ANNEXURE A

KNYSNA
Municipality Munisipaliteit uMasipala

Monthly and Quarterly Budget Statement

(Sections 71 and 52 of the MFMA)

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

September 2023

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PART 1: IN-YEAR REPORT

1. LEGAL CONTEXT

1.1 Monthly Budget Statement

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

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

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

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

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

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

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

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

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

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

1.2 Quarterly Budget Statement

Section 52 of the MFMA determines 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*
- *(b)* *Alert the council and the MEC for local government in the province to those problems.*

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

EXECUTIVE MAYOR'S REPORT

2.1 In-Year Report: Monthly Budget Statement

2.1.1 This report represents the Section 71 MFMA monthly budget statement and Section 52 quarterly budget statement for the month ending 30 September 2023, 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 Council on the implementation of the budget and the financial state of affairs of the Municipality as at the end of September 2023.

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

2.2 Overall Financial Status of the Municipality

2.2.1 As at 30 September 2023, the Commitments still <u>exceed</u> the Cash and Cash Equivalents. The cashflow position remains a critical concern.

2.2.2 Finance discloses an unpaid Grant of R 21.6 million which needs to be recovered from the Department of Human Settlements. This is however disputed by the Integrated Human Settlements Directorate which has been requested to provide a detailed report to finance for reconciliation. Note that expenditure already incurred which cannot be recovered from the Department of Human Settlements or which have possibly been misallocated will unfortunately have to be absorbed by the Municipality. This has been the case for several years. Proper controls therefore need to be implemented to ensure that a repeat of this is avoided.

2.2.3 The collection of outstanding consumer debt and the recovery of all unpaid grants are critical and therefore continues to receive priority. A major contributor to the decreased levels of performance (billings and collections) is the high vacancy rate within the Income Department. Recruitment and selection processes are underway.

A tender for external debt collection services, which is provided for in the Council-approved Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy was recommended for cancelation by is currently at the Bid Adjudication Committee. These services will be utilised only when all internal efforts to collect debt have been exhausted. Long outstanding debt which are nearing prescription, and account disputes requiring legal support will be handed over to the external debt collection service providers. Important to note is that these legal costs billed to the Municipality will be recovered from the respective account-holders. This unfortunately further impoverishes the handed-over account-holders.

Consumers with conventional electricity meters, with arrear debt (30 days and more), currently exceeds 1000 (meters). It is therefore imperative that the Municipality sources funding to convert these conventional meters to prepaid meters. Funding required will be for both purchase and installation of the prepaid electricity meters. Conventional meters which cannot be read for a lenghthy period (maximum 6 months) is also earmarked to be converted to prepaid meters.

Aggressive debt collection strategies, including disconnections and restriction of services currently remain in practice. Measures still to be implemented will be detailed in a separate item to be submitted to the next S80 Finance Committee meeting.

2.2.4 The DBSA Revenue Enhancement project was finalised at the end of September 2023. The Municipality is currently developing an implementation plan for execution to address the findings and recommendations of DBSA.

2.2.5 Loadshedding and maximum network demand of electricity (due to the increased demand in winter) has had a severe impact on the municipal revenue base, and the associated bulk electricity expenditure costs. 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 impact on both service delivery and the cashflow.

The Municipality needs to source funding for the purchase of additional generators and/or to invest in alternative energy supply products, with the aim of reducing the dependency on Eskom.

2.2.6 Strict expenditure control must be implemented 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. It has become quite evident and apparent that Cost Control and Cost Reduction measures are not receiving adequate attention. It is imperative that Directorates develop and implement appropriate and effective Cost Cutting Measures with immediate effect. Furthermore, 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.

2.3 Recommendations

(a) That Council notes the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 30 September 2023.

(b) That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 30 September 2023 will be published on the municipal website.

CLLR AUBREY TSENGWA
EXECUTIVE MAYOR
DATE: 13 October 2023

2. 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 September 2023.

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 30 September 2023.

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 2023/2024 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 18 in Table 1 below) of R 387.3 million compared to the year-to-date budgeted operating revenue of R 377.0 million results in a positive variance of R 10.3 million or 2.7% (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	Adjusted 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	Service charges - Electricity	384,778,101	384,778,101	96,695,419	94,925,789	1,769,630	1.9%	The variance is mainly under Availability Charges as well as TimeOfUse Network Access Charge. The figures vary from one month to the other. Continuous investigation.
2	Service charges - Water	84,388,754	84,388,754	27,730,363	25,500,441	2,229,922	8.7%	The variance is partly as a result of the reduction of the 2kl of water for the non-Indigent during budget process but not yet implemented due to technical and staff capacity to implement the changes on the meters. Investigation and monitoring continuously.
3	Service charges - Waste Water Management	30,864,387	30,864,387	14,270,012	14,206,794	63,218	0.4%	
4	Service charges - Waste management	30,029,458	30,029,458	14,723,880	14,682,292	41,588	0.3%	
5	Sale of Goods and Rendering of Services	39,358,519	39,358,519	8,493,923	8,636,267	-142,344	-1.6%	
6	Agency services	4,032,719	4,032,719	1,199,909	860,284	339,625	39.5%	
7	Interest earned from Receivables	14,751,081	14,751,081	6,114,842	5,983,582	131,260	2.2%	
8	Interest from Current and Non Current Assets	1,826,291	1,826,291	635,809	468,515	167,294	35.7%	
9	Rental from Fixed Assets	6,938,143	6,938,143	2,037,898	3,204,645	-1,166,747	-36.4%	The varience is main on Municipal Buildings and the first three months billing vary from one month to the other. Continuous monitoring and Investigation of these specific consumer accounts.
10	Licence and permits	45,480	45,480	32,340	8,969	23,371	260.6%	
11	Operational Revenue	6,022,888	6,022,888	1,166,537	709,581	456,956	64.4%	
12	Property rates	304,253,695	304,253,695	139,162,475	138,387,984	774,491	0.6%	
13	Fines, penalties and forfeits	99,090,019	99,090,019	16,849,247	19,801,404	-2,952,157	-14.9%	The variance is mainly on Speeding fines. Though projecting for speeding fines remains a challenge, but the number of speeding camera's in the hot zones are not working in the main points, maintenance is underway.
14	Licence and permits	1,742,814	1,742,814	375,726	359,523	16,203	4.5%	
15	Transfers and subsidies - Operational	150,239,391	150,239,391	55,542,099	47,273,469	8,268,630	17.5%	The varience relates to the Electricity Equitable Share July reciept. Requested NT letter for the quartely tranches per service where applicable. Re-alignment will reflect in October 2022 monthly reporting.
16	Interest	5,732,582	5,732,582	2,241,701	2,012,705	228,996	11.4%	
17	Gains on Disposal of PPE	500,000	500,000	0	0	0	#DIV/0!	
18	**Total Revenue (Capital Grants Excluded)**	**1,164,594,322**	**1,164,594,322**	**387,272,180**	**377,022,244**	**10,249,936**	**2.7%**	

3.2.2 Year-to-date actual operating expenditure (Row 32 in Table 1 below) of R 232.9 million compared to the year-to-date budgeted operating expenditure of R 232.8 million results in a negative variance of R72 thousand. 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	Adjusted 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
19	Employee related costs	305,558,192	305,558,192	70,625,614	69,972,377	-653,237	-0.9%	Variance is mainly as result of bulk casuals appointment. Budget to be realigned.
20	Remuneration of councillors	10,081,756	10,081,756	2,360,926	2,570,214	209,288	8.1%	
21	Bulk purchases - electricity	293,304,290	293,304,290	69,450,136	69,799,660	349,524	0.5%	
22	Other materials	54,053,315	53,943,315	12,683,248	11,503,193	-1,180,055	-10.3%	The variance relates to mainly the Water Eskom Charges, Water Chemical Supply as well as Fuel Costs. All in Water Department. This will be communicated with the newly appointed Director Insfrastructure.
23	Debt impairment	149,729,891	149,729,891	14,611,605	14,611,605	0	0.0%	
24	Depreciation and amortisation	49,118,855	49,118,855	12,392,666	12,279,771	-112,895	-0.9%	
25	Interest	31,848,485	31,848,485	1,394,829	1,434,018	39,189	2.7%	
26	Contracted services	185,406,105	185,096,105	34,305,076	33,584,543	-720,533	-2.1%	The overspending relates to Electricial manaitenance, Water Megaflow, Council Security Services as well as Legal Services costs. Total budget of all these votes amounts to R25 million and to date R16.9 million has been spent in one quarter, which translates to 68% of the annual budget. this overspent is covered by underspending of Housing Grant projects and other various operating projects.
27	Transfers and subsidies	1,457,448	1,457,448	32,185	30,429	-1,756	-5.8%	
28	Irrecoverable debts written off	1,783,929	1,783,929	0	0	0	#DIV/0!	
29	Operational costs	73,456,092	73,876,092	15,030,665	17,029,237	1,998,572	11.7%	The underspending is mainly the subscription fee for the SALGA payment. Re-alignment of budget will be dome with the October reporting.
30	Losses on Disposal of Assets	0	0	0	0	0	0.0%	
31	Other Losses	0	0	0	0	0	0.0%	
32	**Total Operating Expenditure**	**1,155,798,358**	**1,155,798,358**	**232,886,950**	**232,815,047**	**-71,903**	**0.0%**	

3.2.3 The year-to-date actual operating revenue compared to the year-to-date actual operating expenditure results in an operating surplus of R 154.4 million compared to a budgeted operating surplus of R 144.2 million (capital grants excluded). This results in a positive operating surplus variance of R 10.2 million (Row 33 in Table 1 below).

3.2.4 The year-to-date actual surplus (capital grants included) compared to the year-to-date budget surplus results in a positive variance of R 13.5 million. (Row 36 in Table 1 below).

Table 1: Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Adjusted 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
18	Total Revenue (Capital Grants Excluded)	1,164,594,322	1,164,594,322	387,272,180	377,022,244	10,249,936	2.7%	
32	Total Operating Expenditure	1,155,798,358	1,155,798,358	232,886,950	232,815,047	-71,903	0.0%	
33	Operating Surplus/(Deficit)	8,795,964	8,795,964	154,385,230	144,207,197	10,178,033	7.1%	
34	Capital Grants	78,183,609	78,183,609	9,237,943	5,912,374	3,325,569	56.2%	
35	Public Contributions	0	0	0	0	0	0.0%	
36	Surplus/(Deficit) for the Year	86,979,573	86,979,573	163,623,173	150,119,571	13,503,602	9.0%	

3.2.5 Revenue Enhancement Project Status

The Revenue Enhancement Project entails the development and implementation of a Revenue Enhancement Programme for Knysna Municipality within an eighteen (18) month period. The project were concluded end of September 2023.

Table 2 below details the Revenue Enhancement Milestones acheived:

Table 2: Revenue Enhancement Milestones			
Milestone Number	Project Milestone Description	Status	Expected Completion 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	
2	Existing situation / (AS-IS) assessment highlighting the areas that need to be considered for the improvement of the situation and Stakeholder engagement	Completed	
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	
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	
5	22 509 x Customer Data Quality and Consumer Management, Integrating geo-spatial information with billing systems and financial information. (Data cleansing report)	Completed	
6	Development of best practice procedures & staffing requirements to enhance customer care and operations processes	Completed	
7	Implementation of the low hanging fruits/initiatives quick wins (within budget) and transfer of skills to the relevant municipal officials	Completed	
8	Identification and prioritisation of the interventions/ projects for the short term, medium to long term	Completed	
9	Final Revenue Enhancement Programme report with findings and Presentation of the report to the Municipal Council	Completed	

3.2.6 Overtime

Table 3 below depicts the Overtime expenditure per directorate:

Table 3: Overtime									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Adjusted Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	4,978	0	0	0	0	0		0
2	Corporate Services	162,478	190,877	88,697	108,697	13,879	32,891	54,973	-22,082
3	Financial Services	58,470	96,974	66,764	66,764	11,074	17,209	28,455	-11,246
4	Planning and Development	44,580	35,863	0	0	0	0	0	0
5	Integrated Human Settlements	24,103	40,834	27,584	27,584	10,240	25,448	25,449	-1
6	Community Services	9,414,187	8,664,292	7,142,899	7,112,899	871,913	2,230,591	2,238,781	-8,190
7	Electrical Services	1,557,015	1,978,723	1,345,896	1,345,896	224,270	693,800	772,340	-78,540
8	Technical Services	7,088,695	7,335,761	5,658,877	5,638,877	828,266	2,452,495	2,460,594	-8,099
9	Grand Total	18,354,507	18,343,324	14,330,717	14,300,717	1,959,642	5,452,434	5,580,592	-128,158

A third of the full year budget allocation for Overtime has already been utilised. Should this spending pattern continue, any overtime expenditure in excess of budget will be disclosed as unauthorised expenditure at year-end

3.2.7 Standby

Table 4 below depicts the Standby expenditure per directorate.

Table 4: Standby Allowance									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Adjusted Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	0	27,966	0	27,966	-27,966
2	Corporate Services	187,924	182,157	202,176	202,176	17,878	53,932	53,931	1
3	Financial Services	116,329	152,718	179,010	179,010	11,330	32,824	32,824	0
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	1,582,999	1,733,951	775,945	775,945	145,285	367,693	421,325	-53,632
7	Electrical Services	916,804	1,130,285	910,159	910,159	139,292	409,920	409,919	1
8	Technical Services	2,887,134	2,826,944	3,203,103	3,203,103	301,828	943,072	943,072	0
9	Grand Total	5,691,190	6,026,055	5,270,393	5,270,393	643,579	1,807,441	1,889,038	-81,597

Just as with overtime, standby has the potential to result in unauthorised expenditure as well.

3.2.8 Use of Consultants

The Use of Consultants per Directorate is presented in the below table:

Table 5: Use of Consultants per Directorate									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Adjusted Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	150,000	0	0	0	0	0	0	0
2	Corporate Services	4,540,688	6,684,895	5,099,770	5,249,770	284,500	378,746	2,902,532	-2,523,786
3	Financial Services	3,791,019	3,868,450	3,371,575	3,371,575	613,645	768,743	721,819	46,924
4	Planning and Development	1,401,449	1,294,495	3,483,292	3,363,292	580	38,322	19,165	19,157
5	Integrated Human Settlements	1,129,751	2,467,243	2,000,000	2,000,000	0	666,666	0	666,666
6	Community Services	299,625	397,981	1,043,830	1,043,830	0	0	0	0
7	Electrical Services	224,427	0	306,852	306,852	0	0	0	0
8	Technical Services	2,897,026	2,922,785	3,126,906	3,126,906	70,200	286,609	70,200	216,409
9	**Grand Total**	**14,433,986**	**17,635,848**	**18,432,225**	**18,462,225**	**968,925**	**2,139,086**	**3,713,715**	**-1,574,629**

The Use of Consultants must be scrutinised to determine why there is dependency on consultants, and whether any of the fuctions performed are in fact included in the job descriptions of staff.

3.2.9 Legal Costs

Table 6 below presents the Legal Costs. It is evident that 82.9% of the budgeted Legal cost have already been spent in the first quarter of the financial year.

Table 6: Legal costs								
Row Number	Directorate	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (F-G)
Column Reference	A	B	C	D	E	F	G	H
2	Corporate Services	6,272,397	3,500,000	3,650,000	284,500	378,746	2,902,532	-2,523,786
3	Financial Services	97,605	105,300	105,300	0	9,254	7,693	1,561
9	**Grand Total**	**6,370,002**	**3,605,300**	**3,755,300**	**284,500**	**388,000**	**2,910,225**	**-2,522,225**

3.2.10 Rental Costs

The Rental Costs are presented in Table 7 below.

Table 7: Rental costs								
Row Number	Directorate	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H
1	Executive and Council	0	0	0	0	0	0	0
2	Corporate Services	3,102,338	0	0	0	0	0	0
3	Financial Services	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0
6	Community Services	34,985	4,110,732	4,110,732	197,167	2,675,608	1,631,124	1,044,484
9	**Grand Total**	**3,137,323**	**4,110,732**	**4,110,732**	**197,167**	**2,675,608**	**1,631,124**	**1,044,484**

3.2.11 Security Costs

Table 8 below presents the Security costs. It is alarming that 70.0% of the total budgeted Security costs have been spent within the first quarter of the Financial year.

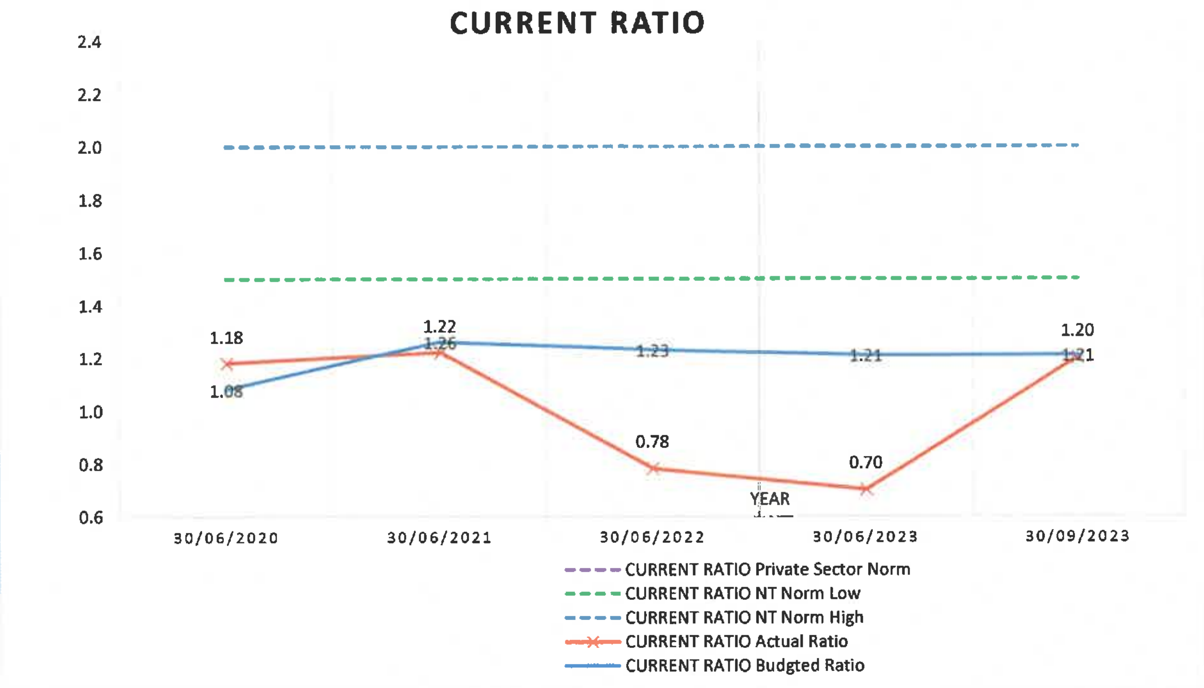
Table 8: Security costs								
Row Number	Directorate	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual September 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A		D	E	F	G	H	I
1	Executive and Council	127,800	0	0	0	0	0	0
2	Corporate Services	0	0	0	0	0	0	0
3	Financial Services	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0
6	Community Services	19,715,670	8,400,000	8,400,000	2,055,676	3,152,544	5,886,383	-2,733,839
7	Electrical Services	0	0	0	0	0	0	0
8	Technical Services	0	362,671	362,671	0	0	0	0
9	**Grand Total**	**19,843,470**	**8,762,671**	**8,762,671**	**2,055,676**	**3,152,544**	**5,886,383**	**-2,733,839**

3.3 Financial Position Overview

3.3.1 Current Ratio (1.20 : 1)

The Current Ratio as at 30 September 2023 equates to 1.20 : 1 compared to the National Treasury norm of 1.5 – 2 : 1, and a budgeted current ratio of 1.13 : 1.

The actual current ratio is based on current assets of R 310.9 million and current liabilities of R 260.0 million.



In comparison with the past two financial years, the current ratio as at 30 September 2023 appears high solely as a result of the annual billing of rates and services. The ratio is expected to decrease from the next quarter of the financial year.

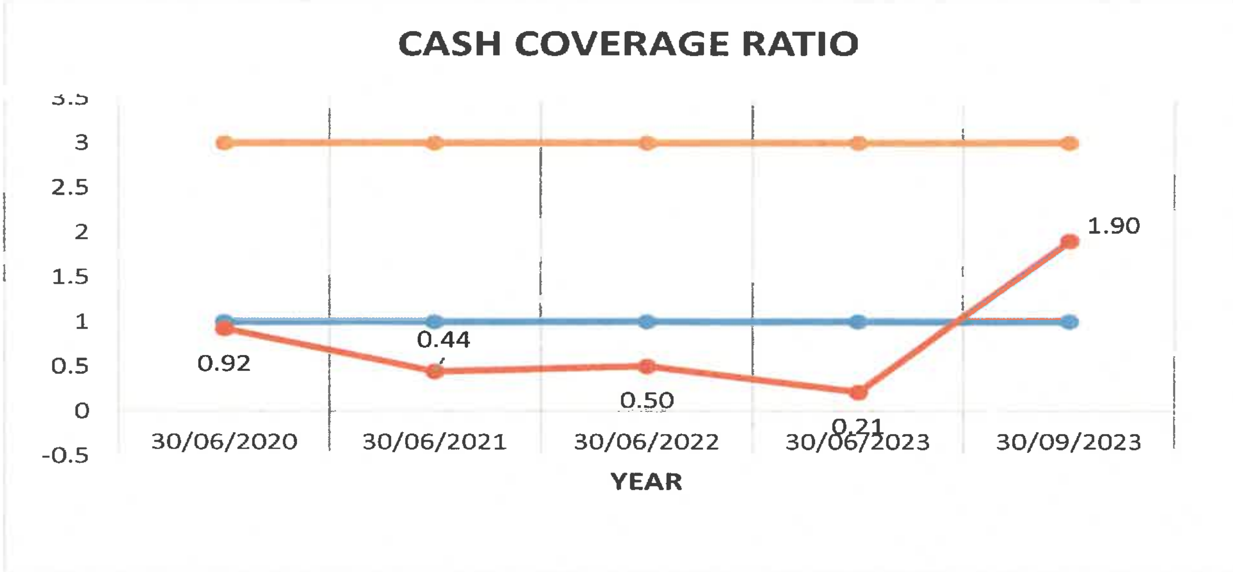
Should there be no material improvement in the management of the financial affairs of the Municipality, it is highly expected that the current ratio will reduce to <1 at the end of the current Financial year.

3.3.2 Cash/Cost Coverage Ratio (1.9 months)

The Cash Coverage Ratio as at 30 September 2023 equates to 1.9 months compared to the National Treasury norm of 1 – 3 months.

It is only due to payments in relation to annual billings (which was due by 30 September 2023), that the ratio is within the NT norm. This ratio is also expected to reduce from the next quarter of the Financial year.

It is exceptionally concerning that the Municipality continues to deteriorate, over a 5-year period, to levels below the NT Norm range.



In consideration of current spending practices, it is envisaged that the Municipality may experience more cashflow challenges in the last quarter of this calendar year. To avoid this, it became necessary to apply for an overdraft facility, which Council has already approved. The overdraft facility will only be accessed as and when required, with effect from November 2023.

3.3.3 Cash and Cash Equivalents (R 56.7 million)

Cash and Cash Equivalents (Row 3 in Table 9 below) equates to R 56.7 million as at 30 September 2023.

In contrast, the total actual cash balance in the primary bank account equated to R 51.6 million as at 30 September 2023.

The Municipality does not have a Capital Replacement Reserve and does not envisage the creation thereof in the short to medium term.

Furthermore, the Municipality does not have any of the Unspent Grants ring-fenced (in Investments), neither does the Municipality have any Unspent Loans ring-fenced (in Investments).

It is therefore critical for debt collection, the recovery of unpaid grants, and the reduction of non-core expenditure to receive immediate priority.

3.3.4 Current Investments (R 19.7 thousand)

Investments (Row 2 in Table 9 below) equates to R 19.7 thousand at the end of

September 2023.

Table 9: Cash and Cash Equivalents versus Commitments					
Row Number	**Description**	**July 2023**	**August 2023**	**September 2023**	**Movement (C to D)**
Column Reference	A	B	C	D	E
1	Cash at Bank	52,823,551	28,408,551	56,696,500	28,287,949
2	Investments - Current	19,399	19,531	19,661	130
3	**Total Cash and Cash Equivalents**	**52,842,950**	**28,428,082**	**56,716,161**	**28,288,079**
4	Unspent Conditional Transfers and Grants	30,695,860	26,721,300	24,167,506	-2,553,794
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	1,144,269	0	0	0
7	Unspent External Loans	34,316,425	33,178,918	33,115,774	-63,144
8	Payables from Exchange Transactions	24,326,074	32,442,927	41,785,691	9,342,764
9	**Total Commitments**	**90,482,628**	**92,343,144**	**99,068,971**	**6,725,827**
10	**Surplus / (Shortfall)**	**-37,639,678**	**-63,915,062**	**-42,352,810**	**21,562,252**

It is exceptionally concerning that as a result of the current financial challenges, Unspent Grants and Unspent Loans cannot be backed by cash in the Investments Portfolio of the Municipality. The Municipality is therefore at risk of having the Roll-Over Grant applications rejected. The outcome of the application is expected by 30 November 2023.

3.3.4 Cash Commitments (R 99.1 million)

Total commitments (Row 9 in Table 9 above) increased by R 6.7 million during the month under review from R 92.3 million at the end of August 2023 to R 99.1 million at the end of September 2023. Commitments exceed the cash and cash equivalents at the end of September 2023 by R 42.4 million (Row 10 in Table 3 above), thereby resulting in a shortfall.

In addition to Unspent Grants and Unspent Loans not being cash-backed, the amounts owing to Creditors continue increasing, primarily as a result of lack of internal funds to honour commitments. Several creditors have complained about non-payment and have threatened to terminate or delay services. In addition, failure to pay grant funded creditors timeousl negatively impacts on grant reporting, which has a potential to have grant allocations suspended.

3.3.5 Unpaid Conditional Grants (R 21.7 million)

Unpaid conditional grants (Row 4 in Table 10 below) reflects a total balance of R 21.7 million at the end of September 2023.

The reported financial figure of R 21.6 million differs to the value calculated by the Integrated Human Settlements Directorate. The difference will be reconciled and actioned prior to the release of the next S71 report.

Table 10: Unpaid Conditional Grants					
Row Number	Description	Opening Balance	Receipts	Expenditure	Closing Balance
Column Reference	A	B	C	D	F
1	Integrated Human Settlements Grant	19,395,355	-4,671,691	6,883,929	21,607,593
2	Maintenance of Proclaimed Roads	157,054	-79,596	0	77,458
3	**Total**	**19,552,409**	**-4,751,288**	**6,883,929**	**21,685,051**

3.3.6 Unspent Conditional Grants (R 24.2 million)

Unspent conditional grants (Row 13 in Table 11 below) reflects a total balance of R 24.2 million as at 30 September 2023. To avoid future Roll-Over Grant applications from being rejected, Directorates are to ensure full spending of their respective grants by 30 June 2024.

Table 11: 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	1,918,398	10,844,000	-5,283,959	0	7,478,439
2	Library Services Grant	Community Services	0	3,614,000	-3,105,999	0	508,001
3	Neighbourhood Development Partnership Grant	Technical Services	2,095,553	0	-2,105,947	0	-10,394
4	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	0	0	0	56,884
5	Nedbank: SMME Incubator Program	Planning and Development	22,904	0	0	0	22,904
6	Finance Management Grant Capacity Building Grant	Financial Services	38,273	0	-38,273	0	0
7	Integrated National Electrification Programme	Electrical Services	36	13,000,000	-1,144,289	0	11,855,747
8	Finance Management Capacity Grant	Financial Services	186,640	639,000	0	0	825,640
9	Emergency Loadshedding	Electrical Services	134	0	0	0	134
10	Finance Management Grant	Financial Services	0	1,771,000	-93,523	0	1,677,477
11	Expanded Public Works Program	Planning and Development	0	316,000	-133,246	0	182,754
12	Water Services Infrastructure Grant	Water Services	0	3,400,000	-1,830,080		1,569,920
13	Total		4,318,822	33,584,000	-13,735,315	0	24,167,506

Of concern is that none of the grants received (Column D) have been invested. These grant receipts are unfortunately cash funding non-grant related expenditure as well.

3.3.7 Payables from Exchange Transactions (R 41.8 million)

Payables from Exchange Transactions (Row 3 in Table 12 below) increased by R 9.3 million during the month under review from R 32.4 million at the end of September 2023 to R 41.8 million at the end of September 2023.

Table 12: Payables from Exchange Transactions					
Row Number	Description	July 2023	August 2023	September 2023	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Payables	11,010,803	18,696,179	27,672,533	8,976,355
2	Retentions	13,315,271	13,746,748	14,113,158	366,409
3	**Total**	**24,326,074**	**32,442,927**	**41,785,691**	**9,342,764**

Here again, proof that multiple Creditors could not be paid timeously, as a result of limited cashflow. Non-timeous payments to Creditors will indefinitely continue until such time that outstanding debts (consumers and unpaid grants) are at acceptable collection levels.

It is expected that the accessing of the approved R 20 million overdraft fascility will somewhat assist in reducing the creditors balance.

3.3.8 External Borrowings (R 362.5 million)

External Borrowings equate to R 362.5 million (Row 6 in Table 13 below), and are taken up to fund capital expenditure only.

Table 13: External Borrowings					
Row Number	Description	June 2023	July 2023	August 2023	Movement (C to D)
Column Reference	A	B	C	D	E
1	Opening Balance	360,819,354	360,256,649	363,011,485	2,754,836
2	New Loans Acquired	0	0	0	0
3	Interest Capitalised	414,540	586,314	393,974	-192,340
4	Repayments	-977,244	-1,867,806	-877,366	990,440
5	Adjustments	0	4,036,328	0	-4,036,328
6	**Closing Balance**	**360,256,649**	**363,011,485**	**362,528,094**	**3,552,936**
7	**Budgeted Operating Revenue (Conditional Operating Grants excluded) =**			1,136,712,931	
8	**Gearing Ratio =**			**31.9%**	

External borrowings as a percentage of budgeted operating revenue (conditional operating grants excluded) equates to a gearing ratio of 31.9% which is below the

National Treasury benchmark of 45%.

Important to note is that although the ratio suggests that there is capacity to accommodate more loans, the cashflow of the municipality does not support this.

The Municipality commenced with the SCM process to source external loans to fund capital projects of R25 million for the 2023/2024 financial year. Unfortunately, **no bids were received**. Directorates have been requested to temporarily suspend procurement processes in relation to the R 25 million capital projects until such time that an item serves before council (October 2023).

3.3.9 Consumer Debtors (R 459.8 million)

Total outstanding debtors of R 459.8 million as at 30 September 2023 (Row 7 in Table 11 below) is presented by both Income Source and by Customer Group.

Debtors over 90 days of R 306.5 million or 66.7% of the total outstanding debt includes R 101.1 million or 33.0% owed by Organs of State and Businesses.

The total outstanding debtors have decreased by R 22.0 million from R 482.0 million as at 31 August 2023 to R 460.0 million as at 30 September 2023.

The Municipality is exhausting all internal capabilities in an attempt to recover outstanding debt. Seven vacant positions in the Income Department are currently in the process of being filled. The Debt Collection section will be capacitated with 4 contract workers to assist with debt collection until such time that an external debt collection company is appointed

The Municipality will continue to disconnect/restrict services where possible. Furthermore the Municipal Manager is currently negotiating settlements with various businesses in an attempt to recover long outstanding debt.

The Municipality has commenced with identifying all consumers with arrear debt whom are still connected to conventional meters. It is the intention to replace all these conventional meters with prepaid meters. In addition to this, conventional water and electricity meters which cannot be read, due to lack of access, is earmarked to be converted to prepaid meters as well. This will undoubtedly assist in curbing spiralling debt. Unfortunately, no funding is available for this roll-out.

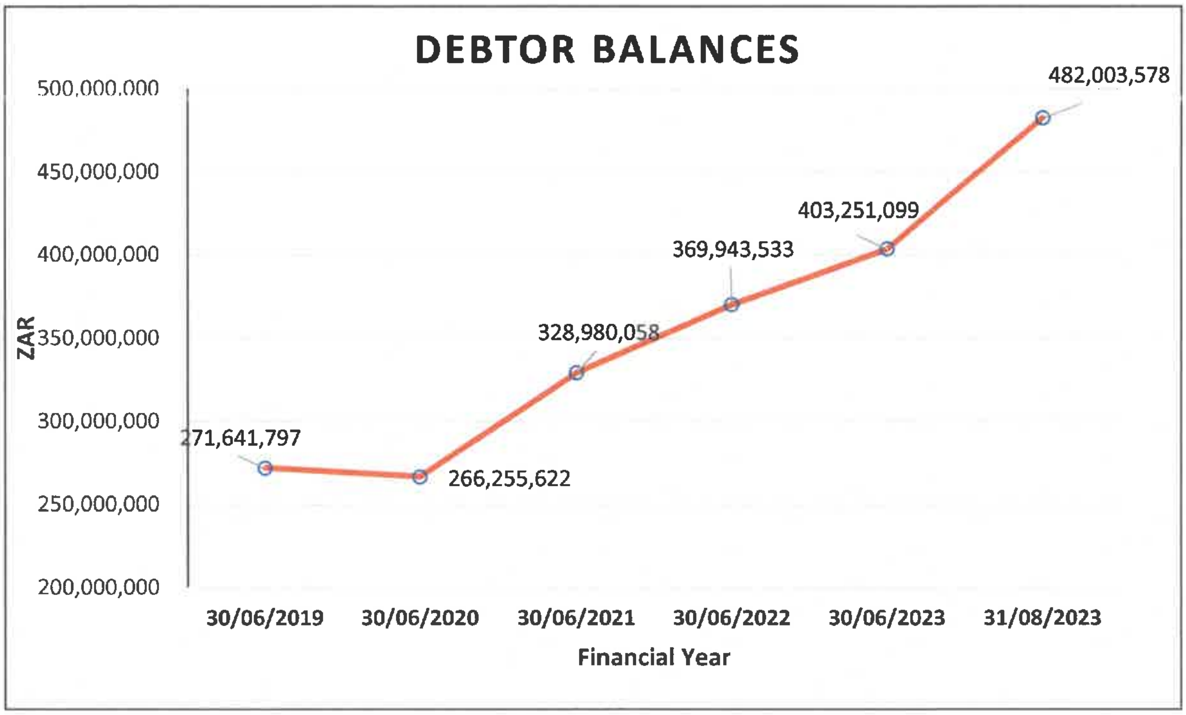
Table 14: Debtors Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
1	Water	16,169,033	3,530,292	2,050,403	55,408,561	77,158,289
2	Electricity	19,961,689	7,444,506	3,900,512	49,328,545	80,635,252
3	Property Rates	60,247,475	7,858,138	4,363,124	81,544,031	154,012,768
4	Sanitation	10,338,451	1,518,465	1,261,687	60,709,671	73,828,274
5	Refuse	9,887,887	1,374,254	1,076,762	51,900,431	64,239,334
6	Other	517,654	1,478,110	269,955	7,632,853	9,898,572
7	**Grand Total**	**117,122,189**	**23,203,765**	**12,922,443**	**306,524,092**	**459,772,489**
8	**% of Total Outstanding Debtors =**	**25.5%**	**5.0%**	**2.8%**	**66.7%**	**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	5,525,070	1,489,189	1,098,741	5,611,263	13,724,263
10	Commercial	27,369,607	8,730,472	4,443,526	95,462,785	136,006,390
11	Households	84,227,512	12,984,104	7,380,176	205,450,044	310,041,836
12	**Grand Total**	**117,122,189**	**23,203,765**	**12,922,443**	**306,524,092**	**459,772,489**
13	**% of Total Outstanding Debtors =**	**25.5%**	**5.0%**	**2.8%**	**66.7%**	**100.0%**

Below is a graphical representation of the year-on-year outstanding debtor balances. It is clearly evident that the outstanding debtor balances have significantly increased year-on-year.

The Municipality advertised a tender for debt collection services. However, due to poor tender specifications, the tender was recommended for cancelation. A new tender process will commence in October 2023. Although the external debt collection service providers will contribute significantly to a decreased debtors book in the medium to long-term, it will however result in an increase in debt collection costs, which are subsequently billed to the consumer, hence further spiralling the consumer debt.

With a full staff complement, securing external debt collection services, converting conventional meters to prepaid meters, and implementing the recommendations of the DBSA Revenue Enhancement Project, it is a fair assumption that the debtors book could easily reduce to approximately R 275 million, in the medium to long-term.

Council is also requested to strongly consider a bulk bad debt write-off of long outstanding / irrecoverable debt. This was last processed in 2019.



Included in the Debtors Age Analysis in Table 14 above, are Staff Debtorsand Councillor Debtors, which are presented below. It should also be noted that outstanding debt in relation to the recovery of payments of Scarce Skills Allowances paid to previous Directors are also included in Table 14 above.

14.1 Staff Debtors Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
1	Water	67,268	5,760	2,742	166,476	242,245
2	Electricity	10,043	0	0	1,014	11,056
3	Property Rates	50,781	7,404	1,276	7,209	66,670
4	Sanitation	46,476	5,200	3,316	178,772	233,763
5	Refuse	38,477	3,827	1,952	124,451	168,707
6	Other	167,937	15,012	7,989	336,888	527,826
7	Grand Total	380,982	37,203	17,274	814,810	1,250,268
8	% of Total Outstanding Debtors =	0.1%	0.0%	0.0%	0.2%	0.3%

Table 14.2 Councillor Debtors Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
1	Water	1,528	225	148	0	1,901
2	Electricity	0	0	0	0	0
3	Property Rates	36,842	0	0	0	36,842
4	Sanitation	1,709	375	209	3,002	5,295
5	Refuse	1,290	155	161	0	1,605
6	Other	0	0	1	0	1
7	**Grand Total**	**41,368**	**756**	**518**	**3,002**	**45,644**
8	**% of Total Outstanding Debtors =**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

3.3.10 Debtors Collection Rate (68.7%)

The overall Debtors Collection Rate as at 30 September 2023 equates to 68.7% (Row 14 in Table 15 below), compared to the National Treasury norm of 95%.

It should be noted that the figures contained in the Table below could be misleading as the matching principle is not applied (Part of Payments Received relate to prior year invoices).

Table 15: 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 2023(Annual)	130,477,573	43,080,591	24.1%	178,505,740	43,080,591	24.1%	24.1%
2	July 2023 (Monthly)	48,028,167						
3	August 2023 (Monthly)	50,171,186	76,835,770	153.1%	228,676,926	119,916,361	52.4%	28.3%
4	September 2023 (Monthly)	48,742,610	70,666,306	145.0%	277,419,535	190,582,667	68.7%	4.2%
5	October 2023 (Monthly)							
6	November 2023 (Monthly)							
7	December 2023 (Monthly)							
8	January 2024 (Monthly)							
9	February 2024 (Monthly)							
10	March 2024 (Monthly)							
11	April 2024 (Monthly)							
12	May 2024 (Monthly)							
13	June 2024 (Monthly)							
14	**Totals**	**277,419,535**	**190,582,667**	**68.7%**	**277,419,535**	**190,582,667**	**68.7%**	**4.2%**

3.3.11 Capital Expenditure per Directorate (9.7%)

The year-to-date actual capital expenditure of R 11.0 million (Row 9 in Table 13 below) equates to 9.7% (Row 10 in Table 16 below) of the capital expenditure budget of R 113.5 million. Commitments of R 37.2 million (32.7%) and the year-to-date actual capital expenditure in total equates to R 418.1 million or 42.4% of the capital expenditure budget.

Table 16 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	0	0	0	0	0	0	0.0%	0
2	Corporate Services	200,000	449,739	0	0	223,548	223,548	49.7%	226,191
3	Financial Services	0	0	0	0	0	0	0.0%	0
4	Planning and Development	5,000	5,000	0	0	0	0	0.0%	5,000
5	Integrated Human Settlements	0	0	0	0	0	0	0.0%	0
6	Community Services	11,879,910	13,159,910	3,445,404	0	7,036,432	7,036,432	53.5%	6,123,478
7	Electrical Services	47,747,000	48,350,924	5,908,377	895,034	7,908,894	8,803,928	18.2%	39,546,996
8	Technical Services	50,906,699	51,566,978	18,199,174	10,066,668	21,998,595	32,065,263	62.2%	19,501,715
9	Grand Total	110,738,609	113,532,551	27,552,955	10,961,701	37,167,469	48,129,170	42.4%	65,403,381
10	% of Adjusted Budget =				9.7%	32.7%	42.4%		57.6%

3.3.12 Capital Expenditure per Funding Source (9.7%)

Table 14 below depicts the same financial information contained in Table 16 above however, Table 17 categorises the capital expenditure by funding source.

Table 17: 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	78,183,609	78,183,609	25,486,294	8,923,893	33,686,341	42,610,234	54.5%	35,573,375
4	Borrowings	25,005,000	27,347,544	1,654,161	1,784,394	2,738,110	4,522,504	16.5%	22,825,040
5	Internally Generated Funds	7,550,000	8,001,398	412,500	253,414	743,018	996,432	12.5%	7,004,966
6	Grand Total	110,738,609	113,532,551	27,552,955	10,961,701	37,167,469	48,129,170	42.4%	65,403,381
7	% of Adjusted Budget =				9.7%	32.7%	42.4%		57.6%

The year-to-date actual and committed capital expenditure is funded by National Grants of 54.5%; external borrowings of 16.5%; and, internally generated funds of 12.5%.

Year-to-date actual capital expenditure of R 11.0 million (9.7%) and capital commitments of R 37.2 million (32.7%) of the capital expenditure budget results in available funds of R 65.4 million (57.6%).

As a result of no bids being received from Financial Service Providers to fund the Budgeted Borrowings amount of R25 million, an item will be submitted to Council for an appropriate resolution on the way forward. In the interim, all Directorates have been requested to suspend procurement processes until such time that council resolves on the item

3.4 Cost Containment Measures

Since 2016, 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 18 below presents the budget, expenditure and savings realised on the cost containment categories of expenditure to be reported, as per the National Treasury Cost Containment Regulations.

Table 18: 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	18,462,225	3,713,715	0	0	0	3,713,715	20.1%	14,748,510
2	Vehicles used for political office-bearers	0	0	0	0	0	0	0.0%	0
3	Travel and Subsistence	280,120	0	0	0		0	0.0%	280,120
4	Domestic Accommodation	1,971,633	97,407	0	0	0	97,407	4.9%	1,874,226
5	Sponsorships, Events and Catering	3,762,083	910,930	0	0	0	910,930	24.2%	2,851,153
6	Communication	191,341	26,393	0	0	0	26,393	13.8%	164,948
7	Other related expenditure items	0	0	0	0	0	0	0	0
8	Totals	24,667,402	4,748,446	0	0	0	4,748,446	19.2%	19,918,956

3.5 Remedial or Corrective Steps

Remedial Actions				
Row Number	Action Description	Responsible Official	Completion Date	Status
Column Reference	A	B	C	C
1	Strengthen Debt Collection and Credit Control processes	Senior Manager: Revenue Services	Ongoing	Ongoing
2	Conversion of all conventional meters to prepaid meters	Director:Infrastructure Services and Senior Manager: Revenue Services	Ongoing	Ongoing
3	Amendments to the Debt Collection and Credit Control policies	Director:Financial Services	2024/02/28	
4	Implementation of Revenue Enhancement recommendations by DBSA	Senior Manager: Revenue Services	2024/06/30	
5	Traffic Fines Service Provider to improve performance	Director:Community Services	2024/06/30	Ongoing
6	Development and implementation of drastic cost reduction measures	All Directorates	Ongoing	Ongoing
7	Strict expenditure control	All Directorates	Ongoing	Ongoing
8	Closely monitor and manage the performance of Service Providers / Contractors	All Directorates & SCM	Ongoing	Ongoing
9	Ascertain the level of dependency on external Consultants	All Directorates	Ongoing	Ongoing
10	Improve Cashflow Management to ensure long-term financial sustainability	Director:Financial Services	Ongoing	Ongoing
11	Human Settlements Department to ensure claims are processed timeously and all uncollected Grants settled immediately	Director:Integrated Human Settlements	Ongoing	Ongoing
12	Approve a functional and cost-effective organogram	Director:Corporate Service	Ongoing	Ongoing
13	Review and approval of the Overtime and Standby Policy	Director:Corporate Service	Ongoing	Ongoing
14	Implementation of the Overtime and Standby Project	Director:Financial Services	Ongoing	Ongoing

3.6 Conclusion

There is an immediate need for an effective financial turnaround strategy to address cashflow issues of the Municipality. Council approved the 2023/2024 budget which includes a Recovery Plan. This plan sets out the measures the Municipality will implement in order to achieve a funded budget. The plan will furthermore include timeframes and targets which will be monitored on a monthly basis by relevant structures within the Municipality. The recovery plan focuses on cost containment, improved cash flow, revenue enhancement, as well as creditors payment rate to ensure that fixed obligations are met.

The effect of economic factors e.g. load shedding, increase in the repo rate, increase in petrol price etc., with the associated impact on the Municipality, should also be taken into consideration when ascertaining contributors to the weakened cashflow.

The following expenditure will receive more attention and monitoring henceforth:

- Overtime
- Legal Fees
- Consulting Fees
- Rental Expense

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 13 October 2023

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **Ombali Phineas Sebola** the 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, September 2023 the 2022/2023 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 13 October 2023

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knysna - Table C1 Monthly Budget Statement Summary - M03 September

Description	#REF!	#REF!							
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	–	304,254	304,254	14,305	139,162	138,388	774	1%	304,254
Service charges	440,283	530,061	530,061	35,916	153,420	149,315	4,104	3%	530,061
Investment revenue	2,014	–	–	–	–	–	–		–
Transfers and subsidies - Operational	2,014	1,826	1,826	165	636	469	167	36%	1,826
Other own revenue	320,197	328,454	328,454	13,874	94,054	88,850	5,204	6%	–
Total Revenue (excluding capital transfers and contributions)	**764,509**	**1,164,594**	**1,164,594**	**64,259**	**387,272**	**377,022**	**10,250**	**3%**	**1,164,594**
Employee costs	292,469	305,558	305,558	23,850	70,626	69,972	653		305,558
Remuneration of Councillors	9,787	10,082	10,082	754	2,361	2,570	(209)		10,082
Depreciation and amortisation	59,438	49,119	49,119	4,206	12,393	12,280	113		49,119
Interest	35,276	31,848	31,848	394	1,395	1,434	(39)		31,848
Inventory consumed and bulk purchases	296,835	347,358	347,248	39,884	82,133	81,303	831		347,248
Transfers and subsidies	1,934	1,457	1,457	21	32	30	2	6%	1,457
Other expenditure	398,629	410,376	410,486	24,701	63,947	65,225	(1,278)	-2%	410,486
Total Expenditure	**1,094,367**	**1,155,798**	**1,155,798**	**93,810**	**232,887**	**232,815**	**72**	**0%**	**1,155,798**
Surplus/(Deficit)	**(329,857)**	**8,796**	**8,796**	**(29,551)**	**154,385**	**144,207**	**10,178**	**7%**	**8,796**
Transfers and subsidies - capital (monetary	37,203	78,184	78,184	4,159	9,238	5,912	3,326	56%	78,184
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**	**13,504**	**9%**	**86,980**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**	**13,504**	**9%**	**86,980**
Capital expenditure & funds sources									
Capital expenditure	–	**110,739**	**113,533**	**4,145**	**10,962**	**27,553**	**(16,591)**	**-60%**	**113,533**
Capital transfers recognised	–	78,184	78,184	3,830	8,924	25,486	(16,562)	-65%	78,184
Borrowing	–	25,005	27,348	63	1,784	1,654	130	8%	27,348
Internally generated funds	–	**7,550**	**8,001**	**252**	**253**	**413**	**(159)**	**-39%**	**8,001**
Total sources of capital funds	–	**110,739**	**113,533**	**4,145**	**10,962**	**27,553**	**(16,591)**	**-60%**	**113,533**
Financial position									
Total current assets	130,596	212,740	209,946		310,912				209,946
Total non current assets	1,542,360	1,562,309	1,565,103		1,552,427				1,565,103
Total current liabilities	285,944	271,657	270,274		260,023				270,274
Total non current liabilities	448,900	398,563	398,563		444,998				398,563
Community wealth/Equity	**1,021,428**	**1,107,577**	**1,107,577**		**997,684**				**1,107,577**
Cash flows									
Net cash from (used) operating	262,918	117,459	191,847	20,354	106,862	330,453	223,591	68%	191,847
Net cash from (used) investing	(91,314)	(110,239)	–	(5,398)	(19,612)	–	19,612	#DIV/0!	–
Net cash from (used) financing	(39,593)	(39,361)	(39,361)	(483)	(2,328)	(10,362)	(8,034)	78%	(39,361)
Cash/cash equivalents at the month/year end	**20,358**	**24,321**	**21,527**	**28,288**	**56,716**	**320,505**	**263,789**	**82%**	**21,527**
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	117,122	23,204	12,922	9,419	8,427	8,050	73,298	207,330	459,772
Creditors Age Analysis									
Total Creditors	27,673	–	–	–	–	–	–	–	27,673

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	#REF!	#REF!							
		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		**305,878**	**343,953**	**343,953**	**15,584**	**152,680**	**152,303**	377	0%	**343,953**
Executive and council		5,132	5,280	5,280	–	1,957	1,574	383	24%	5,280
Finance and administration		300,746	338,673	338,673	15,584	150,723	150,729	(6)	0%	338,673
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**139,006**	**149,493**	**149,493**	**8,956**	**27,593**	**30,230**	(2,637)	-9%	**149,493**
Community and social services		12,026	12,506	12,506	1,076	3,319	3,196	123	4%	12,506
Sport and recreation		1,460	1,361	1,361	120	382	326	56	17%	1,361
Public safety		98,623	101,891	101,891	5,190	16,787	19,813	(3,027)	-15%	101,891
Housing		26,897	33,735	33,735	2,570	7,106	6,894	211	3%	33,735
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**22,828**	**31,089**	**31,089**	**2,856**	**6,107**	**5,378**	729	14%	**31,089**
Planning and development		10,843	10,193	10,193	806	2,299	1,689	610	36%	10,193
Road transport		11,091	20,896	20,896	1,951	3,708	3,689	19	1%	20,896
Environmental protection		893	–	–	100	100	–	100	#DIV/0!	–
Trading services		**594,890**	**718,242**	**718,242**	**41,021**	**210,130**	**195,024**	15,106	8%	**718,242**
Energy sources		343,742	463,884	463,884	28,375	112,908	104,863	8,045	8%	463,884
Water management		118,750	123,185	123,185	7,573	44,866	39,525	5,341	14%	123,185
Waste water management		80,796	80,172	80,172	3,205	29,035	27,687	1,348	5%	80,172
Waste management		51,601	51,001	51,001	1,869	23,320	22,949	371	2%	51,001
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,062,601**	**1,242,778**	**1,242,778**	**68,418**	**396,510**	**382,935**	**13,576**	**4%**	**1,242,778**
Expenditure - Functional										
Governance and administration		**165,030**	**212,982**	**213,002**	**12,446**	**44,540**	**42,716**	1,824	4%	**213,002**
Executive and council		17,676	31,154	31,154	1,039	3,273	3,784	(512)	-14%	31,154
Finance and administration		143,237	176,823	176,788	11,079	40,217	38,132	2,085	5%	176,788
Internal audit		4,118	5,005	5,060	329	1,051	800	251	31%	5,060
Community and public safety		**258,161**	**235,472**	**237,001**	**15,309**	**38,772**	**40,844**	(2,071)	-5%	**237,001**
Community and social services		23,033	17,169	18,728	1,889	5,247	3,948	1,298	33%	18,728
Sport and recreation		24,953	23,962	23,932	1,770	4,498	6,114	(1,616)	-26%	23,932
Public safety		159,388	146,014	146,014	6,108	17,743	15,643	2,100	13%	146,014
Housing		50,787	48,327	48,327	5,541	11,284	15,139	(3,855)	-25%	48,327
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**79,942**	**84,035**	**84,035**	**5,554**	**16,079**	**16,779**	(700)	-4%	**84,035**
Planning and development		36,371	40,063	40,063	2,583	7,680	7,444	237	3%	40,063
Road transport		37,088	38,827	38,827	2,645	7,575	7,767	(192)	-2%	38,827
Environmental protection		6,483	5,146	5,146	326	824	1,569	(745)	-47%	5,146
Trading services		**575,190**	**623,309**	**621,761**	**60,500**	**133,495**	**132,476**	**1,019**	1%	**621,761**
Energy sources		313,207	389,692	389,692	39,703	84,305	86,009	(1,704)	-2%	389,692
Water management		111,040	98,024	96,476	7,816	19,489	19,080	409	2%	96,476
Waste water management		90,739	89,675	89,675	8,623	19,009	16,421	2,588	16%	89,675
Waste management		60,203	45,918	45,918	4,357	10,692	10,966	(273)	-2%	45,918
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1,078,323**	**1,155,798**	**1,155,798**	**93,810**	**232,887**	**232,815**	**72**	**0%**	**1,155,798**
Surplus/ (Deficit) for the year		**(15,722)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**	**13,504**	**9%**	**86,980**

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) - M03 September

Vote Description	Ref	#REF!	#REF!							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	–	–	–	–	–		–
Vote 3 - COMMUNITY SERVICES (33: IE)		7,059	–	7,439	332	1,135	2,235	(1,100)	-49.2%	7,439
Vote 4 - FINANCIAL SERVICES (34: IE)		56	(471)	(471)	–	–	–	–		(471)
Vote 5 - OPERATING SERVICES (35: IE)		5,452	–	–	102	145	–	145	#DIV/0!	–
Vote 6 - 1. Executive AND Council (110: IE)		5,132	5,280	5,280	–	1,957	1,574	383	24.3%	5,280
Vote 7 - 2. Corporate (120: IE)		6,579	6,363	6,363	216	2,248	3,325	(1,077)	-32.4%	6,363
Vote 8 - 3. Finance (130: IE)		278,773	318,662	318,662	15,368	142,592	141,481	1,111	0.8%	318,662
Vote 9 - (140: IE)		–	–	–	–	–	–	–		–
Vote 10 - 5. Planning (150: IE)		7,031	5,112	5,112	499	1,322	1,329	(6)	-0.5%	5,112
Vote 11 - 6. Community (160: IE)		177,152	187,192	179,753	8,861	50,333	51,324	(991)	-1.9%	179,753
Vote 12 - 7. Electricity (170: IE)		343,742	463,884	463,884	28,375	112,908	104,863	8,045	7.7%	463,884
Vote 13 - 6. Community (180: IE)		204,755	223,020	223,020	12,127	76,854	69,910	6,945	9.9%	223,020
Vote 14 - 8. Technical (180: IE)		26,870	33,735	33,735	2,538	7,016	6,894	121	1.8%	33,735
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,062,601**	**1,242,778**	**1,242,778**	**68,418**	**396,510**	**382,935**	**13,576**	**3.5%**	**1,242,778**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		299	529	539	71	157	138	19	14.0%	539
Vote 2 - CORPORATE SERVICES (32: IE)		84	64	64	31	115	16	99	614.6%	64
Vote 3 - COMMUNITY SERVICES (33: IE)		2,064	33,344	33,344	3,331	7,440	10,929	(3,489)	-31.9%	33,344
Vote 4 - FINANCIAL SERVICES (34: IE)		41	78	78	30	67	20	47	240.0%	78
Vote 5 - OPERATING SERVICES (35: IE)		(348)	5,117	5,007	170	509	264	245	92.6%	5,007
Vote 6 - 1. Executive AND Council (110: IE)		25,856	41,061	41,051	1,630	5,065	5,350	(284)	-5.3%	41,051
Vote 7 - 2. Corporate (120: IE)		63,338	68,196	68,216	3,257	18,868	16,519	2,349	14.2%	68,216
Vote 8 - 3. Finance (130: IE)		63,741	88,622	88,622	6,537	17,649	18,055	(406)	-2.2%	88,622
Vote 9 - (140: IE)		–	3,633	4,283	137	193	930	(738)	-79.3%	4,283
Vote 10 - 5. Planning (150: IE)		27,161	559,086	558,546	52,997	113,738	113,392	346	0.3%	558,546
Vote 11 - 6. Community (160: IE)		282,927	251,011	251,011	15,358	41,975	40,509	1,467	3.6%	251,011
Vote 12 - 7. Electricity (170: IE)		316,808	30,835	30,835	3,345	7,331	7,212	119	1.6%	30,835
Vote 13 - 6. Community (180: IE)		246,108	69,510	69,490	6,398	18,248	17,960	287	1.6%	69,490
Vote 14 - 8. Technical (180: IE)		50,243	4,711	4,711	519	1,533	1,522	11	0.7%	4,711
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,078,323**	**1,155,798**	**1,155,798**	**93,810**	**232,887**	**232,815**	**72**	**0.0%**	**1,155,798**
Surplus/ (Deficit) for the year	2	**(15,722)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**	**13,504**	**9.0%**	**86,980**

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	#REF!	#REF!							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		305,379	384,778	384,778	27,134	96,695	94,926	1,770	2%	384,778
Service charges - Water		77,198	84,389	84,389	5,802	27,730	25,500	2,230	9%	84,389
Service charges - Waste Water Management		29,240	30,864	30,864	1,482	14,270	14,207	63	0%	30,864
Service charges - Waste management		28,466	30,029	30,029	1,499	14,724	14,682	42	0%	30,029
Sale of Goods and Rendering of Services		33,066	39,359	39,359	2,897	8,494	8,636	(142)	-2%	39,359
Agency services		4,086	4,033	4,033	729	1,200	860	340	39%	4,033
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		22,440	14,751	14,751	2,044	6,115	5,984	131	2%	14,751
Interest from Current and Non Current Assets		2,014	1,826	1,826	165	636	469			1,826
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		6,396	6,938	6,938	308	2,038	3,205	(1,167)	-36%	6,938
Licence and permits		71	45	45	14	32	9	23	261%	45
Operational Revenue		7,912	6,023	6,023	163	1,167	710	457	64%	6,023
Non-Exchange Revenue								–		
Property rates		–	304,254	304,254	14,305	139,162	138,388	774	1%	304,254
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		98,374	99,090	99,090	5,209	16,849	19,801	(2,952)		99,090
Licence and permits		1,377	1,743	1,743	131	376	360	16		1,743
Transfers and subsidies - Operational		133,960	150,239	150,239	1,620	55,542	47,273	8,269		150,239
Interest		7,795	5,733	5,733	759	2,242	2,013	229		5,733
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		2,815	500	500	–	–	–	–		500
Other Gains		3,920	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**764,509**	**1,164,594**	**1,164,594**	**64,259**	**387,272**	**377,022**	**10,250**	**3%**	**1,164,594**
Expenditure By Type										
Employee related costs		292,469	305,558	305,558	23,850	70,626	69,972	653	1%	305,558
Remuneration of councillors		9,787	10,082	10,082	754	2,361	2,570	(209)	-8%	10,082
Bulk purchases - electricity		238,307	293,304	293,304	34,258	69,450	69,800	(350)		293,304
Inventory consumed		58,527	54,053	53,943	5,626	12,683	11,503	1,180		53,943
Debt impairment		146,093	149,730	149,730	4,871	14,612	14,612	–		149,730
Depreciation and amortisation		59,438	49,119	49,119	4,206	12,393	12,280	113	1%	49,119
Interest		35,276	31,848	31,848	394	1,395	1,434	(39)	-3%	31,848
Contracted services		188,799	185,406	185,096	16,876	34,305	33,585	721	2%	185,096
Transfers and subsidies		1,934	1,457	1,457	21	32	30	2	6%	1,457
Irrecoverable debts written off		–	1,784	1,784	–	–	–	–		1,784
Operational costs		62,516	73,456	73,876	2,955	15,031	17,029	(1,999)	-12%	73,876
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		1,221	–	–	–	–	–	–		–
Total Expenditure		**1,094,367**	**1,155,798**	**1,155,798**	**93,810**	**232,887**	**232,815**	**72**	**0%**	**1,155,798**
Surplus/(Deficit)		**(329,857)**	**8,796**	**8,796**	**(29,551)**	**154,385**	**144,207**	**10,178**	**0**	**8,796**
Transfers and subsidies - capital (monetary allocations)		37,203	78,184	78,184	4,159	9,238	5,912	3,326	0	78,184
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**			**86,980**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**			**86,980**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**			**86,980**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(292,654)**	**86,980**	**86,980**	**(25,392)**	**163,623**	**150,120**			**86,980**

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) - M03 September

Vote Description	Ref	#REF!	#REF!							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 16 - CAPITAL SUSPENSE (28: CAPEX)		–	–	–	–	–	–	–		–
Vote 17 - 1. Executive AND Council (110: CAPEX)		–	–	–	–	–	–	–		–
Vote 18 - 2. Corporate (120: CAPEX)		–	–	–	–	–	–	–		–
Vote 19 - 3. Finance (130: CAPEX)		–	–	–	–	–	–	–		–
Vote 20 - 5. Planning (150: CAPEX)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	–	–	–	–	–		–
Vote 22 - 7. Electricity (170: CAPEX)		–	–	–	–	–	–	–		–
Vote 23 - 8. Technical (180: CAPEX)		–	–	–	–	–	–	–		–
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 16 - CAPITAL SUSPENSE (28: CAPEX)		–	110,739	113,470	4,145	10,962	27,553	(16,591)	-60%	113,470
Vote 17 - 1. Executive AND Council (110: CAPEX)		–	–	–	–	–	–	–		–
Vote 18 - 2. Corporate (120: CAPEX)		–	–	–	–	–	–	–		–
Vote 19 - 3. Finance (130: CAPEX)		–	–	–	–	–	–	–		–
Vote 20 - 5. Planning (150: CAPEX)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	–	–	–	–	–		–
Vote 22 - 7. Electricity (170: CAPEX)		–	–	63	–	–	–	–		63
Vote 23 - 8. Technical (180: CAPEX)		–	–	–	–	–	–	–		–
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	110,739	113,533	4,145	10,962	27,553	**(16,591)**	**-60%**	113,533
Total Capital Expenditure		**–**	**110,739**	**113,533**	**4,145**	**10,962**	**27,553**	**(16,591)**	**-60%**	**113,533**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**700**	**950**	**–**	**–**	**–**	–		**950**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	700	950	–	–	–	–		950
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**10,480**	**11,760**	**–**	**–**	**3,445**	(3,445)	-100%	**11,760**
Community and social services		–	800	800	–	–	–	–		800
Sport and recreation		–	7,180	7,274	–	–	3,195	(3,195)	-100%	7,274
Public safety		–	2,500	3,686	–	–	250	(250)	-100%	3,686
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**–**	**25,291**	**25,685**	**1,328**	**4,787**	**6,682**	(1,895)	-28%	**25,685**
Planning and development		–	150	150	3	4	–	4	#DIV/0!	150
Road transport		–	25,136	25,530	1,325	4,782	6,682	(1,899)	-28%	25,530
Environmental protection		–	5	5	–	–	–	–		5
Trading services		**–**	**74,267**	**75,138**	**2,817**	**6,175**	**17,426**	(11,251)	-65%	**75,138**
Energy sources		–	47,247	47,851	486	895	5,908	(5,013)	-85%	47,851
Water management		–	12,107	12,308	1,115	1,731	8,331	(6,600)	-79%	12,308
Waste water management		–	13,514	13,578	1,215	3,549	3,186	363	11%	13,578
Waste management		–	1,400	1,400	–	–	–	–		1,400
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**–**	**110,739**	**113,533**	**4,145**	**10,962**	**27,553**	**(16,591)**	**-60%**	**113,533**
Funded by:										
National Government		–	78,184	78,184	3,830	8,924	25,486	(16,562)	-65%	78,184
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**–**	**78,184**	**78,184**	**3,830**	**8,924**	**25,486**	**(16,562)**	**-65%**	**78,184**
Borrowing	6	–	25,005	27,348	63	1,784	1,654	130	8%	27,348
Internally generated funds		–	7,550	8,001	252	253	413	(159)	-39%	8,001
Total Capital Funding		**–**	**110,739**	**113,533**	**4,145**	**10,962**	**27,553**	**(16,591)**	**-60%**	**113,533**

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	#REF!	#REF!			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		20,358	24,321	21,527	56,716	21,527
Trade and other receivables from exchange transactions		59,426	71,456	71,456	102,644	71,456
Receivables from non-exchange transactions		20,016	80,145	80,145	132,085	80,145
Current portion of non-current receivables		4	4	4	4	4
Inventory		11,799	13,818	13,818	12,919	13,818
VAT		19,042	25,875	25,875	19,530	25,875
Other current assets		(49)	(2,878)	(2,878)	(12,987)	(2,878)
Total current assets		**130,596**	**212,740**	**209,946**	**310,912**	**209,946**
Non current assets						
Investments		–	–	–	–	–
Investment property		67,661	68,614	68,614	67,661	68,614
Property, plant and equipment		1,456,811	1,473,802	1,476,596	1,466,878	1,476,596
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		14,613	17,435	17,435	14,613	17,435
Intangible assets		64	8	8	64	8
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		(8)	(8)	(8)	(8)	(8)
Other non-current assets		3,218	2,458	2,458	3,218	2,458
Total non current assets		**1,542,360**	**1,562,309**	**1,565,103**	**1,552,427**	**1,565,103**
TOTAL ASSETS		**1,672,955**	**1,775,049**	**1,775,049**	**1,863,339**	**1,775,049**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		48,822	51,046	51,046	48,371	51,046
Consumer deposits		14,928	14,573	14,573	15,233	14,573
Trade and other payables from exchange transactions		206,248	174,123	172,740	151,278	172,740
Trade and other payables from non-exchange transactions		(22,267)	(5,344)	(5,344)	(4,326)	(5,344)
Provision		33,910	33,777	33,777	33,417	33,777
VAT		(773)	(1,082)	(1,082)	10,974	(1,082)
Other current liabilities		5,077	4,563	4,563	5,077	4,563
Total current liabilities		**285,944**	**271,657**	**270,274**	**260,023**	**270,274**
Non current liabilities						
Financial liabilities		319,072	273,206	273,206	317,196	273,206
Provision		129,828	125,357	125,357	127,802	125,357
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**448,900**	**398,563**	**398,563**	**444,998**	**398,563**
TOTAL LIABILITIES		**734,844**	**670,220**	**668,837**	**705,021**	**668,837**
NET ASSETS	2	**938,111**	**1,104,830**	**1,106,213**	**1,158,318**	**1,106,213**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1,021,428	1,107,577	1,107,577	997,684	1,107,577
Reserves and funds		–	–	–	–	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**1,021,428**	**1,107,577**	**1,107,577**	**997,684**	**1,107,577**

Table C7: Cash Flow

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	#REF!	#REF!							
		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		237,376	290,007	–	2,042	41,200	–	41,200	#DIV/0!	–
Service charges		311,691	495,555	1,091,243	29,966	83,207	525,038	(441,831)	-84%	1,091,243
Other revenue		24,838	38,721	–	2,525	7,799	–	7,799	#DIV/0!	–
Transfers and Subsidies - Operational		109,684	167,773	–	34,823	105,149	–	105,149	#DIV/0!	–
Transfers and Subsidies - Capital		–	78,184	–	–	23,844	–	23,844	#DIV/0!	–
Interest		493	1,826	1,826	–	–	469	(469)	-100%	1,826
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(453,604)	(922,757)	(869,374)	(49,395)	(155,731)	(193,619)	(37,888)	20%	(869,374)
Interest		32,440	(31,848)	(31,848)	394	1,395	(1,434)	(2,829)	197%	(31,848)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		262,918	117,459	191,847	20,354	106,862	330,453	223,591	68%	191,847
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		2,105	500	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(93,419)	(110,739)	–	(5,398)	(19,612)	–	19,612	#DIV/0!	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(91,314)	(110,239)	–	(5,398)	(19,612)	–	19,612	#DIV/0!	–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		(39,593)	(39,361)	(39,361)	(483)	(2,328)	(10,362)	(8,034)	78%	(39,361)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(39,593)	(39,361)	(39,361)	(483)	(2,328)	(10,362)	(8,034)	78%	(39,361)
NET INCREASE/ (DECREASE) IN CASH HELD		132,011	(32,140)	152,486	14,472	84,923	320,092			152,486
Cash/cash equivalents at beginning:		(111,653)	56,462	(130,959)	13,816	(28,207)	(130,959)			(28,207)
Cash/cash equivalents at month/year end:		20,358	24,321	21,527	28,288	56,716	320,505			21,527

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	#REF!											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	16,169	3,530	2,050	1,724	1,568	1,740	15,698	34,679	77,158	55,409	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	19,962	7,445	3,901	2,418	1,976	1,961	13,009	29,965	80,635	49,329	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	60,247	7,858	4,363	3,128	2,847	2,422	21,684	51,463	154,013	81,544	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	10,338	1,518	1,262	1,037	1,001	929	11,255	46,488	73,828	60,710	–	–
Receivables from Exchange Transactions - Waste Management	1600	9,888	1,374	1,077	898	839	786	9,180	40,196	64,239	51,900	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	386	1,202	74	60	45	52	377	7,065	9,262	7,599	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	132	276	196	154	151	160	2,095	(2,526)	637	34	–	–
Total By Income Source	**2000**	**117,122**	**23,204**	**12,922**	**9,419**	**8,427**	**8,050**	**73,298**	**207,330**	**459,772**	**306,524**	**–**	**–**
#REF!										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	5,525	1,489	1,099	693	471	348	1,599	2,501	13,724	5,611	–	–
Commercial	2300	27,370	8,730	4,444	3,282	3,286	3,402	28,247	57,246	136,006	95,463	–	–
Households	2400	84,228	12,984	7,380	5,444	4,671	4,299	43,452	147,583	310,042	205,450	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**117,122**	**23,204**	**12,922**	**9,419**	**8,427**	**8,050**	**73,298**	**207,330**	**459,772**	**306,524**	**–**	**–**

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	#REF!									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	738	–	–	–	–	–	–	–	**738**	
Bulk Water	0200	–	–	–	–	–	–	–	–	–	
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	
Loan repayments	0600	–	–	–	–	–	–	–	–	–	
Trade Creditors	0700	26,934	–	–	–	–	–	–	–	**26,934**	
Auditor General	0800	–	–	–	–	–	–	–	–	–	
Other	0900	–	–	–	–	–	–	–	–	–	
Total By Customer Type	**1000**	**27,673**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**27,673**	**–**

Supporting Table SC5: Investment Portfolio

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

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)	03/7881173637/02	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	(0)
Nedbank - Business (Ringfenced_MIG)	03/7881042702/17	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	(0)
Nedbank - Business (Ringfenced_NDPG)	03/7881085932/03	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	(0)
Investec - (Ceded to DBSA)	021941-500	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	2,970	20	–	–	2,990
Investec - (Own Funds)	021941-503	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	20	0	–	–	20
Investec - (Own Funds)	021941-501	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	0	0	–	–	0
Nedbank - Various PT/NT GRANTS	03/7881531940/54	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	(0)	–	–	–	(0)
Standard Bank - MIG2021/22	288567420-029	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	–	–	–	–	–
Standard Bank - NDPG 2021/22	288567420-030	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	0	–		–	0
Standard Bank - PESG	288567420-031	Call	Call Deposit	Call Deposit	Fixed	4.65%	0	0	Call Deposit	–	–	–	–	–
Municipality sub-total										2,989		–	–	3,010
TOTAL INVESTMENTS AND INTEREST	2									2,989		–	–	3,010

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	#REF!	#REF!							
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:		120,371	138,581	138,581	497	52,336	44,318	8,018	18.1%	138,581
Equitable Share		111,172	122,358	122,358	–	50,983	43,356	7,627	17.6%	122,358
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	86	133	130	3	2.2%	1,264
Integrated National Electrification Programme Grant		1,400	5,707	5,707	88	149	34	116	345.1%	5,707
Local Government Financial Management Grant		1,721	1,771	1,771	17	94	116	(22)	-19.2%	1,771
Municipal Infrastructure Grant		4,655	5,081	5,081	307	977	361	616	170.9%	5,081
Neighbourhood Development Partnership Grant		379	1,957	1,957	–	–	322	(322)	-100.0%	1,957
Water Services Infrastructure Grant		–	443	443	–	–	–	–		443
Provincial Government:		11,158	11,658	11,658	1,022	3,106	2,955	151	5.1%	11,658
Grant Income - W C P A		10,795	11,019	11,019	1,022	3,106	2,955	151	5.1%	11,019
Grant Income - WCPA(FMCBG)		363	639	639	–	–	–	–		639
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	100	100	–	100	#DIV/0!	–
South Africa National Biodiversity Institute (SANBI)		–	–	–	100	100	–	100	#DIV/0!	–
Total Operating Transfers and Grants	5	131,529	150,239	150,239	1,620	55,542	47,273	8,269	17.5%	150,239
Capital Transfers and Grants										
National Government:		34,996	78,184	78,184	4,159	9,238	5,912	3,326	56.2%	78,184
Integrated National Electrification Programme Grant		9,330	38,047	38,047	586	995	224	771	345.1%	38,047
Municipal Infrastructure Grant		23,140	24,137	24,137	1,236	4,307	3,542	765	21.6%	24,137
Neighbourhood Development Partnership Grant		2,526	13,043	13,043	1,090	2,106	2,147	(41)	-1.9%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	1,246	1,830	–	1,830	#DIV/0!	2,957
Other capital transfers *[insert description]*								–		
Provincial Government:		–	–	–	–	–	–	–		–
Capital Grant WCPA		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total Capital Transfers and Grants	5	34,996	78,184	78,184	4,159	9,238	5,912	3,326	56.2%	78,184
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	166,526	228,423	228,423	5,779	64,780	53,186	11,594	21.8%	228,423

Supporting Table SC7(1): Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	#REFI	#REFI							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		37,542	35,278	35,728	3,459	9,922	10,590	(668)	-6.3%	35,728
Equitable Share		32,803	30,637	31,087	3,190	9,201	9,869	(668)	-6.8%	31,087
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	86	133	133	–		1,264
Local Government Financial Management Grant		1,721	1,906	1,906	17	94	94	–		1,906
Municipal Infrastructure Grant		1,975	1,471	1,471	167	495	495	–		1,471
Integrated National Electrification Programme Grant								–		
Local Government Financial Management Grant								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		41,493	45,360	45,360	3,933	10,044	13,929	(3,885)	-27.9%	45,360
Allowance: Acting		119	14	14	–	–	–	–		14
Buildings		1,391	10	10	–	25	–	25	#DIV/0!	10
Fuel and Oil		128	131	131	13	29	40	(11)	-28.2%	131
Fuel Management Rental Fee		3	4	4	0	0	1	(0)	-57.2%	4
Grant - W C P A		12,688	18,766	18,766	2,266	6,350	5,739	610	10.6%	18,766
Grant - W C P A (Ethembeni 180)		8,669	–	–	–	–	–	–		–
Grant - W C P A (Happy Valley 95)		5,150	6,724	6,724	142	743	2,241	(1,498)	-66.8%	6,724
Grant - W C P A (Hlalani 273)		7,148	9,480	9,480	836	1,036	3,160	(2,124)	-67.2%	9,480
Grant - W C P A (Qolweni)		7	–	–	–	–	–	–		–
Grant - WCPA(FMCBG)		316	639	639	–	–	–	–		639
Grant - WCPA(Heidevallei Planning)		–	8,212	8,212	676	1,862	2,737	(876)	-32.0%	8,212
Grant - WCPA(Vision459)		5,863	–	–	–	–	–	–		–
Insurance 3rd Party		–	4	4	–	–	–	–		4
Temp/Casual Staff UIF		–	1	1	–	–	–	–		1
Title Deeds Restoration project		10	1,374	1,374	–	–	10	(10)	-100.0%	1,374
District Municipality:		1,000	–	–	32	39	–	39	#DIV/0!	–
Greater Knysna Food Security Forum		1,000	–	–	32	39	–	39	#DIV/0!	–
Other grant providers:		1,000	–	–	32	39	–	39	#DIV/0!	–
Greater Knysna Food Security Forum		1,000	–	–	32	39	–	39	#DIV/0!	–
South Africa National Biodiversity Institute (SANBI)								–		
Total operating expenditure of Transfers and Grants:		81,035	80,638	81,088	7,455	20,044	24,519	(4,475)	-18.2%	81,088
Capital expenditure of Transfers and Grants										
National Government:		–	78,184	78,184	3,830	8,924	25,486	(16,562)	-65.0%	78,184
Integrated National Electrification Programme Grant		–	38,047	38,047	486	895	5,671	(4,776)	-84.2%	38,047
Municipal Infrastructure Grant		–	24,137	24,137	1,311	4,548	9,286	(4,737)	-51.0%	24,137
Neighbourhood Development Partnership Grant		–	13,043	13,043	948	1,831	3,261	(1,430)	-43.9%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	1,084	1,650	7,269	(5,619)	-77.3%	2,957
Provincial Government:		–	–	–	–	–	–	–		–
Knysna Vision(1393) UISP		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	78,184	78,184	3,830	8,924	25,486	(16,562)	-65.0%	78,184
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		81,035	158,822	159,272	11,285	28,968	50,005	(21,037)	-42.1%	159,272

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

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Ref	#REF!				
R thousands		#REF!	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Equitable Share					–	
Expanded Public Works Programme Integrated Grant					–	
Integrated National Electrification Programme Grant					–	
Local Government Financial Management Grant					–	
Other transfers and grants [insert description]					–	
Provincial Government:		–	–	–	–	
Grant Income - W C P A					–	
Other transfers and grants [insert description]					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
South Africa National Biodiversity Institute (SANBI)					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Integrated National Electrification Programme Grant					–	
Other capital transfers [insert description]					–	
Provincial Government:		–	–	–	–	
					–	
					–	
District Municipality:		–	–	–	–	
					–	
					–	
Other grant providers:		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

Supporting Table SC8: Councillor and Staff Benefits

WC048 Knysna - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration R thousands	Ref	#REF! Audited Outcome	#REF! 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		7,894	8,032	8,032	591	1,878	2,053	(175)	-9%	8,032
Pension and UIF Contributions		613	616	616	51	159	174	(15)	-9%	616
Medical Aid Contributions		108	211	211	12	36	37	(2)	-4%	211
Motor Vehicle Allowance		249	239	239	20	60	64	(4)	-7%	239
Cellphone Allowance		521	587	587	48	133	140	(7)	-5%	587
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		16	–	–	–	–	–	–		–
Sub Total - Councillors		9,402	9,684	9,684	721	2,265	2,468	(203)	-8%	9,684
% increase	4		3.0%	3.0%						3.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5,076	7,212	7,212	397	1,061	1,061	–		7,212
Pension and UIF Contributions		350	522	522	33	99	99	–		522
Medical Aid Contributions		60	50	50	5	16	16	–		50
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		(171)	199	199	–	–	–	–		199
Motor Vehicle Allowance		522	430	430	60	138	57	81	141%	430
Cellphone Allowance		5	5	5	1	3	3	–		5
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		39	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–			–
Scarcity		–	–	–	–	–	–			–
Acting and post related allowance		–	–	–	–	–	–			–
In kind benefits		–	–	–	–	–	–			–
Sub Total - Senior Managers of Municipality		5,880	8,419	8,419	496	1,317	1,236	81	7%	8,419
% increase	4		43.2%	43.2%						43.2%
Other Municipal Staff										
Basic Salaries and Wages		170,278	175,752	175,725	14,925	44,012	43,962	51	0%	175,725
Pension and UIF Contributions		35,343	38,378	38,378	3,034	9,197	9,027	170	2%	38,378
Medical Aid Contributions		13,126	15,254	15,311	1,104	3,371	3,371	–		15,311
Overtime		24,483	18,406	18,376	2,226	6,464	6,336	128	2%	18,376
Performance Bonus		13,570	13,866	13,866	–	–	25	(25)	-100%	13,866
Motor Vehicle Allowance		8,322	7,600	7,600	703	2,133	2,133	–		7,600
Cellphone Allowance		–	200	200	–	–	–	–		200
Housing Allowances		2,684	2,899	2,899	226	659	655	5	1%	2,899
In kind benefits								–		
Sub Total - Other Municipal Staff		267,805	272,355	272,355	22,219	65,836	65,508	328	1%	272,355
% increase	4		1.7%	1.7%						1.7%
Total Parent Municipality		283,086	290,458	290,458	23,436	69,418	69,213	205	0%	290,458
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		283,086	290,458	290,458	23,436	69,418	69,213	205	0%	290,458
% increase	4		2.6%	2.6%						2.6%
TOTAL MANAGERS AND STAFF		273,685	280,773	280,773	22,715	67,153	66,744	409	1%	280,773

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 - M03 September

Description	Ref	#REF!												#REF!		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	#REF!	#REF!	#REF!
Cash Receipts By Source																
Property rates		1,458	2,705	2,042	–	–	–	–	–	–	–	–	283,802	290,007	300,162	314,311
Service charges - Electricity revenue		14,636	18,247	19,196	–	–	–	–	–	–	–	–	312,068	364,147	417,917	437,559
Service charges - Water revenue		4,694	6,378	5,962	–	–	–	–	–	–	–	–	59,494	76,529	82,779	91,657
Service charges - Waste Water Management		1,506	2,798	2,250	51,833	55,834	88,539	52,194	40,346	129,664	57,720	(1,099)	(453,804)	27,779	29,303	30,831
Service charges - Waste Mangement		1,588	3,394	2,558	–	–	–	–	–	–	–	–	19,560	27,100	28,583	29,977
Rental of facilities and equipment		304	217	303	–	–	–	–	–	–	–	–	5,525	6,349	6,688	7,029
Interest earned - external investments		–	–	–	199	183	135	137	51	40	286	300	497	1,826	1,916	2,006
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,018	1,101	1,166	–	–	–	–	–	–	–	–	11,579	14,864	32,000	38,159
Licences and permits		124	139	145	–	–	–	–	–	–	–	–	1,391	1,799	1,887	1,976
Agency services		120	144	240	–	–	–	–	–	–	–	–	3,528	4,033	4,230	4,429
Transfers and Subsidies - Operational		68,238	37,083	34,823	–	–	–	–	–	–	–	–	27,630	167,773	179,630	175,920
Other revenue		1,340	767	671	–	–	–	–	–	–	–	–	8,899	11,677	12,249	12,824
Cash Receipts by Source		95,027	72,972	69,355	52,032	56,016	88,673	52,331	40,397	129,703	58,006	(799)	280,168	993,881	1,097,343	1,146,676
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		23,844	–	–	–	–	–	–	–	–	–	–	54,340	78,184	71,574	78,496
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	500	500	500	500
Short term loans		–	–	–	–	–	–	–	–	–	–	–	20,505	20,505	21,592	22,736
Borrowing long term/refinancing		–											–			
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		118,871	72,972	69,355	52,032	56,016	88,673	52,331	40,397	129,703	58,006	(799)	355,512	1,093,069	1,191,009	1,248,408

Cash Payments by Type													–			
Employee related costs		23,256	23,520	23,850	27,110	41,095	27,507	27,215	27,149	27,101	27,101	27,106	13,631	315,640	336,829	346,724
Remuneration of councillors		799	808	754	–	–	–	–	–	–	–	–	(2,361)	–	–	–
Interest		(415)	(586)	(394)	–	–	11,194	746	348	–	416	–	20,540	31,848	35,409	39,073
Bulk purchases - Electricity		29,551	34,622	34,338	16,632	16,959	16,498	16,601	16,348	14,944	16,700	15,809	64,300	293,304	332,300	348,915
Acquisitions - water & other inventory		1,324	1,347	2,897	–	–	–	–	–	–	–	–	47,925	53,493	55,878	58,752
Contracted services		19,509	10,683	8,834	10,868	21,290	7,792	13,623	9,118	19,804	12,896	5,621	45,367	185,406	194,866	190,836
Transfers and subsidies - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		6,079	3,220	3,326	3,523	10,370	2,180	5,229	4,595	3,000	4,595	2,100	25,240	73,456	78,154	81,731
Cash Payments by Type		**80,105**	**73,613**	**73,605**	**58,133**	**89,714**	**65,172**	**63,414**	**57,559**	**64,849**	**61,707**	**50,636**	**214,642**	**953,148**	**1,033,436**	**1,066,031**
Other Cash Flows/Payments by Type																
Capital assets		8,810	5,403	5,398	–	–	–	–	–	–	–	–	91,127	110,739	121,754	135,487
Repayment of borrowing		563	1,281	483	3,454	3,454	3,454	3,454	3,454	3,454	3,454	3,454	9,402	39,361	41,447	43,643
Other Cash Flows/Payments		(3,092)	17,089		1	45	(20)	–	56	5	9	146	(12,781)	1,457	1,316	1,333
Total Cash Payments by Type		**86,385**	**97,387**	**79,486**	**61,588**	**93,212**	**68,606**	**66,868**	**61,069**	**68,308**	**65,170**	**54,236**	**302,389**	**1,104,705**	**1,197,953**	**1,246,494**
NET INCREASE/(DECREASE) IN CASH HELD		**32,485**	**(24,415)**	**(10,131)**	**(9,556)**	**(37,196)**	**20,068**	**(14,537)**	**(20,672)**	**61,396**	**(7,164)**	**(55,035)**	**53,123**	**(11,635)**	**(6,943)**	**1,914**
Cash/cash equivalents at the month/year beginning:		20,358	52,843	28,428	–	–	–	–	–	–	–	–	(55,035)	–	–	–
Cash/cash equivalents at the month/year end:		52,843	28,428	18,297	(9,556)	(37,196)	20,068	(14,537)	(20,672)	61,396	(7,164)	(55,035)	(1,912)	(11,635)	(6,943)	1,914

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 - M03 September

Description	Ref	#REF!	#REF!							
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 new assets by Asset Class/Sub-class										
Infrastructure		–	48,747	49,790	518	926	6,333	5,407	85.4%	49,790
Roads Infrastructure		–	3,000	3,000	–	–	–	–		3,000
Capital Spares		–	3,000	3,000	–	–	–	–		3,000
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	42,047	42,651	486	895	5,708	4,813	84.3%	42,651
MV Switching Stations		–	2,500	2,500	–	–	–	–		2,500
MV Networks		–	1,500	1,701	–	–	38	38	100.0%	1,701
LV Networks		–	38,047	38,450	486	895	5,671	4,776	84.2%	38,450
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	3,450	3,619	31	31	625	594	95.0%	3,619
Dams and Weirs		–	–	–	–	–	–	–		–
Water Treatment Works		–	750	750	–	–	250	250	100.0%	750
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	700	700	–	–	375	375	100.0%	700
Distribution Points		–	250	419	17	17	–	(17)	#DIV/0!	419
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	1,750	1,750	14	14	–	(14)	#DIV/0!	1,750
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	250	270	–	–	–	–		270
Drainage Collection		–	250	270	–	–	–	–		270
Information and Communication Infrastructure		–	–	250	–	–	–	–		250
Data Centres		–	–	250	–	–	–	–		250
Community Assets		–	2,000	3,280	–	–	250	250	100.0%	3,280
Community Facilities		–	2,000	3,280	–	–	250	250	100.0%	3,280
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	2,000	3,280	–	–	250	250	100.0%	3,280
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Computer Equipment		–	200	200	–	–	–	–		200
Computer Equipment		–	200	200	–	–	–	–		200
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	650	650	3	4	–	(4)	#DIV/0!	650
Machinery and Equipment		–	650	650	3	4	–	(4)	#DIV/0!	650
Transport Assets		–	1,400	1,400	–	–	–	–		1,400
Transport Assets		–	1,400	1,400	–	–	–	–		1,400
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	–	52,997	55,320	520	931	6,583	5,653	85.9%	55,320

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 - M03

Description	Ref	#REF!	#REF!							
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		–	23,252	23,592	1,244	2,602	5,964	3,362	56.4%	23,592
Roads Infrastructure		–	19,302	19,642	1,244	2,552	5,777	3,225	55.8%	19,642
Roads		–	19,302	19,642	1,244	2,552	5,777	3,225	55.8%	19,642
Water Supply Infrastructure		–	3,950	3,950	–	50	188	137	73.3%	3,950
Water Treatment Works		–	150	150	–	50	–	(50)	#DIV/0!	150
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	3,800	3,800	–	–	188	188	100.0%	3,800
Community Assets		–	755	755	–	–	–	–		755
Community Facilities		–	5	5	–	–	–	–		5
Nature Reserves		–	5	5	–	–	–	–		5
Sport and Recreation Facilities		–	750	750	–	–	–	–		750
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	750	750	–	–	–	–		750
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
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		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	–	24,007	24,347	1,244	2,602	5,964	3,362	56.4%	24,347

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

WC048 Knysna - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	Ref	#REF!	#REF!							
		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		52,600	59,922	59,922	6,131	8,254	7,183	(1,070)	-14.9%	59,922
Roads Infrastructure		3,918	6,802	6,802	162	357	523	166	31.7%	6,802
Roads		3,905	6,783	6,783	162	357	523	166	31.7%	6,783
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		13	19	19	–	–	–	–		19
Storm water Infrastructure		877	1,166	1,166	6	6	101	95	93.9%	1,166
Drainage Collection		70	25	25	2	2	–	(2)	#DIV/0!	25
Storm water Conveyance		807	1,141	1,141	4	4	101	97	96.3%	1,141
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		20,898	27,209	27,209	3,671	4,612	2,777	(1,836)	-66.1%	27,209
Power Plants		–	–	–	–	–	–	–		–
HV Substations		2,171	2,580	2,580	948	948	65	(883)	-1347.8%	2,580
HV Switching Station		211	659	659	2	4	7	3	44.4%	659
HV Transmission Conductors		4,898	2,406	2,406	633	747	–	(747)	#DIV/0!	2,406
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		9,447	12,778	12,778	1,739	1,746	2,268	522	23.0%	12,778
LV Networks		4,170	8,786	8,786	349	1,167	436	(732)	-168.0%	8,786
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		15,743	13,823	13,823	957	1,939	1,941	3	0.1%	13,823
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		13,676	10,798	10,798	716	1,662	1,742	80	4.6%	10,798
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		2,067	3,025	3,025	241	276	199	(77)	-38.6%	3,025
Sanitation Infrastructure		9,946	9,661	9,661	1,307	1,307	1,676	369	22.0%	9,661
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		9,946	9,661	9,661	1,307	1,307	1,676	369	22.0%	9,661
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,218	1,260	1,260	28	32	165	133	80.6%	1,260
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		1,218	1,260	1,260	28	32	165	133	80.6%	1,260
Community Assets		4,816	4,634	4,634	389	476	846	370	43.7%	4,634
Community Facilities		3,465	3,165	3,165	381	424	228	(196)	-86.1%	3,165
Halls		227	255	255	–	–	26	26	100.0%	255
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		67	134	134	–	–	0	0	100.0%	134
Testing Stations		–	–	–	–	–	–	–		–
Museums		78	98	98	–	–	15	15	100.0%	98
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		500	569	569	22	39	31	(9)	-28.9%	569
Cemeteries/Crematoria		660	511	511	101	102	70	(32)	-45.6%	511
Police		29	189	189	–	2	4	2	59.7%	189
Purls		–	–	–	–	–	–	–		–
Public Open Space		1,902	1,409	1,409	258	281	82	(199)	-244.6%	1,409
Nature Reserves		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		1,351	1,469	1,469	8	52	618	566	91.6%	1,469
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		1,351	1,469	1,469	8	52	618	566	91.6%	1,469
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–

Other assets		3,251	3,456	3,456	38	70	105	36	33.7%	3,456
Operational Buildings		740	2,445	2,445	38	45	44	(1)	-3.2%	2,445
Municipal Offices		617	2.149	2,149	36	43	37	(6)	-15.8%	2,149
Depots		123	296	296	2	2	6	4	70.2%	296
Capital Spares		–	–	–	–	–	–	–		–
Housing		2,511	1,010	1,010	–	25	62	37	59.7%	1,010
Staff Housing		1,120	1,000	1,000	–	–	62	62	100.0%	1,000
Social Housing		1,391	10	10	–	25	–	(25)	#DIV/0!	10
Furniture and Office Equipment		14	40	40	–	–	1	1	100.0%	40
Furniture and Office Equipment		14	40	40	–	–	1	1	100.0%	40
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		6,140	6,215	6,215	1,021	1,181	972	(208)	-21.4%	6,215
Transport Assets		6,140	6,215	6,215	1,021	1,181	972	(208)	-21.4%	6,215
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	66,820	74,266	74,266	7,579	9,980	9,108	(872)	-9.6%	74,266

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	#REF!	#REF!							
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		**40,379**	**31,114**	**31,114**	**2,593**	**7,778**	**7,778**	**–**		**31,114**
Roads Infrastructure		5,818	5,186	5,186	432	1,297	1,297	–		5,186
Roads		5,818	5,186	5,186	432	1,297	1,297	–		5,186
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		1,029	901	901	75	225	225	–		901
Drainage Collection		1,029	901	901	75	225	225	–		901
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		8,001	7,875	7,875	656	1,969	1,969	–		7,875
Power Plants		3	6	6	1	2	2	–		6
HV Substations		7,999	7,869	7,869	656	1,967	1,967	–		7,869
Water Supply Infrastructure		17,501	16,851	16,851	1,404	4,213	4,213	–		16,851
Dams and Weirs		–	–	–	–	–	–	–		–
Water Treatment Works		208	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		17,293	16,851	16,851	1,404	4,213	4,213	–		16,851
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		6,120	152	152	13	38	38	–		152
Pump Station		1	28	28	2	7	7	–		28
Reticulation		5,909	–	–	–	–	–	–		–
Waste Water Treatment Works		166	79	79	7	20	20	–		79
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		44	44	44	4	11	11	–		44
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,818	50	50	4	12	12	–		50
Landfill Sites		1,818	50	50	4	12	12	–		50
Information and Communication Infrastructure		92	99	99	8	25	25	–		99
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		92	99	99	8	25	25	–		99
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**2,524**	**1,681**	**1,681**	**140**	**420**	**420**	**–**		**1,681**
Community Facilities		1,900	1,626	1,626	135	406	406	–		1,626
Halls		635	68	68	6	17	17	–		68
Centres		7	528	528	44	132	132	–		528
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		68	41	41	3	10	10	–		41
Testing Stations		0	0	0	0	0	0	–		0
Museums		6	6	6	0	1	1	–		6
Galleries		–	–	–	–	–	–	–		–
Theatres		–	1	1	0	0	0	–		1
Libraries		572	332	332	28	83	83	–		332
Cemeteries/Crematoria		9	23	23	2	6	6	–		23
Police		2	55	55	5	14	14	–		55
Purls		252	181	181	15	45	45	–		181
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	8	8	1	2	2	–		8
Markets		–	–	–	–	–	–	–		–
Stalls		22	71	71	6	18	18	–		71
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		327	313	313	26	78	78	–		313
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		624	55	55	5	14	14	–		55
Indoor Facilities		–	1	1	0	0	0	–		1
Outdoor Facilities		624	54	54	4	13	13	–		54
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–

Investment properties		**137**	**145**	**145**	**12**	**36**	**36**	**–**		**145**
Revenue Generating		137	145	145	12	36	36	–		145
Improved Property		137	145	145	12	36	36	–		145
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		**1,773**	**1,624**	**1,624**	**248**	**519**	**406**	**(113)**	**-27.8%**	**1,624**
Operational Buildings		1,773	619	619	52	155	155	–		619
Municipal Offices		1,773	619	619	52	155	155	–		619
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	1,005	1,005	197	364	251	(113)	-44.9%	1,005
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	1,005	1,005	197	364	251	(113)	-44.9%	1,005
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		**16**	**72**	**72**	**6**	**18**	**18**	**–**		**72**
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		16	72	72	6	18	18	–		72
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		16	72	72	6	18	18	–		72
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		**973**	**3,924**	**3,924**	**327**	**981**	**981**	**–**		**3,924**
Computer Equipment		973	3,924	3,924	327	981	981	–		3,924
Furniture and Office Equipment		**1,616**	**6,902**	**6,902**	**575**	**1,725**	**1,725**	**–**		**6,902**
Furniture and Office Equipment		1,616	6,902	6,902	575	1,725	1,725	–		6,902
Machinery and Equipment		**735**	**621**	**621**	**52**	**155**	**155**	**–**		**621**
Machinery and Equipment		735	621	621	52	155	155	–		621
Transport Assets		**3,263**	**3,036**	**3,036**	**253**	**759**	**759**	**–**		**3,036**
Transport Assets		3,263	3,036	3,036	253	759	759	–		3,036
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Land								–		
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Depreciation	1	**51,416**	**49,119**	**49,119**	**4,206**	**12,393**	**12,280**	**(113)**	**-0.9%**	**49,119**

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 - M03

Description	Ref	#REF!	#REF!							
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		–	25,754	25,885	2,381	7,429	11,810	4,381	37.1%	25,885
Roads Infrastructure		–	5,834	5,888	81	2,231	905	(1,326)	-146.5%	5,888
Roads		–	5,834	5,888	81	2,231	905	(1,326)	-146.5%	5,888
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	500	500	–	–	–	–		500
Drainage Collection		–	500	500	–	–	–	–		500
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	2,700	2,700	–	–	200	200	100.0%	2,700
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	400	400	–	–	200	200	100.0%	400
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	2,300	2,300	–	–	–	–		2,300
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	4,707	4,739	1,084	1,650	7,519	5,869	78.1%	4,739
Dams and Weirs		–	500	500	–	–	–	–		500
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	250	250	–	–	250	250	100.0%	250
Bulk Mains		–	250	283	–	–	–	–		283
Distribution		–	3,707	3,707	1,084	1,650	7,269	5,619	77.3%	3,707
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	12,014	12,058	1,215	3,549	3,186	(363)	-11.4%	12,058
Pump Station		–	750	794	–	–	–	–		794
Reticulation		–	11,014	11,014	1,215	3,549	3,186	(363)	-11.4%	11,014
Waste Water Treatment Works		–	250	250	–	–	–	–		250
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Community Assets		–	7,980	7,980	–	–	3,195	3,195	100.0%	7,980
Community Facilities		–	800	800	–	–	–	–		800
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	800	800	–	–	–	–		800
Sport and Recreation Facilities		–	7,180	7,180	–	–	3,195	3,195	100.0%	7,180
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	7,180	7,180	–	–	3,195	3,195	100.0%	7,180
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing	1	–	33,734	33,865	2,381	7,429	15,006	7,576	50.5%	33,865