49,175	49,175	8,099	34,525	34,398	127	0%	49,175
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,013,640**	**1,108,527**	**1,115,259**	**95,955**	**568,866**	**573,595**	**(4,729)**	**-1%**	**1,115,259**
Expenditure - Functional										
Governance and administration		176,989	200,325	204,927	12,326	88,207	90,638	(2,431)	-3%	204,927
Executive and council		30,482	30,732	30,906	1,158	7,293	7,398	(105)	-1%	30,906
Finance and administration		142,623	165,375	170,075	10,980	79,288	81,706	(2,418)	-3%	170,075
Internal audit		3,884	4,218	3,947	188	1,626	1,535	91	6%	3,947
Community and public safety		238,717	236,194	238,087	13,685	84,274	71,680	12,594	18%	238,087
Community and social services		16,093	17,501	19,037	3,233	12,047	11,739	308	3%	19,037
Sport and recreation		22,143	22,940	23,254	2,061	14,033	12,681	1,351	11%	23,254
Public safety		153,895	152,492	153,696	6,126	34,176	30,315	3,861	13%	153,696
Housing		46,586	43,262	42,100	2,265	24,019	16,945	7,073	42%	42,100
Health		–	–	–	–	–	–	–		–
Economic and environmental services		76,439	87,703	83,154	6,334	37,709	40,503	(2,794)	-7%	83,154
Planning and development		35,350	44,021	41,793	3,062	17,698	20,876	(3,178)	-15%	41,793
Road transport		36,481	37,020	34,265	2,789	16,685	16,600	85	1%	34,265
Environmental protection		4,608	6,662	7,097	483	3,326	3,027	299	10%	7,097
Trading services		531,809	537,053	544,104	47,176	256,204	247,879	8,324	3%	544,104
Energy sources		308,251	339,324	344,207	24,332	148,157	152,892	(4,734)	-3%	344,207
Water management		88,720	73,560	78,701	11,692	44,437	37,682	6,754	18%	78,701
Waste water management		77,836	77,748	74,545	7,589	40,333	34,259	6,074	18%	74,545
Waste management		57,001	46,421	46,651	3,563	23,277	23,047	230	1%	46,651
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1,023,954**	**1,061,275**	**1,070,272**	**79,521**	**466,394**	**450,701**	**15,693**	**3%**	**1,070,272**
Surplus/ (Deficit) for the year		**(10,314)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**	**(20,422)**	**-17%**	**44,987**

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) - M06 December

Vote Description	Ref	2021/22	Budget Year 2022/23							
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)		5,292	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	–	–	–	–	–		–
Vote 3 - COMMUNITY SERVICES (33: IE)		21,384	–	–	–	–	–	–		–
Vote 4 - FINANCIAL SERVICES (34: IE)		–	–	–	–	55	–	55	#DIV/0!	–
Vote 5 - OPERATING SERVICES (35: IE)		11,671	–	–	–	–	–	–		–
Vote 6 - 1. Executive AND Council (110: IE)		5,079	4,366	4,366	1,332	3,238	2,919	319	10.9%	4,366
Vote 7 - 2. Corporate (120: IE)		3,581	4,165	9,890	1,330	6,624	3,120	3,504	112.3%	9,890
Vote 8 - 3. Finance (130: IE)		274,656	274,017	274,017	16,638	171,171	171,058	113	0.1%	274,017
Vote 9 - 5. Planning (150: IE)		6,216	4,698	5,705	270	3,210	2,402	807	33.6%	5,705
Vote 10 - 6. Community (160: IE)		160,464	202,760	202,760	16,985	77,340	85,870	(8,530)	-9.9%	202,760
Vote 11 - 7. Electricity (170: IE)		330,940	388,147	388,147	31,204	181,793	187,537	(5,744)	-3.1%	388,147
Vote 12 - 8. Technical (180: IE)		190,590	208,484	208,484	27,313	115,221	113,154	2,067	1.8%	208,484
Vote 13 - 6. Community (180: IE)		3,766	21,890	21,890	884	10,213	7,534	2,679	35.6%	21,890
Vote 14 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,013,640**	**1,108,527**	**1,115,259**	**95,955**	**568,866**	**573,595**	**(4,729)**	**-0.8%**	**1,115,259**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		297	–	160	10	199	82	117	142.7%	160
Vote 2 - CORPORATE SERVICES (32: IE)		20	–	20	4	20	20	(0)	0.0%	20
Vote 3 - COMMUNITY SERVICES (33: IE)		1	–	1,327	1,154	1,154	1,327	(173)	-13.0%	1,327
Vote 4 - FINANCIAL SERVICES (34: IE)		–	–	42	–	15	42	(27)	-64.1%	42
Vote 5 - OPERATING SERVICES (35: IE)		8	–	–	3	7	–	7	#DIV/0!	–
Vote 6 - 1. Executive AND Council (110: IE)		38,020	39,687	39,366	1,732	11,022	11,055	(33)	-0.3%	39,366
Vote 7 - 2. Corporate (120: IE)		56,813	61,230	68,864	3,911	31,532	31,230	302	1.0%	68,864
Vote 8 - 3. Finance (130: IE)		70,622	82,114	80,952	5,547	39,533	40,343	(811)	-2.0%	80,952
Vote 9 - 5. Planning (150: IE)		24,582	31,389	32,165	2,320	13,459	14,351	(892)	-6.2%	32,165
Vote 10 - 6. Community (160: IE)		265,282	261,936	261,944	15,160	90,599	87,024	3,575	4.1%	261,944
Vote 11 - 7. Electricity (170: IE)		311,251	342,861	347,727	24,653	149,940	154,697	(4,756)	-3.1%	347,727
Vote 12 - 8. Technical (180: IE)		210,474	198,797	195,606	22,762	104,896	93,585	11,311	12.1%	195,606
Vote 13 - 6. Community (180: IE)		46,586	43,262	42,100	2,265	24,019	16,945	7,073	41.7%	42,100
Vote 14 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,023,954**	**1,061,275**	**1,070,272**	**79,521**	**466,394**	**450,701**	**15,693**	**3.5%**	**1,070,272**
Surplus/ (Deficit) for the year	2	**(10,314)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**	**(20,422)**	**-16.6%**	**44,987**

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
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		248,030	261,552	261,552	15,485	164,874	164,463	411	0%	261,552
Service charges - electricity revenue		313,716	354,321	354,321	23,545	159,167	168,032	(8,865)	-5%	354,321
Service charges - water revenue		71,814	74,586	74,586	6,070	41,774	41,224	549	1%	74,586
Service charges - sanitation revenue		28,092	29,311	29,311	1,738	18,972	18,948	24	0%	29,311
Service charges - refuse revenue		24,994	27,832	27,832	1,676	19,258	19,367	(109)	-1%	27,832
Rental of facilities and equipment		4,799	5,444	5,444	1,131	6,814	3,397	3,416	101%	5,444
Interest earned - external investments		1,982	2,046	2,046	135	985	965	19	2%	2,046
Interest earned - outstanding debtors		19,453	19,322	19,322	2,859	14,211	12,446	1,765	14%	19,322
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		96,385	119,059	119,059	2,242	21,168	29,010	(7,842)	-27%	119,059
Licences and permits		1,466	1,698	1,698	76	688	779	(91)	-12%	1,698
Agency services		3,997	3,830	3,830	289	2,002	2,326	(324)	-14%	3,830
Transfers and subsidies		119,119	154,946	161,678	39,071	100,249	97,941	2,308	2%	161,678
Other revenue		38,987	7,862	7,862	950	6,854	5,054	1,799	36%	7,862
Gains		570	250	250	–	382	–	382	#DIV/0!	250
Total Revenue (excluding capital transfers and contributions)		**973,404**	**1,062,059**	**1,068,791**	**95,266**	**557,397**	**563,953**	**(6,556)**	**-1%**	**1,068,791**
Expenditure By Type										
Employee related costs		287,942	299,851	306,661	23,138	145,396	142,045	3,352	2%	306,661
Remuneration of councillors		9,401	9,749	9,749	841	4,884	4,918	(33)	-1%	9,749
Debt impairment		146,709	148,241	148,241	4,871	29,450	29,450	–		148,241
Depreciation & asset impairment		56,420	43,688	43,688	4,810	26,465	26,465	0	0%	43,688
Finance charges		28,726	28,846	28,846	11,196	12,635	13,588	(953)	-7%	28,846
Bulk purchases - electricity		240,866	262,156	262,156	16,498	111,683	114,668	(2,985)	-3%	262,156
Inventory consumed		43,351	38,784	38,726	2,861	24,606	18,813	5,793	31%	38,726
Contracted services		156,429	166,577	164,287	13,091	77,845	66,777	11,068	17%	164,287
Transfers and subsidies		1,939	1,917	2,679	13	204	281	(77)	-27%	2,679
Other expenditure		56,257	61,466	65,239	2,203	33,225	33,697	(472)	-1%	65,239
Losses		3,216	–	–	–	–	–	–		–
Total Expenditure		**1,031,255**	**1,061,275**	**1,070,272**	**79,521**	**466,394**	**450,701**	**15,693**	**3%**	**1,070,272**
Surplus/(Deficit)		**(57,851)**	**784**	**(1,481)**	**15,745**	**91,003**	**113,252**	**(22,249)**	**(0)**	**(1,481)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		40,015	46,468	46,468	689	11,469	9,642	1,827	**0**	46,468
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)		222	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**			**44,987**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**			**44,987**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**			**44,987**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(17,615)**	**47,252**	**44,987**	**16,434**	**102,471**	**122,894**			**44,987**

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) - M06 December

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 15 - CAPITAL SUSPENSE (28: CS)		–	–	5,142	286	818	3,391	(2,573)	-76%	5,142
Vote 16 - 1. Executive AND Council (110: CS)		–	350	100	–	–	60	(60)	-100%	100
Vote 17 - 2. Corporate (120: CS)		–	2,840	3,640	80	274	1,386	(1,112)	-80%	3,640
Vote 18 - 3. Finance (130: CS)		–	445	415	–	359	397	(38)	-10%	415
Vote 19 - 5. Planning (150: CS)		–	525	631	–	195	242	(48)	-20%	631
Vote 20 - 6. Community (160: CS)		–	18,370	21,027	181	4,033	7,675	(3,642)	-47%	21,027
Vote 21 - 7. Electricity (170: CS)		–	16,810	16,221	1,775	7,629	7,059	570	8%	16,221
Vote 22 - 8. Technical (180: CS)		–	76,222	76,547	3,449	17,659	38,496	(20,837)	-54%	76,547
Vote 23 - 9. Housing Services (190: CS)		–	2,012	500	–	–	242	(242)	-100%	500
Total Capital single-year expenditure	4	–	117,574	124,222	5,771	30,967	58,948	**(27,982)**	**-47%**	124,222
Total Capital Expenditure		**–**	**117,574**	**124,222**	**5,771**	**30,967**	**58,948**	**(27,982)**	**-47%**	**124,222**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**3,659**	**4,825**	**129**	**874**	**1,859**	(985)	-53%	**4,825**
Executive and council		–	100	100	–	–	60	(60)	-100%	100
Finance and administration		–	3,559	4,725	129	874	1,800	(925)	-51%	4,725
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**16,783**	**17,692**	**291**	**1,403**	**10,240**	(8,837)	-86%	**17,692**
Community and social services		–	1,200	2,109	145	957	1,053	(97)	-9%	2,109
Sport and recreation		–	9,765	9,765	32	143	4,676	(4,534)	-97%	9,765
Public safety		–	3,805	3,805	4	193	2,992	(2,799)	-94%	3,805
Housing		–	2,012	2,012	110	110	1,518	(1,408)	-93%	2,012
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**–**	**33,585**	**34,636**	**3,333**	**16,259**	**14,042**	2,217	16%	**34,636**
Planning and development		–	500	490	42	78	172	(94)	-55%	490
Road transport		–	32,585	33,759	3,291	16,176	13,628	2,548	19%	33,759
Environmental protection		–	500	387	–	5	242	(237)	-98%	387
Trading services		**–**	**63,547**	**67,070**	**2,018**	**12,430**	**32,807**	(20,376)	-62%	**67,070**
Energy sources		–	16,810	16,715	1,902	7,769	7,488	282	4%	16,715
Water management		–	20,800	20,996	77	1,210	12,907	(11,697)	-91%	20,996
Waste water management		–	22,337	22,491	38	194	12,401	(12,207)	-98%	22,491
Waste management		–	3,600	6,868	–	3,257	11	3,246	29506%	6,868
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**–**	**117,574**	**124,222**	**5,771**	**30,967**	**58,948**	**(27,982)**	**-47%**	**124,222**
Funded by:										
National Government		–	46,468	46,468	689	11,591	24,967	(13,376)	-54%	46,468
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		–	–	–	–	–	–	–		–
Transfers recognised - capital		**–**	**46,468**	**46,468**	**689**	**11,591**	**24,967**	**(13,376)**	**-54%**	**46,468**
Borrowing	6	–	61,190	71,594	5,004	18,521	30,822	(12,301)	-40%	71,594
Internally generated funds		–	9,916	6,160	78	854	3,159	(2,305)	-73%	6,160
Total Capital Funding		**–**	**117,574**	**124,222**	**5,771**	**30,967**	**58,948**	**(27,982)**	**-47%**	**124,222**

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2021/22	Budget Year 2022/23			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash		33,903	7,824	3,622	23,996	3,622
Call investment deposits		6,621	14,789	14,789	19	14,789
Consumer debtors		115,180	130,892	130,892	149,961	130,892
Other debtors		38,290	133,019	133,019	30,817	133,019
Current portion of long-term receivables		4	4	4	4	4
Inventory		13,818	13,709	13,709	16,653	13,709
Total current assets		**207,815**	**300,236**	**296,034**	**221,449**	**296,034**
Non current assets						
Long-term receivables		2,450	2,318	2,318	2,450	2,318
Investments		2,742	4,108	4,108	2,824	4,108
Investment property		68,760	69,521	69,560	68,760	69,560
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,411,969	1,527,016	1,533,919	1,430,779	1,533,919
Biological		–	500	200	–	200
Intangible		80	64	70	80	70
Other non-current assets		17,435	17,435	17,435	17,435	17,435
Total non current assets		**1,503,436**	**1,620,963**	**1,627,611**	**1,522,328**	**1,627,611**
TOTAL ASSETS		**1,711,252**	**1,921,199**	**1,923,645**	**1,743,777**	**1,923,645**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		51,448	36,992	36,992	51,046	36,992
Consumer deposits		14,573	13,509	13,509	14,705	13,509
Trade and other payables		167,698	152,949	157,661	124,637	157,661
Provisions		38,340	35,784	35,784	39,022	35,784
Total current liabilities		**272,058**	**239,234**	**243,946**	**229,410**	**243,946**
Non current liabilities						
Borrowing		291,659	333,269	333,269	267,530	333,269
Provisions		129,365	142,687	142,687	126,197	142,687
Total non current liabilities		**421,025**	**475,956**	**475,956**	**393,727**	**475,956**
TOTAL LIABILITIES		**693,083**	**715,190**	**719,902**	**623,137**	**719,902**
NET ASSETS	2	**1,018,169**	**1,206,009**	**1,203,743**	**1,120,640**	**1,203,743**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,038,213	1,206,009	1,203,743	1,120,640	1,203,743
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1,038,213**	**1,206,009**	**1,203,743**	**1,120,640**	**1,203,743**

Table C7: Cash Flow

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
		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		226,398	240,363	240,363	14,758	138,560	128,343	10,216	8%	240,363
Service charges		284,789	470,484	470,484	22,903	158,246	234,478	(76,233)	-33%	470,484
Other revenue		27,515	30,554	30,554	1,637	12,210	16,002	(3,792)	-24%	30,554
Transfers and Subsidies - Operational		75,558	154,946	154,946	33,034	76,211	102,977	(26,766)	-26%	154,946
Transfers and Subsidies - Capital		581	46,468	46,468	–	–	24,065	(24,065)	-100%	46,468
Interest		1,366	2,046	2,046	–	493	934	(441)	-47%	2,046
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(486,481)	(825,868)	(825,868)	(28,798)	(228,663)	(370,521)	(141,858)	38%	(825,868)
Finance charges		46,573	(28,846)	(28,846)	11,194	12,628	(14,284)	(26,912)	188%	(28,846)
Transfers and Grants		(212)	(1,917)	(1,917)	–	–	(389)	(389)	100%	(1,917)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**176,088**	**88,230**	**88,230**	**54,727**	**169,683**	**121,604**	**(48,079)**	**-40%**	**88,230**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		4	250	250	–	382	–	382	#DIV/0!	250
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(112,442)	(117,574)	(121,776)	(915)	(30,405)	(58,592)	(28,187)	48%	(121,776)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(112,438)**	**(117,324)**	**(121,526)**	**(915)**	**(30,023)**	**(58,592)**	**(28,569)**	**49%**	**(121,526)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	61,190	61,190	–	–	–	–		61,190
Increase (decrease) in consumer deposits		(1,925)	–	–	(23)	(477)	–	(477)	#DIV/0!	–
Payments										
Repayment of borrowing		(33,118)	(34,865)	(34,865)	(20,577)	(22,559)	(16,909)	5,650	-33%	(34,865)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(35,043)**	**26,325**	**26,325**	**(20,600)**	**(23,036)**	**(16,909)**	**6,127**	**-36%**	**26,325**
NET INCREASE/ (DECREASE) IN CASH HELD		**28,608**	**(2,768)**	**(6,970)**	**33,213**	**116,624**	**46,103**			**(6,970)**
Cash/cash equivalents at beginning:		11,917	25,381	25,381	(39,018)	(92,609)	25,381			(92,609)
Cash/cash equivalents at month/year end:		40,524	22,613	18,411	(5,805)	24,014	55,483			18,411

Knysna Local Municipality - Consolidated Section 52 (d) and Section 71 Report - December 2022

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description		Budget Year 2022/23											
R thousands	NT Code	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	6,591	2,995	2,127	10,219	1,181	1,491	16,088	30,505	71,198	59,484	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15,194	5,138	3,797	3,996	1,951	2,207	21,230	19,396	72,908	48,779	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	15,958	6,333	3,576	20,760	2,522	2,311	18,958	49,594	120,012	94,146	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,489	1,509	1,152	7,966	601	891	12,543	44,612	71,763	66,613	–	–
Receivables from Exchange Transactions - Waste Management	1600	2,286	1,292	997	6,999	524	751	9,440	38,297	60,586	56,012	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	1,156	911	895	911	802	90	444	6,854	12,062	9,100	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	133	131	85	142	130	94	2,671	(3,361)	25	(323)	–	–
Total By Income Source	**2000**	**43,805**	**18,310**	**12,630**	**50,993**	**7,711**	**7,836**	**81,375**	**185,896**	**408,555**	**333,810**	**–**	**–**
2021/22 - totals only		40,128	19,967	10,621	45,390	7,759	7,199	54,978	161,442	347,484	**276,768**	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,750	1,018	633	4,558	465	609	1,249	1,961	12,243	8,842	–	–
Commercial	2300	15,748	6,631	4,989	9,920	3,884	3,237	34,993	48,058	127,460	100,093	–	–
Households	2400	26,307	10,661	7,009	36,514	3,362	3,990	45,132	135,877	268,853	224,875	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**43,805**	**18,310**	**12,630**	**50,993**	**7,711**	**7,836**	**81,375**	**185,896**	**408,555**	**333,810**	**–**	**–**

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2022/23 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	Prior year totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	236	–	–	–	–	–	–	–	**236**	172
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	23,438	–	–	–	–	–	–	–	**23,438**	3,757
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**23,674**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**23,674**	3,929

Supporting Table SC5: Investment Portfolio

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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 ³	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)	11736	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	**(0)**
Nedbank - Business (Ringfenced_MIG)	10427	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	**(0)**
Nedbank - Business (Ringfenced_NDPG)	10859	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	**(0)**
Investec - (Ceded to DBSA)	1941-5	Call	Call Deposit	Call Deposit	Fixed	3.35%	0	0	Call Deposit	2,807	16	–	–	**2,824**
Investec - (Own Funds)	1941-5	Call	Call Deposit	Call Deposit	Fixed	3.35%	0	0	Call Deposit	18	0	–	–	**19**
Investec - (Own Funds)	1941-5	Call	Call Deposit	Call Deposit	Fixed	3.35%	0	0	Call Deposit	0	0	–	–	**0**
Nedbank - Various PT/NT GRANTS	15319	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	**(0)**
Standard Bank - MIG2021/22	67420	Call	Call Deposit	Call Deposit	Fixed	4.25%	0	0	Call Deposit	–	–	–	–	**–**
Standard Bank - PESG	67420	Call	Call Deposit	Call Deposit	Fixed	4.25%	0	0	Call Deposit	–	–	–	–	**–**
Municipality sub-total										**2,826**		**–**	**–**	**2,842**
TOTAL INVESTMENTS AND INTEREST	2									**2,826**		**–**	**–**	**2,842**

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
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:		**106,485**	**122,311**	**122,311**	**36,686**	**82,614**	**46,626**	**35,988**	**77.2%**	**122,311**
Local Government Equitable Share		98,572	111,170	111,170	36,686	80,042	46,321	33,721	72.8%	111,170
Local Government Financial Management Grant		1,550	1,721	1,721		1,721	68	1,653	2418.9%	1,721
Water Services Operating Subsidy		–	–	–	–	–		–		–
Energy Efficiency and Demand Side Management		–	–	–	–	–		–		–
Integrated National Electrification (INEP)		–	1,400	1,400	–	–	118	(118)	-100.0%	1,400
CoGTA: Municipal Infrastructure Grant (MIG)	3	4,270	6,324	6,324		120	119	2	1.3%	6,324
Expanded Public Works Programme Integrated Grant		1,118	1,044	1,044		731	–	731	#DIV/0!	1,044
Neighbourhood Development Partnership Grant		975	652	652	–	–	–	–		652
WSIG		–	–	–	–	–	–	–		–
Provincial Government:		**38,732**	**32,635**	**32,635**	**557**	**8,936**	**1,310**	7,626	**582.0%**	**32,635**
Disaster and Emergency Services		–	–	–	–	–		–		–
Title Deeds Restoration		–	–	–	–	–		–		–
LG&H: Community Development Worker		–				56		56	#DIV/0!	–
LG&H: Integrated Housing & Human Settlements	4	38,732	32,635	32,635	557	1,774	1,310	464	35.4%	32,635
CA: Library Conditional Operational		–				7,106		7,106	#DIV/0!	–
Financial management Capacity Building Grant		–			–	–		–		–
Forensic Grant					–	–		–		–
Financial Management Support (WC FMGSG)		–			–	–		–		–
PW: Maintenance & Construction of Transport Infrastructure		–	–	–	–	–		–		–
Maintenance of Proclaimed Roads					–	–		–		–
Municipal Public Employment Support					–	–		–		–
Finance Capacity Buidling Grant		–	–		–	–		–		–
District Grant		–	–	–	–	–	–	–		–
Food Security Grant		–					–	–		–
0		–	–	–	–	–	–	–		–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Nedbank SMME Incubator Programme		–			–	–		–		–
Non-profit institutions:Unspecified		–	–	–	–	–	–			–
Total Operating Transfers and Grants	5	**145,217**	**154,946**	**154,946**	**37,243**	**91,551**	**47,937**	**43,614**	**91.0%**	**154,946**
Capital Transfers and Grants										
National Government:		27,135	46,468	46,468	5,000	23,341	–	8,341	**#DIV/0!**	34,830
CoGTA: Municipal Infrastructure Grant (MIG)		20,635	32,790	32,790	–	8,341	–	8,341	#DIV/0!	21,693
Energy Efficiency and Demand Side Management		–	–	–	–					–
Integrated National Electrification (INEP)		–	9,330	9,330	5,000	10,000	–			–
Neighbourhood Development Partnership Grant		6,501	4,348	4,348	–	5,000	–			8,696
WSIG		–			–					4,441
Provincial Government:		–	–	–	–	**4,426**	–	4,426	#DIV/0!	**13,255**
LG&H: Integrated Housing & Human Settlements		–			–	4,426		4,426	#DIV/0!	12,855
Municipal Intervention Grant		–			–					400
Other grant providers:		–	–	–	–	–	–	–		**120**
District Grant: Security Camera		–			–			–		120
Total Capital Transfers and Grants	5	**27,135**	**46,468**	**46,468**	**5,000**	**27,767**	**–**	**12,767**	**#DIV/0!**	**48,204**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	172,352	201,414	201,414	42,243	119,318	47,937	56,381	117.6%	203,150

Supporting Table SC7(1): Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
		2021/22	Budget Year 2022/23							
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	122,311	122,311	37,004	81,681	2,854	78,176	2738.8%	122,311
Local Government Equitable Share			111,170	111,170	36,686	80,042	2,635	77,407	2938.0%	111,170
Local Government Financial Management Grant			1,721	1,721	37	267	74	193	261.9%	1,721
Water Services Operating Subsidy								–		–
Energy Efficiency and Demand Side Management								–		–
Integrated National Electrification (INEP)			1,400	1,400	–	–		–		1,400
CoGTA: Municipal Infrastructure Grant (MIG)			6,324	6,324	120	721	146	575	394.2%	6,324
Expanded Public Works Programme Integrated Grant			1,044	1,044	161	651	–			1,044
Neighbourhood Development Partnership Grant			652	652	–	–	–			652
WSIG										–
Provincial Government:		–	32,635	32,635	1,964	16,149	–	16,149	#DIV/0!	43,112
Disaster and Emergency Services		–	–	–	–	–	–	–		–
Title Deeds Restoration		–	–	–	–	–	–	–		–
LG&H: Community Development Worker		–	56	56	3	9		9	#DIV/0!	57
LG&H: Integrated Housing & Human Settlements		–	21,840	21,840	880	9,483		9,483	#DIV/0!	33,802
CA: Library Conditional Operational		–	10,659	10,659	1,000	6,576		6,576	#DIV/0!	8,493
Financial management Capacity Building Grant		–	–	–				–		250
Financial Management Support (WC FMGSG)		–	80	80	80	80		80	#DIV/0!	510
Total operating expenditure of Transfers and Grants:		–	154,946	154,946	38,967	97,830	2,854	94,975	3327.3%	154,946
Capital expenditure of Transfers and Grants										
National Government:		–	46,468	46,468	792	13,168	–	13,168	#DIV/0!	34,830
CoGTA: Municipal Infrastructure Grant (MIG)		–	32,790	32,790	191	5,557		(9,531)	#DIV/0!	21,693
Energy Efficiency and Demand Side Management		–						–		–
Integrated National Electrification (INEP)		–	9,330	9,330	572	5,071		–		–
Neighbourhood Development Partnership Grant		–	4,348	4,348	29	2,539		–		8,696
WSIG		–						1,789	#DIV/0!	4,441
Provincial Government:		–	–	–	–	–	–	(1,120)	#DIV/0!	–
LG&H: Integrated Housing & Human Settlements		–						(1,120)	#DIV/0!	12,855
Municipal Intervention Grant		–						(1,120)	#DIV/0!	–
Total capital expenditure of Transfers and Grants		–	46,468	46,468	792	13,168	–	13,168	#DIV/0!	46,468
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	201,414	201,414	39,759	110,998	2,854	108,143	3788.6%	201,414

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

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 December

Description	Ref	Budget Year 2022/23				
R thousands		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Local Government Equitable Share					–	
Title Deeds Restoration					–	
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		–	–	–	–	

References

Supporting Table SC8: Councillor and Staff Benefits

WC048 Knysna - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration R thousands	Ref	2021/22 Audited Outcome	Budget Year 2022/23 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		7,284	7,885	7,831	713	3,976	3,929	47	1%	7,831
Pension and UIF Contributions		463	427	574	60	285	291	(6)	-2%	574
Medical Aid Contributions		147	167	86	6	39	49	(11)	-21%	86
Motor Vehicle Allowance		346	184	188	22	116	107	9	8%	188
Cellphone Allowance		691	641	644	8	267	322	(55)	-17%	644
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		136	66	74	–	12	38	(27)	-69%	74
Sub Total - Councillors		**9,067**	**9,370**	**9,396**	**809**	**4,695**	**4,738**	**(43)**	**-1%**	**9,396**
% increase	4		**3.3%**	**3.6%**						**3.6%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2,692	4,577	5,127	519	2,319	1,073	1,246	116%	5,127
Pension and UIF Contributions		319	620	620	31	116	388	(271)	-70%	620
Medical Aid Contributions		107	161	161	5	30	106	(76)	-72%	161
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		(559)	396	396	328	328	396	(68)	-17%	396
Motor Vehicle Allowance		389	646	646	34	233	114	119	104%	646
Cellphone Allowance		13	15	15	–	–	–	–		15
Housing Allowances		4	72	72	–	–	–	–		72
Other benefits and allowances		80	518	518	5	27	27	–		518
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**3,045**	**7,004**	**7,554**	**922**	**3,053**	**2,104**	**950**	**45%**	**7,554**
% increase	4		**130.0%**	**148.0%**						**148.0%**
Other Municipal Staff										
Basic Salaries and Wages		160,139	180,382	185,448	14,274	84,824	84,094	730	1%	185,448
Pension and UIF Contributions		29,296	32,806	32,806	2,546	15,330	16,362	(1,031)	-6%	32,806
Medical Aid Contributions		12,631	15,285	15,285	1,065	6,404	7,421	(1,017)	-14%	15,285
Overtime		28,850	14,639	14,639	2,379	11,765	7,400	4,365	59%	14,639
Performance Bonus		13,273	13,985	13,985	49	13,038	13,985	(947)	-7%	13,985
Motor Vehicle Allowance		7,721	7,583	7,583	659	3,631	3,874	(242)	-6%	7,583
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		2,622	2,974	2,974	212	1,087	1,267	(179)	-14%	2,974
Other benefits and allowances		15,841	6,922	8,116	784	4,773	4,050	723	18%	8,116
Payments in lieu of leave		(902)	3,726	3,726	248	1,489	1,489	–		3,726
Long service awards		1,389	2,744	2,744	–	–	–	–		2,744
Post-retirement benefit obligations	2	14,037	11,802	11,802	–	–	–	–		11,802
Sub Total - Other Municipal Staff		**284,896**	**292,847**	**299,107**	**22,216**	**142,343**	**139,941**	**2,402**	**2%**	**299,107**
% increase	4		**2.8%**	**5.0%**						**5.0%**
Total Parent Municipality		**297,008**	**309,221**	**316,057**	**23,947**	**150,092**	**146,783**	**3,309**	**2%**	**316,057**
TOTAL SALARY, ALLOWANCES & BENEFITS		**297,008**	**309,221**	**316,057**	**23,947**	**150,092**	**146,783**	**3,309**	**2%**	**316,057**
% increase	4		**4.1%**	**6.4%**						**6.4%**
TOTAL MANAGERS AND STAFF		**287,942**	**299,851**	**306,661**	**23,138**	**145,396**	**142,045**	**3,352**	**2%**	**306,661**

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 - M06 December

Description	Ref	Budget Year 2022/23												2022/23 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	Budget	Budget	Budget	Budget	Budget	Budget	2022/23	+1 2023/24	+2 2024/25
Cash Receipts By Source																
Property rates		12,712	43,618	28,842	20,585	18,045	14,758	16,304	20,865	19,077	18,586	17,987	8,984	240,363	253,517	262,231
Service charges - electricity revenue		14,757	18,240	18,216	20,987	14,682	15,243	26,774	25,565	22,030	26,667	31,305	108,176	342,643	394,478	373,816
Service charges - water revenue		4,012	6,589	5,429	4,898	5,019	4,449	7,192	7,016	6,315	5,613	5,262	8,368	70,163	72,948	76,546
Service charges - sanitation revenue		1,286	3,293	2,520	1,891	1,730	1,638	2,481	2,481	2,481	2,481	2,481	5,012	29,776	33,497	32,485
Service charges - refuse		1,277	3,876	2,671	1,987	1,983	1,573	2,325	2,325	2,325	2,325	2,325	2,910	27,902	31,336	30,441
Rental of facilities and equipment		480	1,032	309	286	422	474	430	466	371	449	527	200	5,447	6,768	5,943
Interest earned - external investments		94	149	100	150	–	–	186	81	161	194	228	703	2,046	4,700	2,232
Interest earned - outstanding debtors		94	149	–	–	–	–	–	–	–	–	–	(243)	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		38	17	15	13	12	5	1,043	1,102	1,072	983	1,013	6,603	11,917	11,437	13,001
Licences and permits		135	117	117	119	125	76	125	118	129	156	183	299	1,698	1,794	1,853
Agency services		110	120	137	141	141	113	567	142	182	220	259	1,698	3,830	4,409	4,178
Transfers and Subsidies - Operational		43,100	2	57	17	2	33,034	1,702	1,174	40,192	888	888	33,890	154,946	173,761	154,102
Other revenue		1,448	1,380	1,137	1,114	1,609	969	500	626	312	378	444	(2,255)	7,662	9,493	8,281
Cash Receipts by Source		**79,543**	**78,580**	**59,550**	**52,188**	**43,769**	**72,331**	**59,629**	**61,964**	**94,647**	**58,942**	**62,903**	**174,347**	**898,393**	**998,137**	**965,110**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		5,739	2,342	3,072	3,000	–	5,000	65	1,273	14,962	730	1,158	9,128	46,468	70,226	106,446
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		–	382	–	–	–	–	83	–	–	–	–	(215)	250	250	250
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	61,190	61,190	70,000	74,020
Increase (decrease) in consumer deposits		1,851	(82)	(45)	(178)	(76)	(23)	–	–	–	–	–	(1,447)	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**87,133**	**81,222**	**62,577**	**55,010**	**43,693**	**77,308**	**59,777**	**63,236**	**109,608**	**59,672**	**64,061**	**243,002**	**1,006,301**	**1,138,613**	**1,145,825**

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Cash Payments by Type												–			
Employee related costs	21,966	22,448	19,526	22,432	35,742	23,092	24,124	23,397	18,714	22,510	26,303	38,518	298,772	329,111	334,986
Remuneration of councillors	803	1,174	425	798	798	831	–	–	–	–	–	(4,829)	–	–	–
Interest paid	306	687	444	–	3	11,196	829	290	2,554	3,092	3,629	5,816	28,846	29,054	35,533
Bulk purchases - Electricity	–	–	–	16,324	–	–	19,881	18,933	21,133	25,582	30,031	130,272	262,156	319,227	274,512
Acquisitions - water & other inventory	–	–	–	1,626	–	–	4,807	1,571	2,787	3,374	3,961	20,657	38,784	30,719	41,055
Contracted services	4,219	13,927	13,299	11,897	19,662	11,542	13,254	11,347	15,139	18,327	21,514	12,451	166,577	173,227	159,323
Grants and subsidies paid - other municipalities	4	104	24	–	174	191	–	–	–	–	–	(497)	–	–	–
Grants and subsidies paid - other	39	38	72	–	45	13	24	50	279	335	391	629	1,917	2,258	2,091
General expenses	1,725	9,351	5,299	4,238	10,742	2,186	5,761	4,736	6,804	6,047	5,332	(2,642)	59,579	68,540	71,871
Cash Payments by Type	**30,540**	**42,472**	**33,995**	**57,315**	**62,225**	**46,211**	**68,680**	**60,324**	**67,411**	**79,267**	**91,163**	**200,373**	**856,631**	**952,137**	**919,371**
Other Cash Flows/Payments by Type															
Capital assets	8,588	3,796	6,618	3,878	6,609	8,301	2,053	9,554	9,491	8,452	11,414	43,021	121,776	151,227	187,396
Repayment of borrowing	788	1,751	436	–	–	31,770	872	872	872	872	872	(4,239)	34,865	50,329	50,329
Other Cash Flows/Payments	50,600	50,635	(7,742)	23,526	(32,950)	(3,169)	–	–	–	–	–	(80,900)	–	–	–
Total Cash Payments by Type	**90,517**	**98,654**	**33,308**	**84,720**	**35,884**	**83,113**	**71,605**	**70,749**	**77,774**	**88,590**	**103,449**	**158,255**	**1,013,271**	**1,153,693**	**1,157,096**
NET INCREASE/(DECREASE) IN CASH HELD	**(3,384)**	**(17,432)**	**29,269**	**(29,710)**	**7,809**	**(5,805)**	**(11,828)**	**(7,513)**	**31,835**	**(28,918)**	**(39,387)**	**84,747**	**(6,970)**	**(15,080)**	**(11,271)**
Cash/cash equivalents at the month/year beginning:	43,267	39,883	22,451	51,720	22,010	29,819	24,014	12,186	4,673	36,508	7,590	(31,797)	43,267	36,297	21,217
Cash/cash equivalents at the month/year end:	39,883	22,451	51,720	22,010	29,819	24,014	12,186	4,673	36,508	7,590	(31,797)	52,950	36,297	21,217	9,946

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 - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
		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		–	**21,780**	**22,741**	**1,356**	**6,961**	**13,470**	6,509	**48.3%**	**22,741**
Roads Infrastructure		–	1,250	1,250	–	–	1,000	1,000	**100.0%**	1,250
Roads		–	200	200	–	–	200	200	**100.0%**	200
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	1,050	1,050	–	–	800	800	**100.0%**	1,050
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	12,080	12,691	1,356	6,595	5,407	(1,188)	**-22.0%**	12,691
MV Networks		–	1,000	1,381	499	942	366	(576)	**-157.3%**	1,381
LV Networks		–	11,080	11,310	856	5,652	5,041	(612)	**-12.1%**	11,310
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	8,150	8,346	–	367	6,968	6,602	**94.7%**	8,346
Water Treatment Works		–	750	750	–	–	122	122	**100.0%**	750
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	150	150	–	32	73	41	**56.0%**	150
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	7,250	7,446	–	335	6,774	6,439	**95.1%**	7,446
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	154	–	–	–	–		154
Drainage Collection		–	–	154	–	–	–	–		154
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	300	300	–	–	96	96	**100.0%**	300
Data Centres		–	300	300	–	–	96	96	**100.0%**	300
Community Assets		–	**1,600**	**1,600**	–	**516**	**1,138**	**622**	**54.6%**	**1,600**
Community Facilities		–	1,600	1,600	–	516	1,138	622	**54.6%**	1,600
Fire/Ambulance Stations		–	1,000	1,000	–	–	1,000	1,000	100.0%	1,000
Cemeteries/Crematoria		–	600	600	–	516	138	(378)	-274.2%	600
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	**2,012**	**2,012**	**110**	**110**	**1,518**	**1,408**	**92.7%**	**2,012**
Housing		–	2,012	2,012	110	110	1,518	1,408	**92.7%**	2,012
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	2,012	2,012	110	110	1,518	1,408	92.7%	2,012
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Computer Equipment		–	**350**	**350**	–	**24**	**209**	**184**	88.5%	**350**
Computer Equipment		–	350	350	–	24	209	184	88.5%	350
Furniture and Office Equipment		–	**565**	**795**	–	**321**	**108**	**(213)**	-196.6%	**795**
Furniture and Office Equipment		–	565	795	–	321	108	(213)	-196.6%	795
Machinery and Equipment		–	**2,840**	**3,936**	**78**	**472**	**3,004**	**2,532**	84.3%	**3,936**
Machinery and Equipment		–	2,840	3,936	78	472	3,004	2,532	84.3%	3,936
Transport Assets		–	**6,560**	**9,828**	–	**3,616**	**2,421**	**(1,195)**	-49.4%	**9,828**
Transport Assets		–	6,560	9,828	–	3,616	2,421	(1,195)	-49.4%	9,828
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	–	**35,707**	**41,262**	**1,544**	**12,021**	**21,868**	**9,847**	**45.0%**	**41,262**

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 - M06

Description	Ref	2021/22	Budget Year 2022/23							
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		–	25,135	25,324	96	10,417	12,623	2,206	17.5%	25,324
Roads Infrastructure		–	20,685	21,794	96	10,297	10,624	326	3.1%	21,794
Roads		–	20,685	21,794	96	10,297	10,624	326	3.1%	21,794
Water Supply Infrastructure		–	1,350	1,350	–	120	886	766	86.5%	1,350
Water Treatment Works		–	400	400	–	120	194	74	38.0%	400
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	950	950	–	–	692	692	100.0%	950
Sanitation Infrastructure		–	1,100	1,100	–	–	842	842	100.0%	1,100
Waste Water Treatment Works		–	1,100	1,100	–	–	842	842	100.0%	1,100
Solid Waste Infrastructure		–	2,000	1,080	–	–	272	272	100.0%	1,080
Capital Spares		–	2,000	1,080	–	–	272	272	100.0%	1,080
Community Assets		–	2,650	2,350	–	–	2,392	2,392	100.0%	2,350
Community Facilities		–	500	200	–	–	242	242	100.0%	200
Nature Reserves		–	500	200	–	–	242	242	100.0%	200
Sport and Recreation Facilities		–	2,150	2,150	–	–	2,150	2,150	100.0%	2,150
Capital Spares		–	2,150	2,150	–	–	2,150	2,150	100.0%	2,150
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	–	500	–	–	–	–		500
Operational Buildings		–	–	–	–	–	–	–		–
Housing		–	–	500	–	–	–	–		500
Staff Housing		–	–	500	–	–	–	–		500
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
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	–	27,785	28,174	96	10,417	15,015	4,598	30.6%	28,174

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

WC048 Knysna - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
		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		**40,758**	**42,629**	**40,800**	**1,640**	**19,342**	**20,293**	951	**4.7%**	**40,800**
Roads Infrastructure		6,541	6,430	5,104	19	1,364	1,472	108	**7.3%**	5,104
Roads		6,541	6,412	5,085	19	1,364	1,472	108	**7.3%**	5,085
Capital Spares		–	18	18	–	–	–	–		18
Storm water Infrastructure		2,033	2,522	2,522	–	176	1,587	1,411	**88.9%**	2,522
Drainage Collection		–	510	510	–	24	120	96	**79.9%**	510
Storm water Conveyance		2,033	2,012	2,012	–	152	1,467	1,315	**89.6%**	2,012
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		11,129	15,750	15,790	1,064	7,180	7,220	40	**0.6%**	15,790
Power Plants		–	–	–	–	–	–	–		–
HV Substations		1,777	3,000	3,000	128	292	2,260	1,968	**87.1%**	3,000
HV Switching Station		108	126	126	63	83	75	(7)	**-9.9%**	126
HV Transmission Conductors		1,717	2,351	2,351	–	915	1,004	89	**8.9%**	2,351
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		4,549	6,350	6,350	92	3,686	2,052	(1,634)	**-79.6%**	6,350
LV Networks		2,977	3,923	3,963	781	2,203	1,828	(376)	**-20.6%**	3,963
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		13,547	11,503	11,036	456	4,584	5,069	485	**9.6%**	11,036
Water Treatment Works		10,327	9,150	9,150	93	3,692	4,598	906	**19.7%**	9,150
Capital Spares		3,220	2,353	1,886	364	892	472	(421)	**-89.1%**	1,886
Sanitation Infrastructure		6,671	5,704	5,379	–	5,145	4,123	(1,022)	**-24.8%**	5,379
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		6,671	5,704	5,379	–	5,145	4,123	(1,022)	**-24.8%**	5,379
Solid Waste Infrastructure		838	719	969	100	892	822	(70)	**-8.5%**	969
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		838	719	969	100	892	822	(70)	**-8.5%**	969
Community Assets		**2,503**	**4,157**	**4,157**	**499**	**2,679**	**2,171**	**(508)**	**-23.4%**	**4,157**
Community Facilities		1,678	3,086	3,086	497	1,915	1,417	(498)	**-35.2%**	3,086
Halls		179	242	242	23	119	103	(16)	-16.0%	242
Fire/Ambulance Stations		64	128	128	65	67	–	(67)	#DIV/0!	128
Testing Stations		–	–	–	–	–	–	–		–
Museums		54	101	101	5	41	34	(7)	-21.2%	101
Libraries		170	583	583	–	278	145	(133)	-91.4%	583
Cemeteries/Crematoria		278	438	438	104	343	175	(168)	-96.0%	438
Police		56	179	179	3	8	16	8	48.4%	179
Purls		–	–	–	–	–	–	–		–
Public Open Space		877	1,416	1,416	298	1,058	944	(114)	-12.1%	1,416
Sport and Recreation Facilities		825	1,071	1,071	2	763	754	(10)	**-1.3%**	1,071
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		825	1,071	1,071	2	763	754	(10)	-1.3%	1,071
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–

Other assets		**2,420**	**2,988**	**2,268**	**208**	**872**	**(93)**	**(965)**	**1036.4%**	**2,268**
Operational Buildings		1,489	2,178	1,458	81	205	(644)	(849)	**131.9%**	1,458
Municipal Offices		276	1,121	1,271	–	115	220	105	47.7%	1,271
Depots		1,214	1,058	188	81	90	(863)	(953)	110.4%	188
Capital Spares		–	–	–	–	–	–	–		–
Housing		931	810	810	127	667	550	(117)	**-21.2%**	810
Staff Housing		680	800	800	127	667	550	(117)	-21.2%	800
Social Housing		251	10	10	–	–	–	–		10
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		**4**	**159**	**159**	–	**1**	**39**	**38**	97.2%	**159**
Furniture and Office Equipment		4	159	159	–	1	39	38	97.2%	159
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		**6,458**	**4,903**	**4,983**	**433**	**2,748**	**1,891**	**(857)**	-45.3%	**4,983**
Transport Assets		6,458	4,903	4,983	433	2,748	1,891	(857)	-45.3%	4,983
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	**52,143**	**54,836**	**52,366**	**2,780**	**25,641**	**24,300**	**(1,341)**	**-5.5%**	**52,366**

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
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		**38,798**	**33,167**	**35,258**	**3,929**	**21,111**	**21,111**	(0)	**0.0%**	**35,258**
Roads Infrastructure		5,221	6,260	3,935	415	2,461	2,461	–		3,935
Roads		5,221	6,260	3,935	415	2,461	2,461	–		3,935
Storm water Infrastructure		901	595	748	79	468	468	–		748
Drainage Collection		901	587	748	79	468	468	–		748
Storm water Conveyance		–	8	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		7,875	6,838	11,508	1,401	6,096	6,096	(0)	**0.0%**	11,508
Power Plants		6	149	1	0	1	1	–		1
HV Substations		7,869	6,689	11,507	1,401	6,096	6,096	(0)	**0.0%**	11,507
Water Supply Infrastructure		16,851	12,176	11,959	1,260	7,479	7,479	–		11,959
Pump Stations		–	209	10	1	6	6	–		10
Water Treatment Works		–	5,462	201	21	126	126	–		201
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		16,851	6,506	11,748	1,238	7,346	7,346	–		11,748
Sanitation Infrastructure		5,991	5,217	5,550	611	3,633	3,633	–		5,550
Pump Station		28	402	930	125	740	740	–		930
Reticulation		5,839	2,507	4,436	467	2,774	2,774	–		4,436
Waste Water Treatment Works		79	2,250	161	17	101	101	–		161
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		44	57	23	2	18	18	–		23
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,859	1,955	1,481	156	927	927	(0)	**0.0%**	1,481
Landfill Sites		1,859	1,955	1,481	156	927	927	(0)	**0.0%**	1,481
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		99	124	76	8	48	48	–		76
Distribution Layers		99	124	76	8	48	48	–		76
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**2,638**	**2,214**	**2,154**	**228**	**1,364**	**1,364**	**–**		**2,154**
Community Facilities		2,084	1,686	1,642	174	1,044	1,044	–		1,642
Halls		68	75	461	49	288	288	–		461
Centres		528	155	8	1	5	5	–		8
Fire/Ambulance Stations		229	287	166	17	107	107	–		166
Testing Stations		0	0	0	0	0	0	–		0
Museums		7	7	5	1	3	3	–		5
Galleries		–	–	–	–	–	–	–		–
Theatres		1	1	1	0	1	1	–		1
Libraries		649	554	471	50	296	296	–		471
Cemeteries/Crematoria		23	44	22	2	14	14	–		22
Police		55	59	17	1	13	13	–		17
Purls		181	144	208	23	139	139	–		208
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		8	8	8	1	5	5	–		8
Markets		–	–	–	–	–	–	–		–
Stalls		22	23	18	2	11	11	–		18
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		313	328	258	27	161	161	–		258
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		554	528	512	54	320	320	–		512
Indoor Facilities		1	9	–	–	–	–	–		–
Outdoor Facilities		553	519	512	54	320	320	–		512
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		**145**	**155**	**116**	**12**	**73**	**73**	–		**116**
Revenue Generating		145	155	116	12	73	73	–		116
Improved Property		145	155	116	12	73	73	–		116
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–

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Other assets		**1,624**	**719**	**544**	**57**	**341**	**341**	**(0)**	**0.0%**	**544**
Operational Buildings		619	719	544	57	341	341	(0)	**0.0%**	544
Municipal Offices		619	719	544	57	341	341	(0)	0.0%	544
Housing		1,005	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		1,005	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		**18**	**19**	**13**	**1**	**8**	**8**	**–**		**13**
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		18	19	13	1	8	8	–		13
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		18	19	13	1	8	8	–		13
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		**1,773**	**1,556**	**899**	**95**	**568**	**568**	**(0)**	0.0%	**899**
Computer Equipment		1,773	1,556	899	95	568	568	(0)	0.0%	899
Furniture and Office Equipment		**682**	**1,254**	**1,024**	**108**	**643**	**643**	**–**		**1,024**
Furniture and Office Equipment		682	1,254	1,024	108	643	643	–		1,024
Machinery and Equipment		**722**	**864**	**522**	**54**	**334**	**334**	**–**		**522**
Machinery and Equipment		722	864	522	54	334	334	–		522
Transport Assets		**2,718**	**3,740**	**3,158**	**325**	**2,022**	**2,022**	**(0)**	0.0%	**3,158**
Transport Assets		2,718	3,740	3,158	325	2,022	2,022	(0)	0.0%	3,158
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Depreciation	1	**49,119**	**43,688**	**43,688**	**4,810**	**26,465**	**26,465**	**(0)**	**0.0%**	**43,688**

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 - M06

Description	Ref	2021/22	Budget Year 2022/23							
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		–	42,637	43,051	3,906	8,023	17,147	9,123	53.2%	43,051
Roads Infrastructure		–	11,250	11,315	3,195	5,879	2,355	(3,524)	-149.6%	11,315
Roads		–	11,250	11,315	3,195	5,879	2,355	(3,524)	-149.6%	11,315
Storm water Infrastructure		–	1,750	1,750	–	–	536	536	100.0%	1,750
Drainage Collection		–	1,750	1,750	–	–	536	536	100.0%	1,750
Electrical Infrastructure		–	1,300	1,649	595	1,226	629	(597)	-94.9%	1,649
MV Substations		–	–	349	–	65	–	(65)	#DIV/0!	349
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	1,300	1,300	595	1,162	629	(532)	-84.6%	1,300
Water Supply Infrastructure		–	11,000	11,000	77	724	4,753	4,029	84.8%	11,000
Dams and Weirs		–	1,500	1,500	–	–	204	204	100.0%	1,500
Water Treatment Works		–	2,000	2,000	77	77	495	418	84.4%	2,000
Bulk Mains		–	250	250	–	–	121	121	100.0%	250
Distribution		–	3,250	3,250	–	646	1,996	1,350	67.6%	3,250
Capital Spares		–	4,000	4,000	–	–	1,936	1,936	100.0%	4,000
Sanitation Infrastructure		–	17,337	17,337	38	194	8,873	8,679	97.8%	17,337
Pump Station		–	2,500	2,500	–	156	968	813	83.9%	2,500
Reticulation		–	14,337	14,337	–	–	7,905	7,905	100.0%	14,337
Waste Water Treatment Works		–	500	500	38	38	–	(38)	#DIV/0!	500
Community Assets		–	10,065	10,054	145	420	4,619	4,199	90.9%	10,054
Community Facilities		–	500	489	145	420	(11)	(431)	3921.9%	489
Halls		–	500	489	145	420	(11)	(431)	3921.9%	489
Sport and Recreation Facilities		–	9,565	9,565	–	–	4,630	4,630	100.0%	9,565
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	9,565	9,565	–	–	4,630	4,630	100.0%	9,565
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	1,380	1,680	80	85	299	214	71.7%	1,680
Operational Buildings		–	1,380	1,680	80	85	299	214	71.7%	1,680
Municipal Offices		–	1,380	1,680	80	85	299	214	71.7%	1,680
Housing		–	–	–	–	–	–	–		–
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 a	1	–	54,082	54,786	4,131	8,528	22,065	13,537	61.4%	54,786