ANNEXURE A

KNYSNA
Municipality Munisipaliteit uMasipala

Monthly Budget Statement

(Section 71 of the MFMA)

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

November 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 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 for the month ending 30 November 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 November 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 November 2023, the Commitments still exceed the Cash and Cash Equivalents. The cashflow position therefore remains a critical concern. To date, the approved overdraft facility of R20 million has not been accessed. The Municipality continues to afford priority to payments in relation to Salaries, Third-Parties, Eskom, SARS, Loans, and interest-billing Creditors.

2.2.2 The Finance Directorate discloses an unpaid Grant of R 23.5 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 the Finance Directorate 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 both budgetary and cashflow implications. 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 however currently underway. It is envisaged that the successful applicants will be appointed with effect from February 2024.

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 the Bid Adjudication Committee. This is as a result of poor tender specifications stipulated in the tender. As a result, a new tender process had to be initiated.

External debt collection services will only be utilised 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). Funding is currently being sourced from Provincial Treasury for the conversion of these conventional meters to prepaid meters. Funding required will be for both the purchase and installation of the prepaid electricity meters. Conventional meters which cannot be read for a lengthy 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. Various meetings have been held with Business debtors in November 2023, wherein Management communicated strict enforcement of the Debt Collection and Credit Control Policy for failure to settle long outstanding debt. Senior Management will continue engaging with ALL high value business debtors until such time that the Debtors Balance reduces to an acceptable level

2.2.4 The DBSA Revenue Enhancement project was finalised at the end of September 2023. The Municipality is currently developing an internal Revenue Enhancement Implementation Plan for execution in order to address the findings and recommendations of DBSA / Profmap. In addition to the utilisation of a portion of the Finance Management Grant provided by National Treasury, additional funding to support this implementation plan has also been requested from the Provincial Treasury

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 negatively impacted. Repairs / replacement / maintenance of affected infrastructure has had a profound impact on both service delivery and the municipal cashflow.

The Infrastructure Directorate is currently engaging with Eskom in an attempt to reduce the tariffs billed to Knysna Municipality. If successful, it will provide much anticipated relief to the municipal budget and 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 Non-core municipal functions must be extensively deliberated as this has a huge impact on the municipal cashflow and budget. Further to this, the spending on non-core functions restricts adequate levels of funding for essential municipal programmes i.e. repairs and maintenance, disaster relief funding, etc.

2.2.8 As part of the Revenue Enhancement Implementation Plan, the Municipality is currently calculating cost-reflective tariffs. The reduced rates and service tariffs imposed following the 2017 Knysna Fires and the COVID-19 pandemic, was not coupled with an associated decrease in expenditure. This has therefore resulted in a negative correlation between the resulting effect of revenue versus expenditure. To ensure that all tariffs are fully cost-reflective, given the current expenditure patterns, much higher tariff increases for the 2024/2025 financial year will have to be imposed. This can however be averted by limiting / eliminating non-essential expenditure.

2.2.9 Finally, delegates from COGTA and Provincial Treasury have, over recent weeks, engaged quite extensively with the Municipality, in an attempt to assist with a turn-around programme. A Diagnostics Report, coupled with a Support Plan, is expected to be submitted to the Municipality early in the 2024 calendar year.

2.3 Recommendations

(a) That the Mayoral Committee notes the Section 71 monthly budget statement as at 30 November 2023.

(b) That the Mayoral Committee notes that the Section 71 monthly budget statement for November 2023 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 December 2023, being the 10th working day after the end of November 2023.

(a) That the Mayoral Committee notes that the Section 71 monthly budget statement as at 30 November 2023 will be published on the municipal website.

CLLR AUBREY TSENGWA
EXECUTIVE MAYOR
DATE: 14 December 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 November 2023.

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

3.1.3 The financial performance of the operating and capital budget for the 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 532.8 million compared to the year-to-date budgeted operating revenue of R 511.5 million results in a positive variance of R 21.3 million or 4.2% (capital grants excluded). Variances of a material value in nature in the operating revenue budget are presented with appropriate comments in the table below.

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

Row Number	Description	Original Budget	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	150,511,505	156,151,605	-5,640,100	-3.6%	Reduced Prepaid Electricity Consumption. Currently being investigated with the Service Provider. If necessary, this will be adjusted in the February 2024 Adjustments Budget
2	Service charges - Water	84,388,754	84,388,754	42,540,428	35,727,281	6,813,147	19.1%	Reduced Water Consumption. Currently being investigated. If necessary, this will be adjusted in the February 2024 Adjustments Budget
3	Service charges - Waste Water Management	30,864,387	30,864,387	17,708,077	17,263,315	444,762	2.6%	
4	Service charges - Waste management	30,029,458	30,029,458	18,162,166	17,596,843	565,323	3.2%	
5	Sale of Goods and Rendering of Services	33,066,322	39,358,519	17,091,565	14,972,145	2,119,420	14.2%	Revenue recognised in correlation with operating expenditure incurred - Housing. Awaiting revised cash-flow projection from the Housing Directorate to rectify
6	Agency services	4,032,719	4,032,719	1,894,810	1,713,358	181,452	10.6%	
7	Interest earned from Receivables	14,751,081	14,751,081	10,725,580	8,302,593	2,422,987	29.2%	Interest raised on uncollected Service Charges. The increase in repo rates resulted in the positive variance
8	Interest from Current and Non Current Assets	1,826,291	1,826,291	1,025,637	850,183	175,454	20.6%	
9	Rental from Fixed Assets	6,938,143	6,938,143	3,197,896	5,682,887	-2,484,991	-43.7%	Rental of Municipal Buildings is lower than anticipated. Material variances will be effected in the February 2024 Adjustments Budget
10	Licence and permits	45,480	45,480	61,263	15,101	46,162	305.7%	
11	Operational Revenue	6,022,888	6,022,888	1,773,373	926,317	847,056	91.4%	
12	Property rates	304,253,695	304,253,695	172,113,770	167,742,596	4,371,174	2.6%	The variance is mainly in relation to Residential Property Rates. The property rates appeal process is currently being finalised, wherein adjustments are being processed. Any material variance thereafter will be adjusted in the February 2024 Adjustments Budget
13	Fines, penalties and forfeits	99,090,019	99,090,019	32,236,269	29,684,165	2,552,104	8.6%	As per iGRAP 1, this is the total revenue recognised as per the fines raised. This is not actual income received
14	Licence and permits	1,742,814	1,742,814	625,590	596,372	29,218	4.9%	
15	Transfers and subsidies - Operational	150,239,391	150,239,391	58,806,999	51,174,297	7,632,702	14.9%	The variance relates to the in-year allocation of the Equitable Share. The correction hereto will reflect in December 2023
16	Interest	5,732,582	5,732,582	4,292,851	3,049,308	1,243,543	40.8%	Interest raised on uncollected Property Rates. The increase in repo rates resulted in the positive variance
17	Gains on Disposal of PPE	500,000	500,000	0	0	0	0.0%	
18	**Total Revenue (Capital Grants Excluded)**	**1,158,302,125**	**1,164,594,322**	**532,767,779**	**511,448,366**	**21,319,413**	**4.2%**	

3.2.2 Year-to-date actual operating expenditure (Row 32 in Table 1 below) of R 397.6 million compared to the year-to-date budgeted operating expenditure of R 403.3 million results in a positive variance of R 5.7 million or 1.4%. 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	128,577,470	129,618,888	1,041,418	0.8%	Variance is mainly as a result of unfilled budgeted positions off-set by Overtime over-expenditure
20	Remuneration of councillors	10,081,756	10,081,756	4,002,260	4,283,690	281,430	6.6%	
21	Bulk purchases - electricity	293,304,290	293,304,290	110,479,918	106,243,233	-4,236,685	-4.0%	November 2023 invoice is much higher than expected. This is currently being investigated by the Electrical Department
22	Other materials	54,053,315	55,693,615	20,426,217	21,669,184	1,242,967	5.7%	Not all invoices for chemicals for both October and November have been processed
23	Debt impairment	149,729,891	149,729,891	24,579,509	24,579,509	0	0.0%	
24	Depreciation and amortisation	49,118,855	49,118,855	16,485,923	20,466,285	3,980,362	19.4%	November 2023 journal erroneously not processed. This will be corrected in December 2023
25	Interest	31,848,485	31,848,485	1,406,157	1,434,018	27,861	1.9%	
26	Contracted services	185,406,105	184,732,315	65,204,280	65,413,038	208,758	0.3%	
27	Transfers and subsidies	1,457,448	1,459,948	437,755	76,429	-361,326	-472.8%	
28	Irrecoverable debts written off	1,783,929	1,783,929	0	0	0	#DIV/0!	
29	Operational costs	73,456,092	72,487,082	26,016,513	29,500,766	3,484,253	11.8%	Workmans Compensation and SITA payments processed. In-year budget allocation hereto will be adjusted in December 2023.
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**	**397,616,002**	**403,285,040**	**5,669,038**	**1.4%**	

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 135.2 million compared to a budgeted operating surplus of R 108.2 million (capital grants excluded). This results in a positive operating surplus variance of R 27 million or 25.0% (Row 33 in Table 1 below).

3.2.4 The year-to-date actual surplus for the year of R 146.4 million (capital grants included) compared to the year-to-date budget surplus for the year of R 118.9 million results in a positive variance of R 27.5 million or 23.1% (Row 36 in Table 1 below).

Table 1: Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Budget (Including	Year-to-Date Actual	Year-to-Date Budget	(Negative) Variance	(Negative) Variance	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
18	**Total Revenue (Capital Grants Excluded)**	**1,158,302,125**	**1,164,594,322**	**532,767,779**	**511,448,366**	**21,319,413**	**4.2%**	
32	**Total Operating Expenditure**	**1,155,798,358**	**1,155,798,358**	**397,616,002**	**403,285,040**	**5,669,038**	**1.4%**	
33	**Operating Surplus/(Deficit)**	**2,503,767**	**8,795,964**	**135,151,777**	**108,163,326**	**26,988,451**	**25.0%**	
34	Capital Grants	78,183,609	78,183,609	11,257,848	10,780,105	477,743	4.4%	
35	Public Contributions	0	0	0	0	0	0.0%	
36	**Surplus/(Deficit) for the Year**	**80,687,376**	**86,979,573**	**146,409,625**	**118,943,431**	**27,466,194**	**23.1%**	

3.2.5 Revenue Enhancement Implementation Project

The Revenue Enhancement Project entailed the development and implementation of a Revenue Enhancement Programme by DBSA / Profmap. The project was fully completed in September 2023.

Following completion of the above project, the Municipality is now developing an internal Revenue Enhancement Implementation Plan, which is currently being finalised. This will ensure that all findings and recommendations initially provided by Profmap will be fully implemented for the entire Knysna Municipality debtor base. Further to this, the Internal Audit Department will audit the full implementation of the findings and recommendations of Profmap. This is an additional layer of oversight to ensure full and proper implementation.

3.2.6 Overtime

The Table below depicts the Overtime expenditure per Directorate:

Table 2: Overtime

Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 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	0
2	Corporate Services	162,478	190,877	88,697	88,697	-2,371	39,895	64,349	-24,455
3	Financial Services	58,470	96,974	66,764	66,764	1,046	32,436	44,672	-12,235
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	-5,504	2,834,809	37,601	2,797,208
6	Community Services	9,414,187	8,664,292	6,193,827	6,193,827	55,325	790,633	2,939,691	-2,149,058
7	Electrical Services	1,557,015	1,978,723	1,345,896	1,345,896	-49,154	3,021,720	982,054	2,039,666
8	Technical Services	7,088,695	7,335,761	5,344,032	5,344,032	-135,756	32,097	4,537,379	-4,505,282
9	**Grand Total**	**18,354,507**	**18,343,324**	**13,066,800**	**13,066,800**	**-136,413**	**6,751,589**	**8,605,745**	**-1,854,156**

The YTD actual total of R 6.8 million represents 52% spent in the first five months of the financial year against a full year budget allocation of R 13.1 million.

The negative actual amount total of R136.4 thousand for November 2023 is as a result of the reversal of 2022/2023 year-end journals (payments made in 2023/2024 in relation to overtime worked in 2022/2023 – reversal journals processed following the finalisation of the 2022/2023 AFS as at 30 November 2023).

Should this overtime spending pattern continue, any overtime expenditure in excess of budget will be disclosed as unauthorised expenditure in the 2023/2024 AFS.

3.2.7 Standby

The Table below depicts the Standby expenditure per Directorate.

Table 3: Standby Allowance									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Adjusted Budget 2023/2024	Actual November 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	0	0	140,179	-140,179
2	Corporate Services	187,924	182,157	202,176	202,176	683	89,886	72,647	17,239
3	Financial Services	116,329	152,718	179,010	179,010	394	54,706	36,015	18,691
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	-14,221	612,821	553,956	58,865
7	Electrical Services	916,804	1,130,285	910,159	910,159	15,310	683,200	562,872	120,328
8	Technical Services	2,887,134	2,826,944	3,203,103	3,203,103	-42,800	1,571,788	1,189,145	382,643
9	Grand Total	5,691,190	6,026,055	5,270,393	5,270,393	-40,635	3,012,401	2,554,813	457,588

The YTD actual total of R 2.6 million represents 49% spent in the first five months of the financial year against a full year budget allocation of R 5.3 million.

The negative actual amount total of R40.6 thousand for November 2023 is as a result of the reversal of 2022/2023 year-end journals (payments made in 2023/2024 in relation to standby hours in 2022/2023 – reversal journals processed following the finalisation of the 2022/2023 AFS as at 30 November 2023).

Should this standby spending pattern continue, any standby expenditure in excess of budget will be disclosed as unauthorised expenditure in the 2023/2024 AFS.

3.2.8 Use of Consultants

The Table below depicts the Use of Consultants per Directorate:

Table 4: Use of Consultants per Directorate										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 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	270,000	150,000	0	0	0	0	0	0	0
2	Corporate Services	5,090,579	4,540,688	6,684,895	5,099,770	5,549,770	726,937	1,861,664	3,691,667	-1,830,003
3	Financial Services	10,480,437	3,791,019	3,868,450	3,371,575	3,369,575	61,571	1,186,599	787,304	399,295
4	Planning and Development	816,380	1,401,449	1,294,495	3,483,292	3,363,292	11,245	38,322	179,291	-140,969
5	Integrated Human Settlements	4,988,330	1,129,751	2,467,243	2,000,000	2,000,000	0	999,999	0	999,999
6	Community Services	172,354	299,625	397,981	1,043,830	1,043,830	35,750	22,366	35,750	-13,384
7	Electrical Services	17,250	224,427	0	306,852	306,852	0	0	0	0
8	Technical Services	383,593	2,897,026	2,922,785	3,126,906	3,126,906	0	785,608	74,000	711,608
9	Grand Total	22,218,922	14,433,986	17,635,848	18,432,225	18,760,225	835,502	4,894,558	4,768,013	126,545

The Use of Consultants must be scrutinised to determine why there is a dependency on Consultants, and whether any of the functions performed by these external consultants are in fact included in the Job Descriptions of Municipal staff. If yes, this represents duplicated expenditure by the Municipality. This must be rectified during the review of the new organogram.

3.2.9 Legal Costs

Table 5 below depicts the Legal Costs per Directorate.

Table 5: Legal costs										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	20,000	0	0	0	0	0	0	0	0
2	Corporate Services	4,936,577	4,470,248	6,272,397	3,500,000	3,950,000	726,937	1,722,122	3,691,667	-1,969,545
3	Financial Services	6,535,246	670,864	97,605	105,300	105,300	0	29,540	10,921	18,619
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	20,000	0	0	0	0	0	0	0
6	Community Services	0	0	0	0	0	0	0	0	0
7	Electrical Services	0	0	0	0	0	0	0	0	0
8	Technical Services	0	0	0	0	0	0	0	0	0
9	Grand Total	11,491,823	5,161,112	6,370,002	3,605,300	4,055,300	726,937	1,751,662	3,702,588	-1,950,926

The YTD actual total of R 3.7 million represents 91% spent in the first five months of the financial year against a full year budget allocation of R 4.1 million.

There is no spending in the Finance Directorate as the debt collection agents have not yet been appointed. A tender process is currently in progress.

3.2.10 Rental Costs: Office Accommodation

Table 6 below depicts the Rental Costs per Directorate.

Table 6: Rental costs - Office Accommodation										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	0	0	0	0	0	0	0
2	Corporate Services	5,563,672	5,875,703	6,208,197	6,700,000	6,700,000	527,674	3,014,306	3,192,098	-177,792
3	Financial Services	0	0	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0	0
6	Community Services	0	0	0	0	0	0	0	0	0
7	Electrical Services	0	0	0	0	0	0	0	0	0
8	Technical Services	0	0	0	0	0	0	0	0	0
9	Grand Total	5,563,672	5,875,703	6,208,197	6,700,000	6,700,000	527,674	3,014,306	3,192,098	-177,792

The YTD actual total of R 3.2 million represents 48% spent in the first five months of the financial year against a full year budget allocation of R 6.7 million.

3.2.11 Security Costs

Table 7 below depicts the Security Costs per Directorate.

Table 7: Security costs										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	127,800	0	0	0	0	0	0
2	Corporate Services	0	0	0	0	0	0	0	0	0
3	Financial Services	0	0	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0	0
6	Community Services	12,710,608	18,099,309	19,715,670	8,400,000	8,400,000	2,191,126	6,485,136	10,060,812	-3,575,676
7	Electrical Services	0	0	0	0	0	0	0	0	0
8	Technical Services	368,963	344,417	0	362,671	362,671	0	0	0	0
9	Grand Total	13,079,571	18,443,726	19,843,470	8,762,671	8,762,671	2,191,126	6,485,136	10,060,812	-3,575,676

The YTD actual total of R 10.1 million exceeds the full year budget allocation of R8.8 million by R1.3 million in the first five months of the financial year.

The contract management and control of Security Costs requires urgent intervention. It is highly unlikely that the spiralling shortfall can be accommodated in the upcoming adjustments budget. If it is, it is quite likely that the budget will be unfunded. If it is not, the over-expenditure will be disclosed as unauthorised expenditure in the 2023/2024 AFS.

3.2.12 Repairs and Maintenance

Table 8 below depicts the Repairs and Maintenance per Directorate.

Table 8:Repairs & Maintenance										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual November 2023	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	0	0	0		0	0	0
2	Corporate Services	2,484,727	1,677,499	2,571,655	2,834,394	2,834,394	143,793	990,472	365,847	624,625
3	Financial Services	55,037	25,549	105,421	54,653	54,653	261	4,192	34,034	-29,842
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	35,518	281,209	1,409,679	52,069	52,069	3,643	5,833	40,409	-34,576
6	Community Services	5,266,832	7,208,067	9,555,069	9,153,610	9,153,610	587,532	4,211,113	2,851,753	1,359,360
7	Electrical Services	8,303,076	7,709,016	12,822,830	23,129,668	23,129,668	3,196,502	3,147,778	6,122,687	-2,974,909
8	Technical Services	31,583,284	36,372,098	41,866,100	41,107,319	40,480,529	4,029,534	13,634,861	12,066,278	1,568,583
9	Grand Total	47,728,474	53,273,438	68,330,754	76,331,713	75,704,923	7,961,265	21,994,249	21,481,008	513,241

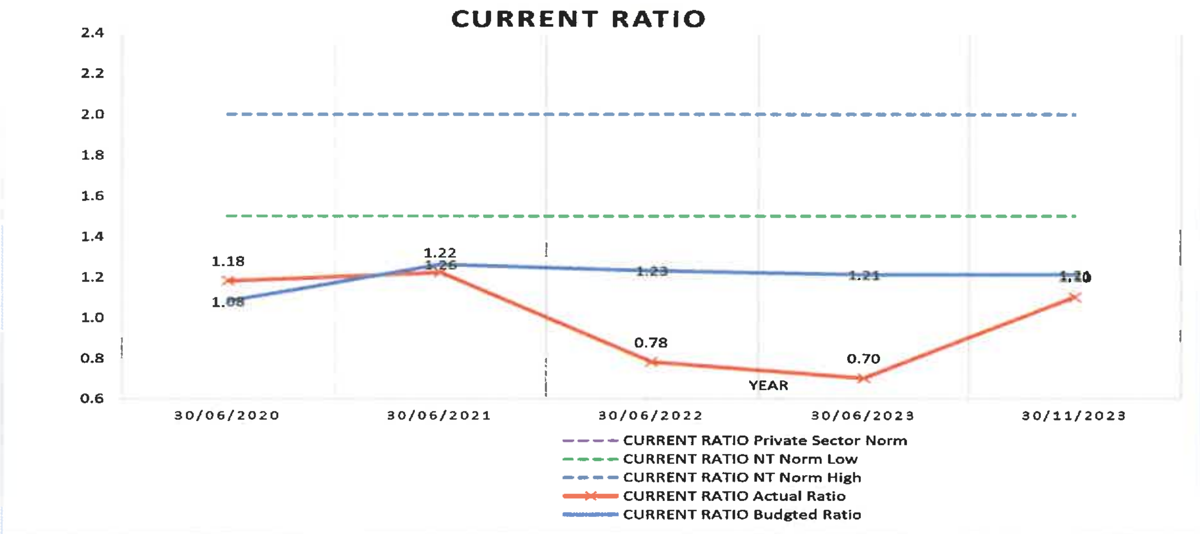
The YTD actual total of R 21.5 million represents 28% spent in the first five months of the financial year against a full year budget allocation of R 75.7 million. Of concern, is that only 3.6% has been budgeted for R&M for the 2023/2024 financial year compared to the NT norm of 8%).

3.3 Financial Position Overview

3.3.1 Current Ratio (1.1 : 1)

The Current Ratio as at 30 November 2023 equates to 1.1 : 1 compared to the National Treasury norm of 1.5 – 2 : 1, and a budgeted current ratio of 1.13 : 1.

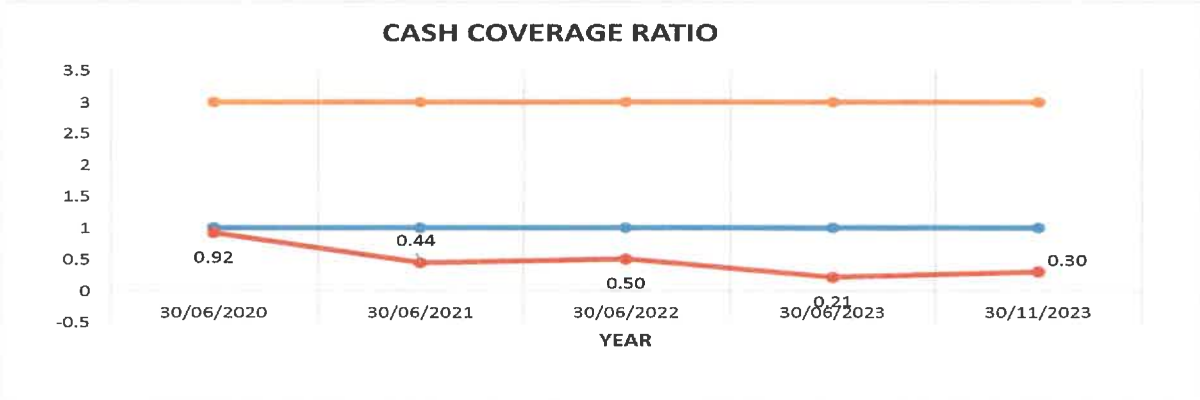
The actual current ratio is based on current assets of R 282.8 million and current liabilities of R 258.0 million.



Should there be no material improvement in the management of the financial affairs of the Municipality, it is quite likely that the current ratio will once again reduce to <1 at the end of the 2023/2024 financial year.

3.3.2 Cash/Cost Coverage Ratio (0.30 months)

The Cash Coverage Ratio as at 30 November 2023 equates to 0.30 months compared to the National Treasury norm of 1 – 3 months.



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

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 December 2023. This is to avoid interest charges.

3.3.3 Cash and Cash Equivalents (R 32.2 million)

Cash and Cash Equivalents (Row 3 in the Table below) equates to R 32.2 million as at 30 November 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 19.9 thousand)

Investments (Row 2 in the Table below) equates to R 19.9 thousand at the end of November 2023.

Table 9: Cash and Cash Equivalents versus Commitments

Row Number	Description	September 2023	October 2023	November 2023	Movement (C to D)
Column Reference	A	B	C	D	F
1	Cash at Bank	56,696,500	39,976,672	32,192,215	-7,784,458
2	Investments - Current	19,661	19,797	19,928	130
3	**Total Cash and Cash Equivalents**	**56,716,161**	**39,996,470**	**32,212,142**	**-7,784,327**
4	Unspent Conditional Transfers and Grants	24,167,506	29,863,407	48,950,269	19,086,862
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	0	0	0	0
7	Unspent External Loans	33,115,774	33,022,672	32,475,427	-547,245
8	Payables from Exchange Transactions	41,785,691	38,850,218	35,469,940	-3,380,277
9	**Total Commitments**	**99,068,971**	**101,736,297**	**116,895,636**	**15,159,340**
10	**Surplus / (Shortfall)**	**-42,352,810**	**-61,739,827**	**-84,683,494**	**-22,943,667**

Unspent Grants and Unspent Loans are not backed by cash in the Investments Portfolio of the Municipality.

3.3.5 Cash Commitments (R 116.9 million)

Total commitments (Row 9 in the Table above) increased by R15.2 million during the month under review from R 101.7 million at the end of October 2023 to R 116.9 million at the end of November 2023. Commitments exceed the cash and cash equivalents at the end of November 2023 by R 84.7 million (Row 10 in the Table above), thereby resulting in a shortfall.

In addition to Unspent Grants and Unspent Loans not being cash-backed, the amounts owing to Creditors remains high, 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 timeously negatively impacts the Grants reporting, which has a potential to have grant allocations suspended / withdrawn.

3.3.6 Unpaid Conditional Grants (R 23.6 million)

Unpaid Conditional Grants (Row 3 in the Table below) reflects a total balance of R 23.6 million at the end of November 2023.

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	-9,330,662	13,437,830	23,502,524
2	Maintenance of Proclaimed Roads	157,054	-79,596	0	77,458
3	**Total**	**19,552,409**	**-9,410,258**	**13,437,830**	**23,579,982**

The reported financial figure of R 23.6 million differs to the value calculated by the Integrated Human Settlements (IHS) Directorate. The Finance Directorate still awaits information from the IHS Directorate for the finalisation of the reconciliation.

3.3.7 Unspent Conditional Grants (R 49.0 million)

Unspent Conditional Grants (Row 14 in the Table below) reflects a total balance of R 49.0 million as at 30 November 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	-6,285,562	0	6,476,836
2	Neighbourhood Development Partnership Grant	Technical Services	2,095,553	8,397,000	-2,824,089	0	7,668,465
3	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	0	0	0	56,884
4	Nedbank: SMME Incubator Program	Planning and Development	22,904	0	0	0	22,904
5	Finance Management Grant Capacity Building Grant	Financial Services	38,273	-38,273	0	0	0
6	Integrated National Electrification Programme	Electrical Services	36	31,000,000	-1,312,958	0	29,687,077
7	Finance Management Capacity Grant	Financial Services	186,640	639,000	0	0	825,640
8	Emergency Loadshedding	Electrical Services	134	0	0	0	134
9	Finance Management Grant	Financial Services	0	1,771,000	-131,154	0	1,639,846
10	Expanded Public Works Program	Planning and Development	0	316,000	-356,835	0	-40,835
11	Water Services Infrastructure Grant	Water Services	0	3,400,000	-2,325,940	0	1,074,060
12	Library Services Grant	Community Services	0	7,228,000	-5,737,142	0	1,490,858
13	Community Development Workers	Corporate Services	0	57,000	-8,600	0	48,400
14	Total		4,318,822	63,613,727	-18,982,280	0	48,950,269

Of concern is that none of the Grants received (Column D) are cash-backed (in Investments). These grant receipts are unfortunately cash funding non-grant related expenditure as well.

3.3.8 Payables from Exchange Transactions (R 35.5 million)

Payables from Exchange Transactions (Row 3 in the Table below) decreased by R 17.6 million during the month under review from R 53.1 million at the end of October 2023 to R 35.5 million at the end of November 2023.

Table 12: Payables from Exchange Transactions					
Row Number	Description	September 2023	October 2023	November 2023	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Payables	27,672,533	38,850,218	20,552,212	-18,298,006
2	Retentions	14,113,158	14,251,344	14,917,728	666,385
3	Total	41,785,691	53,101,561	35,469,940	-17,631,621

Here again, proof that multiple Creditors could not be paid timeously, as a result of limited cashflow. Non-timeous payments to Creditors will most certainly 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 Standard Bank Overdraft facility will provide very limited and/or temporary relief in attempting to reduce the Creditors balance.

3.3.9 External Borrowings (R 362.5 million)

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

Table 13: External Borrowings

Row Number	Description	September 2023	October 2023	November 2023	Movement (C to D)
Column Reference	A	B	C	D	E
1	Opening Balance	363,011,485	362,528,094	362,528,094	0
2	New Loans Acquired	0	0	0	0
3	Interest Capitalised	393,974	0	0	0
4	Repayments	-877,366	0	0	0
5	Adjustments	0	0	0	0
6	**Closing Balance**	**362,528,094**	**362,528,094**	**362,528,094**	**0**
7	**(Conditional Operating Grants excluded) =**	1,014,354,931			
8	**Gearing Ratio =**	**35.7%**			

External borrowings as a percentage of budgeted operating revenue (conditional operating grants excluded) equates to a gearing ratio of 35.7% 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 these projects until such time that a second tender process has been finalised.

3.3.10 Consumer Debtors (R 451.9 million)

Total outstanding debtors of R 451.9 million as at 30 November 2023 (Row 7 in the Table below) is presented by both Income Source and by Customer Group.

The total outstanding debtors have decreased by R 11 million from R 463 million as at 31 October 2023 to R 452 million as at 30 November 2023.

The total due by Organs of State and Businesses of R152.8 million constitutes 33.8% of the total outstanding debtors of R 451.9 million.

Table 14: Debtor 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	7,912,326	4,727,182	10,270,249	57,868,678	80,778,435
2	Electricity	18,878,892	6,203,778	4,771,692	52,824,738	82,679,100
3	Property Rates	21,638,924	8,119,842	28,174,143	83,413,482	141,346,391
4	Sanitation	2,689,902	1,620,304	7,774,173	62,325,957	74,410,336
5	Refuse	2,611,699	1,450,821	7,120,665	53,161,569	64,344,754
6	Other	686,432	284,675	197,655	7,128,917	8,297,679
7	**Grand Total**	**54,418,175**	**22,406,602**	**58,308,577**	**316,723,341**	**451,856,695**
8	**% of Total Outstanding Debtors =**	**12.0%**	**5.0%**	**12.9%**	**70.1%**	**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	2,247,363	1,651,343	4,011,163	6,187,075	14,096,944
10	Commercial	18,166,488	7,332,306	12,257,612	100,950,236	138,706,642
11	Households	34,004,324	13,422,953	42,039,802	209,586,030	299,053,109
12	**Grand Total**	**54,418,175**	**22,406,602**	**58,308,577**	**316,723,341**	**451,856,695**
13	**% of Total Outstanding Debtors =**	**12.0%**	**5.0%**	**12.9%**	**70.1%**	**100.0%**

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 Services section have been 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.

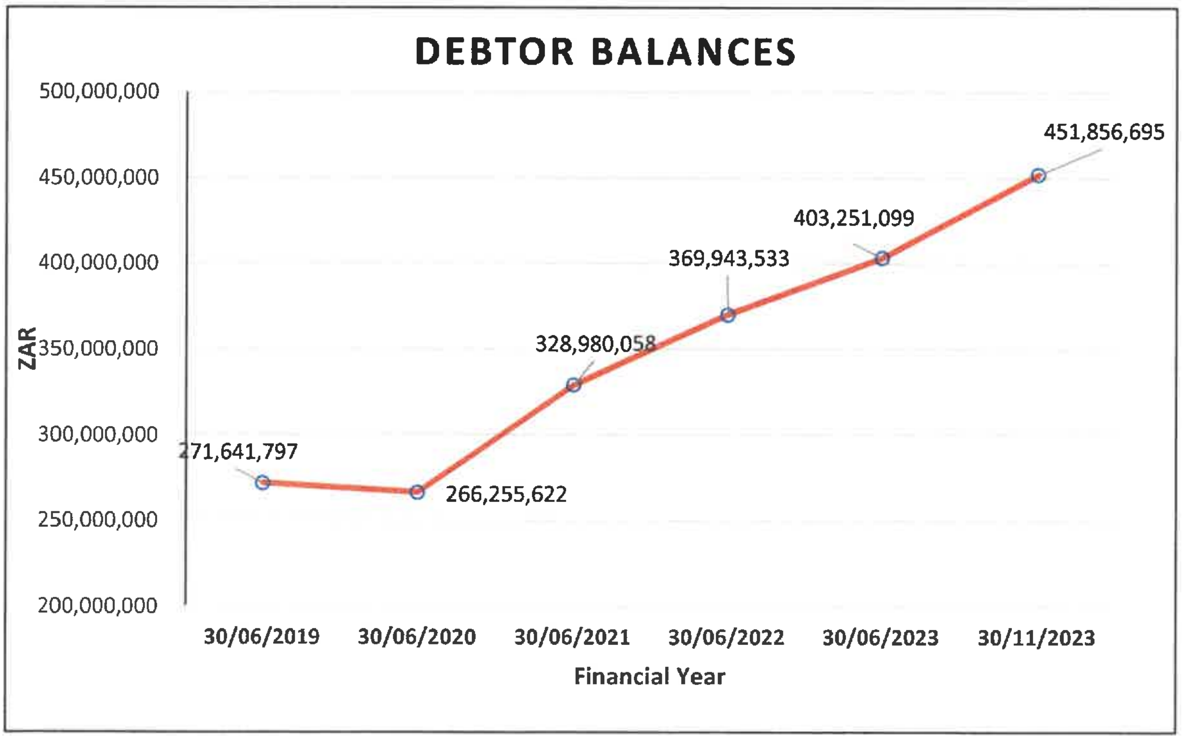
The Municipality has commenced with identifying all consumers with arrear debt whom are still connected to conventional meters. The Municipality intends to replace all these conventional meters with prepaid meters. In addition to this, conventional water and electricity meters which cannot be read, due 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.

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 has subsequently commenced. 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 will subsequently be 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 / Profmap 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 household debt. This was last processed in 2019.



3.3.11 Debtor Collection Rate (80.0 %)

The overall Debtor Collection Rate as at 30 November 2023 equates to 80 % (Row 14 in the Table 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%	16.3%
5	October 2023 (Monthly)	61,524,195	59,017,941	95.9%	338,943,730	249,600,608	73.6%	4.9%
6	November 2023 (Monthly)	48,688,433	60,397,601	124.0%	387,632,163	309,998,209	80.0%	6.3%
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	387,632,163	309,998,209	80.0%	387,632,163	309,998,209	80.0%	6.3%

3.3.12 Capital Expenditure per Directorate (15.1%)

The year-to-date actual capital expenditure of R 17.1 million (Row 9 in Table 16 below) equates to 15.1% (Row 10 in Table 16 below) of the capital expenditure budget of R 113.5 million. Commitments of R 15.3 million (13.5%) and the year-to-date actual capital expenditure in total equates to R 32.4 million or 28.6% 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	103,763	119,785	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	5,742,340	562,275	956,522	1,518,797	11.5%	11,641,113
7	Electrical Services	47,747,000	48,350,924	11,604,254	2,062,197	7,708,438	9,770,635	20.2%	38,580,289
8	Technical Services	50,906,699	51,566,978	30,268,493	14,414,495	6,500,626	20,915,122	40.6%	30,651,856
9	Grand Total	110,738,609	113,532,551	47,615,087	17,142,730	15,285,372	32,428,102	28.6%	81,104,449
10	% of Adjusted Budget =				15.1%	13.5%	28.6%		71.4%

3.3.13 Capital Expenditure per Funding Source (15.1%)

Table 17 below depicts the same financial information contained in Table 16 above hhowever, 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 Grant	78,183,609	78,183,609	44,131,764	13,173,441	10,292,142	23,465,583	30.0%	54,718,026
2	Provincial Government Grant	0	0	0	0	0	0	0	0
3	District Municipality Grant	0	0	0	0	0	0	0	0
4	Borrowings	25,005,000	27,347,544	2,795,823	2,424,741	2,920,237	5,344,978	19.5%	22,002,566
5	Internally Generated Funds	7,550,000	8,001,398	687,500	1,544,548	2,072,993	3,617,541	45.2%	4,383,857
6	Grand Total	110,738,609	113,532,551	47,615,087	17,142,730	15,285,372	32,428,102	28.6%	81,104,449
7	% of Adjusted Budget =				15.1%	13.5%	28.6%		71.4%

The year-to-date actual and committed capital expenditure is funded by National Grants of 30.0%; external borrowings of 19.5% and, internally generated funds of 45.2%.

Year-to-date actual capital expenditure of R 17.1 (15.1%) and capital commitments of R 15.3 million (13.5%) of the capital expenditure budget results in available funds of R 81.1 million (71.4%).

The Municipality has initiated a new tender process to source external loans to fund capital projects of R25 million for the 2023/2024 financial year. The process is anticipated to be finalised by mid-March 2024.

3.3 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

Given the regression in the audit outcome, the Municipality is looking forward to the interventions by Provincial Treasury and COGTA to assist the Municipality in enforcing sound and effective turnaround strategies.

In addition, the Municipality anxiously awaits the Diagnostic Report, with the associated Support Plan, which is expected to be received early in the new calendar year. Once received, it is imperative that the Municipality affords these reports the necessary priority and action.

pp

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 14 December 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
	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 of November 2023 of the 2023/2024 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

pp

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 14 December 2023

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knysna - Table C1 Monthly Budget Statement Summary - M05 November

Description	2022/23	Budget Year 2023/24							
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	15,687	172,114	167,743	4,371	3%	304,254
Service charges	440,283	530,061	530,061	36,014	228,922	226,739	2,183	1%	530,061
Investment revenue	2,014	–	–	–	–	–	–		–
Transfers and subsidies Operational	2,014	1,826	1,826	190	1,026	850	175	21%	1,826
Other own revenue	307,694	328,454	328,454	19,692	130,706	116,117	14,590	13%	–
Total Revenue (excluding capital transfers and contributions)	**752,006**	**1,164,594**	**1,164,594**	**71,583**	**532,768**	**511,448**	**21,319**	**4%**	**1,164,594**
Employee costs	292,469	305,558	305,558	33,804	128,577	129,619	(1,041)		305,558
Remuneration of Councillors	9,787	10,082	10,082	805	4,002	4,284	(281)		10,082
Depreciation and amortisation	59,438	49,119	49,119	–	16,486	20,466	(3,980)		49,119
Interest	35,276	31,848	31,848	11	1,406	1,434	(28)		31,848
Inventory consumed and bulk purchases	296,765	347,358	348,998	25,764	130,906	127,912	2,994		348,998
Transfers and subsidies	1,934	1,457	1,460	371	438	76	361	473%	1,460
Other expenditure	387,507	410,376	408,733	28,371	115,800	119,493	(3,693)	-3%	408,733
Total Expenditure	**1,083,175**	**1,155,798**	**1,155,798**	**89,127**	**397,616**	**403,285**	**(5,669)**	**-1%**	**1,155,798**
Surplus/(Deficit)	**(331,169)**	**8,796**	**8,796**	**(17,543)**	**135,152**	**108,163**	**26,988**	**25%**	**8,796**
Transfers and subsidies - capital (monetary	38,901	78,184	78,184	172	11,258	10,780	478	4%	78,184
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**	**27,466**	**23%**	**86,980**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**	**27,466**	**23%**	**86,980**
Capital expenditure & funds sources									
Capital expenditure	–	**110,739**	**113,677**	**3,310**	**17,213**	**47,615**	**(30,402)**	**-64%**	**113,677**
Capital transfers recognised	–	78,184	78,184	1,715	13,173	44,132	(30,958)	-70%	78,184
Borrowing	–	25,005	27,348	547	2,425	2,796	(371)	-13%	27,348
Internally generated funds	–	7,550	8,001	1,041	1,545	688	857	125%	8,001
Total sources of capital funds	–	**110,739**	**113,533**	**3,303**	**17,143**	**47,615**	**(30,472)**	**-64%**	**113,533**
Financial position									
Total current assets	129,005	212,740	209,946		282,837				209,946
Total non current assets	1,544,057	1,562,309	1,565,103		1,560,306				1,565,103
Total current liabilities	285,944	271,657	271,657		258,009				271,657
Total non current liabilities	448,900	398,563	398,563		443,963				398,563
Community wealth/Equity	1,021,149	1,107,577	1,107,577		997,791				1,107,577
Cash flows									
Net cash from (used) operating	262,918	117,459	191,847	29,321	157,744	290,609	132,864	46%	191,847
Net cash from (used) investing	(91,314)	(110,239)	–	(2,801)	(25,455)	–	25,455	#DIV/0!	–
Net cash from (used) financing	(39,593)	(39,361)	(39,361)	–	(2,328)	(17,269)	(14,942)	87%	(39,361)
Cash/cash equivalents at the month/year end	**20,358**	**24,321**	**21,527**	**(7,784)**	**32,212**	**244,571**	**212,359**	**87%**	**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	54,418	22,407	58,309	12,360	9,151	7,720	78,324	209,169	451,857
Creditors Age Analysis									
Total Creditors	20,552	–	–	–	–	–	–	–	20,552

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		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**	**17,914**	**189,526**	**185,619**	3,908	2%	**343,953**
Executive and council		5,132	5,280	5,280	–	1,957	1,525	432	28%	5,280
Finance and administration		300,746	338,673	338,673	17,914	187,570	184,094	3,476	2%	338,673
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**128,201**	**149,493**	**149,493**	**13,524**	**52,825**	**47,945**	4,880	10%	**149,493**
Community and social services		12,026	12,506	12,506	1,928	6,338	6,199	139	2%	12,506
Sport and recreation		1,460	1,361	1,361	120	618	546	72	13%	1,361
Public safety		87,818	101,891	101,891	7,486	32,115	29,709	2,406	8%	101,891
Housing		26,897	33,735	33,735	3,990	13,754	11,491	2,263	20%	33,735
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**22,828**	**31,089**	**31,089**	**1,660**	**9,663**	**8,361**	1,302	16%	**31,089**
Planning and development		10,843	10,193	10,193	960	4,193	3,541	651	18%	10,193
Road transport		11,091	20,896	20,896	700	5,371	4,820	551	11%	20,896
Environmental protection		893	–	–	(0)	100	–	100	#DIV/0!	–
Trading services		**594,890**	**718,242**	**718,242**	**38,658**	**292,011**	**280,304**	11,708	4%	**718,242**
Energy sources		343,742	463,884	463,884	26,600	168,381	170,827	(2,446)	-1%	463,884
Water management		118,750	123,185	123,185	7,706	61,644	50,539	11,105	22%	123,185
Waste water management		80,796	80,172	80,172	2,190	34,261	32,527	1,734	5%	80,172
Waste management		51,601	51,001	51,001	2,161	27,725	26,411	1,315	5%	51,001
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,051,795**	**1,242,778**	**1,242,778**	**71,755**	**544,026**	**522,228**	**21,797**	**4%**	**1,242,778**
Expenditure - Functional										
Governance and administration		**165,030**	**212,982**	**213,002**	**18,832**	**77,609**	**76,447**	1,162	2%	**213,002**
Executive and council		17,676	31,154	31,154	1,490	5,959	6,347	(388)	-6%	31,154
Finance and administration		143,237	176,823	176,788	16,764	69,542	68,568	974	1%	176,788
Internal audit		4,118	5,005	5,060	579	2,108	1,532	576	38%	5,060
Community and public safety		**246,969**	**235,472**	**238,812**	**18,832**	**71,456**	**76,298**	(4,842)	-6%	**238,812**
Community and social services		22,963	17,169	20,539	3,397	10,128	9,300	828	9%	20,539
Sport and recreation		25,023	23,962	23,932	2,322	9,074	12,007	(2,933)	-24%	23,932
Public safety		149,893	146,014	146,014	7,332	31,279	29,694	1,586	5%	146,014
Housing		49,090	48,327	48,327	5,780	20,975	25,298	(4,322)	-17%	48,327
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**79,942**	**84,035**	**84,035**	**8,648**	**31,001**	**31,150**	(149)	0%	**84,035**
Planning and development		36,371	40,063	40,063	3,959	14,500	14,075	425	3%	40,063
Road transport		37,088	38,827	38,827	4,092	14,794	14,811	(18)	0%	38,827
Environmental protection		6,483	5,146	5,146	597	1,708	2,264	(556)	-25%	5,146
Trading services		**575,190**	**623,309**	**619,950**	**42,814**	**217,549**	**219,389**	**(1,840)**	-1%	**619,950**
Energy sources		313,207	389,692	388,568	28,045	140,264	133,024	7,240	5%	388,568
Water management		111,040	98,024	96,415	6,565	32,357	33,460	(1,104)	-3%	96,415
Waste water management		90,739	89,675	89,049	3,675	26,057	32,483	(6,426)	-20%	89,049
Waste management		60,203	45,918	45,918	4,529	18,871	20,421	(1,550)	-8%	45,918
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1,067,131**	**1,155,798**	**1,155,798**	**89,127**	**397,616**	**403,285**	**(5,669)**	**-1%**	**1,155,798**
Surplus/ (Deficit) for the year		**(15,336)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**	**27,466**	**23%**	**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) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24							
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	(471)	6,967	345	1,700	3,726	(2,026)	-54.4%	6,967
4.5 - INFORMATION TECHNOLOGY (66)		55	–	–	–	–	–	–		–
5.5 - ESTATES (74)		–	–	–	–	–	–	–		–
7.7 - INFORMATION TECHNOLOGY (660)		11	–	–	–	–	–	–		–
8.7 - EXPENDITURE (690)		–	–	–	–	–	–	–		–
Vote 8 - 3. Finance (130: IE)		269,047	311,097	311,097	16,679	176,407	351,886	(175,479)	-49.9%	311,097
10.7 - TOWN ENGINEER (800)		–	–	–	–	–	–	–		–
11.7 - DISASTER MANAGEMENT (550)		–	–	–	–	–	–	–		–
13.5 - RDS,S/WTR,DRAINAGE:STORMWATER (870)		–	–	–	–	–	–	–		–
15.2 - HOUSING LETTING SCHEMES (490)		343,742	463,884	463,884	26,600	168,381	150,328	18,053	12.0%	463,884
16.2 - CEMETERY (39)		204,755	223,020	223,020	10,008	99,849	85,935	13,913	16.2%	223,020
17.3 - COMMUNICATION (450)		26,870	33,735	33,735	3,910	13,576	17	13,558	78236.9%	33,735
18.3 - INFORMATION TECHNOLOGY (660)		–	–	–	–	–	–	–		–
		299	529	539	42	356	240	116	48.3%	539
Vote 2 - CORPORATE SERVICES (32: IE)		84	64	64	26	172	27	145	540.1%	64
Vote 3 - COMMUNITY SERVICES (33: IE)		2,064	33,344	33,344	3,918	14,062	16,420	(2,357)	-14.4%	33,344
Total Revenue by Vote	2	**853,987**	**1,065,203**	**1,072,652**	**61,529**	**474,501**	**608,578**	**(134,077)**	**-22.0%**	**1,072,652**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		5	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	–	4	4	–	4	#DIV/0!	–
Vote 3 - COMMUNITY SERVICES (33: IE)		2,410	2,983	2,618	271	930	751	178	23.7%	2,618
4.5 - INFORMATION TECHNOLOGY (66)		8,326	9,442	9,442	547	3,412	3,897	(485)	-12.4%	9,442
5.5 - ESTATES (74)		11,463	11,758	11,758	1,449	4,912	4,886	26	0.5%	11,758
7.7 - INFORMATION TECHNOLOGY (660)		–	1,579	1,579	43	292	423	(131)	-31.0%	1,579
8.7 - EXPENDITURE (690)		–	1,354	1,354	134	591	625	(34)	-5.4%	1,354
Vote 8 - 3. Finance (130: IE)		164,548	65,966	65,964	8,545	30,135	30,223	(88)	-0.3%	65,966
10.7 - TOWN ENGINEER (800)		92,641	16,690	16,670	1,654	7,643	8,145	(502)	-6.2%	16,670
11.7 - DISASTER MANAGEMENT (550)		27,161	559,086	556,796	36,550	185,603	177,293	8,310	4.7%	558,546
13.5 - RDS,S/WTR,DRAINAGE:STORMWATER (870)		273,432	251,011	252,762	19,224	76,129	81,651	(5,522)	-6.8%	251,011
15.2 - HOUSING LETTING SCHEMES (490)		316,808	30,835	30,835	2,789	12,322	16,972	(4,651)	-27.4%	30,835
16.2 - CEMETERY (39)		246,108	69,510	69,490	7,825	32,262	38,467	(6,206)	-16.1%	69,510
17.3 - COMMUNICATION (450)		48,545	4,711	4,711	750	2,774	2,819	(45)	-1.6%	4,711
18.3 - INFORMATION TECHNOLOGY (660)		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES (32: IE)		–	–	–	–	–	–	–		–
Vote 3 - COMMUNITY SERVICES (33: IE)		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,191,447**	**1,024,926**	**1,023,979**	**79,786**	**357,008**	**366,152**	**(9,144)**	**-2.5%**	**1,024,001**
Surplus/ (Deficit) for the year	2	**(337,460)**	**40,277**	**48,673**	**(18,257)**	**117,493**	**242,426**	**(124,933)**	**-51.5%**	**48,651**

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
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	26,006	150,512	156,152	(5,640)	-4%	384,778
Service charges - Water		77,198	84,389	84,389	6,698	42,540	35,727	6,813	19%	84,389
Service charges - Waste Water Management		29,240	30,864	30,864	1,628	17,708	17,263	445	3%	30,864
Service charges - Waste management		28,466	30,029	30,029	1,682	18,162	17,597	565	3%	30,029
Sale of Goods and Rendering of Services		31,369	39,359	39,359	5,233	17,092	14,972	2,119	14%	39,359
Agency services		4,086	4,033	4,033	562	1,895	1,713	181	11%	4,033
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		22,440	14,751	14,751	2,308	10,726	8,303	2,423	29%	14,751
Interest from Current and Non Current Assets		2,014	1,826	1,826	190	1,026	850			1,826
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		6,396	6,938	6,938	761	3,198	5,683	(2,485)	-44%	6,938
Licence and permits		71	45	45	14	61	15	46	306%	45
Operational Revenue		7,912	6,023	6,023	247	1,773	926	847	91%	6,023
Non-Exchange Revenue								–		
Property rates		–	304,254	304,254	15,687	172,114	167,743	4,371	3%	304,254
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		87,568	99,090	99,090	7,550	32,236	29,684	2,552		99,090
Licence and permits		1,377	1,743	1,743	123	626	596	29		1,743
Transfers and subsidies - Operational		133,960	150,239	150,239	1,902	58,807	51,174	7,633		150,239
Interest		7,795	5,733	5,733	992	4,293	3,049	1,244		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)		**752,006**	**1,164,594**	**1,164,594**	**71,583**	**532,768**	**511,448**	**21,319**	**4%**	**1,164,594**
Expenditure By Type										
Employee related costs		292,469	305,558	305,558	33,804	128,577	129,619	(1,041)	-1%	305,558
Remuneration of councillors		9,787	10,082	10,082	805	4,002	4,284	(281)	-7%	10,082
Bulk purchases - electricity		238,307	293,304	293,304	21,058	110,480	106,243	4,237		293,304
Inventory consumed		58,457	54,053	55,694	4,706	20,426	21,669	(1,243)		55,694
Debt impairment		136,599	149,730	149,730	5,097	24,580	24,580	–		149,730
Depreciation and amortisation		59,438	49,119	49,119	–	16,486	20,466	(3,980)	-19%	49,119
Interest		35,276	31,848	31,848	11	1,406	1,434	(28)	-2%	31,848
Contracted services		187,171	185,406	184,732	17,084	65,204	65,413	(209)	0%	184,732
Transfers and subsidies		1,934	1,457	1,460	371	438	76	361	473%	1,460
Irrecoverable debts written off		–	1,784	1,784	–	–	–	–		1,784
Operational costs		62,516	73,456	72,487	6,190	26,017	29,501	(3,484)	-12%	72,487
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		1,221	–	–	–	–	–	–		–
Total Expenditure		**1,083,175**	**1,155,798**	**1,155,798**	**89,127**	**397,616**	**403,285**	**(5,669)**	**-1%**	**1,155,798**
Surplus/(Deficit)		**(331,169)**	**8,796**	**8,796**	**(17,543)**	**135,152**	**108,163**	**26,988**	**0**	**8,796**
Transfers and subsidies - capital (monetary allocations)		38,901	78,184	78,184	172	11,258	10,780	478	0	78,184
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**			**86,980**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**			**86,980**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**			**86,980**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(292,268)**	**86,980**	**86,980**	**(17,371)**	**146,410**	**118,943**			**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) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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)		–	–	–	–	–	–	–		–
21.14 - CLEANSING REFUSE REMOVAL SERV. (720)		–	–	–	–	–	–	–		–
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)		–	–	–	–	–	–	–		–
Single-year expenditure appropriation		–	100,532	102,980	3,142	14,943	34,481	(19,538)	-57%	102,980
16.29 - WATER RETICULATION (93)		–	10,207	10,408	154	2,129	13,052	(10,923)	-84%	10,408
Total Capital Multi-year expenditure	4,7	–	110,739	113,388	3,296	17,072	47,533	(30,461)	-64%	113,388
Single Year expenditure appropriation	2									
Vote 16 - CAPITAL SUSPENSE (28: CAPEX)		–	–	–	–	–	–	–		–
Vote 17 - 1. Executive AND Council (110: CAPEX)		–	–	75	–	63	75	(12)	-15%	75
Vote 18 - 2. Corporate (120: CAPEX)		–	–	63	–	–	–	–		63
Vote 19 - 3. Finance (130: CAPEX)		–	–	7	7	7	7	–		7
21.14 - CLEANSING REFUSE REMOVAL SERV. (720)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	75	–	63	–	63	#DIV/0!	75
Vote 22 - 7. Electricity (170: CAPEX)		–	–	63	–	–	–	–		63
Vote 23 - 8. Technical (180: CAPEX)		–	–	7	7	7	–	7	#DIV/0!	7
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	–	–	–	–	–		–
Single-year expenditure appropriation		–	–	–	–	–	–	–		–
16.29 - WATER RETICULATION (93)		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	–	289	14	141	82	59	72%	289
Total Capital Expenditure		–	110,739	113,677	3,310	17,213	47,615	(30,402)	-64%	113,677
Capital Expenditure - Functional Classification										
Governance and administration		–	700	1,032	7	174	82	92	112%	1,032
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	700	1,032	7	174	82	92	112%	1,032
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	10,480	11,026	–	499	5,667	(5,168)	-91%	11,026
Community and social services		–	800	800	–	–	–	–		800
Sport and recreation		–	7,180	6,615	–	499	5,420	(4,921)	-91%	6,615
Public safety		–	2,500	3,611	–	–	248	(248)	-100%	3,611
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	25,291	33,483	887	6,340	11,066	(4,725)	-43%	33,483
Planning and development		–	150	143	1	7	(7)	14	-201%	143
Road transport		–	25,136	33,335	885	6,333	11,073	(4,739)	-43%	33,335
Environmental protection		–	5	5	–	–	–	–		5
Trading services		–	74,267	67,991	2,410	10,129	30,800	(20,671)	-67%	67,991
Energy sources		–	47,247	47,851	931	2,062	11,604	(9,542)	-82%	47,851
Water management		–	12,107	12,308	154	2,179	13,886	(11,706)	-84%	12,308
Waste water management		–	13,514	6,432	1,325	5,888	5,310	578	11%	6,432
Waste management		–	1,400	1,400	–	–	–	–		1,400
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	–	110,739	113,533	3,303	17,143	47,615	(30,472)	-64%	113,533
Funded by:										
National Government		–	78,184	78,184	1,715	13,173	44,132	(30,958)	-70%	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	1,715	13,173	44,132	(30,958)	-70%	78,184
Borrowing	6	–	25,005	27,348	547	2,425	2,796	(371)	-13%	27,348
Internally generated funds		–	7,550	8,001	1,041	1,545	688	857	125%	8,001
Total Capital Funding		–	110,739	113,533	3,303	17,143	47,615	(30,472)	-64%	113,533

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		20,358	24,321	21,527	32,212	21,527
Trade and other receivables from exchange transactions		59,245	71,456	71,456	105,831	71,456
Receivables from non-exchange transactions		18,705	80,145	80,145	124,298	80,145
Current portion of non-current receivables		4	4	4	4	4
Inventory		11,799	13,818	13,818	14,110	13,818
VAT		18,942	25,875	25,875	23,111	25,875
Other current assets		(49)	(2,878)	(2,878)	(16,729)	(2,878)
Total current assets		**129,005**	**212,740**	**209,946**	**282,837**	**209,946**
Non current assets						
Investments		–	–	–	–	–
Investment property		67,661	68,614	68,614	67,661	68,614
Property, plant and equipment		1,458,508	1,473,802	1,476,596	1,474,757	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		**1,544,057**	**1,562,309**	**1,565,103**	**1,560,306**	**1,565,103**
TOTAL ASSETS		**1,673,062**	**1,775,049**	**1,775,049**	**1,843,142**	**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	15,299	14,573
Trade and other payables from exchange transactions		206,248	174,123	174,123	127,932	174,123
Trade and other payables from non-exchange transactions		(22,267)	(5,344)	(5,344)	18,562	(5,344)
Provision		33,910	33,777	33,777	33,118	33,777
VAT		(773)	(1,082)	(1,082)	9,651	(1,082)
Other current liabilities		5,077	4,563	4,563	5,077	4,563
Total current liabilities		**285,944**	**271,657**	**271,657**	**258,009**	**271,657**
Non current liabilities						
Financial liabilities		319,072	273,206	273,206	317,196	273,206
Provision		129,828	125,357	125,357	126,767	125,357
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**448,900**	**398,563**	**398,563**	**443,963**	**398,563**
TOTAL LIABILITIES		**734,844**	**670,220**	**670,220**	**701,972**	**670,220**
NET ASSETS	2	**938,218**	**1,104,830**	**1,104,830**	**1,141,171**	**1,104,830**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1,021,149	1,107,577	1,107,577	997,791	1,107,577
Reserves and funds		–	–	–	–	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**1,021,149**	**1,107,577**	**1,107,577**	**997,791**	**1,107,577**

Table C7: Cash Flow

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		237,376	290,007	–	1,924	44,724	–	44,724	#DIV/0!	–
Service charges		311,691	495,555	1,091,243	28,689	139,542	632,705	(493,162)	-78%	1,091,243
Other revenue		24,838	38,721	–	3,473	14,146	–	14,146	#DIV/0!	–
Transfers and Subsidies - Operational		109,684	167,773	–	25,114	153,545	–	153,545	#DIV/0!	–
Transfers and Subsidies - Capital		–	78,184	–	18,000	50,241	–	50,241	#DIV/0!	–
Interest		493	1,826	1,826	–	–	850	(850)	-100%	1,826
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(453,604)	(922,757)	(869,374)	(47,880)	(245,849)	(341,512)	(95,663)	28%	(869,374)
Interest		32,440	(31,848)	(31,848)	–	1,395	(1,434)	(2,829)	197%	(31,848)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**262,918**	**117,459**	**191,847**	**29,321**	**157,744**	**290,609**	**132,864**	**46%**	**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)	–	(2,801)	(25,455)	–	25,455	#DIV/0!	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(91,314)**	**(110,239)**	**–**	**(2,801)**	**(25,455)**	**–**	**25,455**	**#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)	–	(2,328)	(17,269)	(14,942)	87%	(39,361)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(39,593)**	**(39,361)**	**(39,361)**	**–**	**(2,328)**	**(17,269)**	**(14,942)**	**87%**	**(39,361)**
NET INCREASE/ (DECREASE) IN CASH HELD		**132,011**	**(32,140)**	**152,486**	**26,519**	**129,962**	**273,339**			**152,486**
Cash/cash equivalents at beginning:		(111,653)	56,462	(130,959)	(34,304)	(97,750)	(130,959)			(97,750)
Cash/cash equivalents at month/year end:		20,358	24,321	21,527	(7,784)	32,212	244,571			21,527

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2023/24											
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	7,912	4,727	10,270	2,299	1,630	1,499	16,564	35,877	80,778	57,869	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18,879	6,204	4,772	3,196	2,399	1,887	12,951	32,392	82,679	52,825	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	21,639	8,120	28,174	3,455	2,874	2,388	24,030	50,667	141,346	83,413	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,690	1,620	7,774	1,099	1,086	954	12,244	46,942	74,410	62,326	–	–
Receivables from Exchange Transactions - Waste Management	1600	2,612	1,451	7,121	950	919	817	9,957	40,518	64,345	53,162	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	558	147	83	1,106	65	51	389	7,126	9,526	8,737	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	128	137	115	254	178	124	2,189	(4,353)	(1,228)	(1,609)	–	–
Total By Income Source	**2000**	**54,418**	**22,407**	**58,309**	**12,360**	**9,151**	**7,720**	**78,324**	**209,169**	**451,857**	**316,723**	**–**	**–**
2022/23 - totals only		46,545	17,325	53,953	8,437	8,390	7,244	78,525	182,827	403,246	285,423		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2,247	1,651	4,011	712	587	494	1,957	2,437	14,097	6,187	–	–
Commercial	2300	18,166	7,332	12,258	5,481	3,590	3,038	30,396	58,445	138,707	100,950	–	–
Households	2400	34,004	13,423	42,040	6,167	4,974	4,188	45,971	148,287	299,053	209,586	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**54,418**	**22,407**	**58,309**	**12,360**	**9,151**	**7,720**	**78,324**	**209,169**	**451,857**	**316,723**	**–**	**–**

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description R thousands	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		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	1,215	–	–	–	–	–	–	–	1,215	436
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	19,337	–	–	–	–	–	–	–	19,337	13,216
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**20,552**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**20,552**	13,652

Supporting Table SC5: Investment Portfolio

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

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														
Investec - (Ceded to DBSA)	021941-500	Call	Call Deposit	Call Deposit	Fixed	3.35%	–	–	Call Deposit	3,010	20			**3,030**
Investec - (Own Funds)	021941-503	Call	Call Deposit	Call Deposit	Fixed	3.35%	–	–	Call Deposit	20	0			**20**
Investec - (Own Funds)	021941-501	Call	Call Deposit	Call Deposit	Fixed	3.35%	–	–	Call Deposit	0	0			**0**
Municipality sub-total										**3,030**		–	–	**3,050**
TOTAL INVESTMENTS AND INTEREST	2									**3,030**		–	–	**3,050**

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
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	280	52,962	45,592	7,370	16.2%	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	137	357	490	(133)	-27.2%	1,264
Integrated National Electrification Programme Grant		1,400	5,707	5,707	–	171	587	(416)	-70.8%	5,707
Local Government Financial Management Grant		1,721	1,771	1,771	21	131	230	(99)	-43.0%	1,771
Municipal Infrastructure Grant		4,655	5,081	5,081	122	1,319	601	718	119.5%	5,081
Neighbourhood Development Partnership Grant		379	1,957	1,957	–	–	327	(327)	-100.0%	1,957
Water Services Infrastructure Grant		–	443	443	–	–	–	–		443
Other transfers and grants [insert description]								–		
Provincial Government:		11,158	11,658	11,658	1,622	5,746	5,583	163	2.9%	11,658
Grant Income - W C P A		10,795	11,019	11,019	1,622	5,746	5,583	163	2.9%	11,019
Grant Income - WCPA(FMCBG)		363	639	639	–	–	–	–		639
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	(0)	100	–	100	#DIV/0!	–
South Africa National Biodiversity Institute (SANBI)		–	–	–	(0)	100	–	100	#DIV/0!	–
Total Operating Transfers and Grants	5	131,529	150,239	150,239	1,902	58,807	51,174	7,633	14.9%	150,239
Capital Transfers and Grants										
National Government:		34,996	78,184	78,184	172	11,258	10,780	478	4.4%	78,184
Integrated National Electrification Programme Grant		9,330	38,047	38,047	–	1,142	3,912	(2,771)	-70.8%	38,047
Municipal Infrastructure Grant		23,140	24,137	24,137	–	4,966	4,685	281	6.0%	24,137
Neighbourhood Development Partnership Grant		2,526	13,043	13,043	15	2,824	2,183	641	29.4%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	158	2,326	–	2,326	#DIV/0!	2,957
Other capital transfers *[insert description]*								–		
Provincial Government:		1,698	–	–	–	–	–	–		–
Capital Grant WCPA		1,698	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	36,694	78,184	78,184	172	11,258	10,780	478	4.4%	78,184
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	168,223	228,423	228,423	2,074	70,065	61,954	8,110	13.1%	228,423

Supporting Table SC7(1): Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
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	37,478	3,959	15,718	17,604	(1,886)	-10.7%	37,478
Equitable Share		32,803	30,637	32,837	3,524	14,292	16,291	(2,000)	-12.3%	32,837
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	137	357	222	135	60.7%	1,264
Local Government Financial Management Grant		1,721	1,906	1,906	21	131	156	(25)	-15.9%	1,906
Municipal Infrastructure Grant		1,975	1,471	1,471	277	938	935	3	0.4%	1,471
Expanded Public Works Programme Integrated Grant								–		
Integrated National Electrification Programme Grant								–		
Local Government Financial Management Grant								–		
Other transfers and grants [insert description]								–		
Provincial Government:		39,935	43,986	43,973	5,548	19,277	21,054	(1,777)	-8.4%	43,973
Allowance: Acting		119	14	–	–	–	(14)	14	-100.0%	–
Bonuses		150	–	–	–	4	–	4	#DIV/0!	–
Buildings		1,391	10	10	–	25	–	25	#DIV/0!	10
Fuel and Oil		128	131	131	19	64	66	(1)	-1.6%	131
Fuel Management Rental Fee		3	4	4	0	1	1	(0)	-40.1%	4
Grant - W C P A		12,688	18,766	18,766	2,423	10,079	8,793	1,286	14.6%	18,766
Grant - W C P A (Ethembeni 180)		7,400	–	–	–	–	–	–		–
Grant - W C P A (Happy Valley 95)		4,901	6,724	6,724	1,574	2,609	3,362	(753)	-22.4%	6,724
Grant - W C P A (Hlalani 273)		6,968	9,480	9,480	1,342	3,284	4,740	(1,456)	-30.7%	9,480
Grant - W C P A (Qolweni)		7	–	–	–	–	–	–		–
Grant - WCPA(FMCBG)		316	639	639	–	–	–	–		639
Grant - WCPA(Heidevallei Planning)		–	8,212	8,212	190	3,212	4,106	(894)	-21.8%	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
Greater Knysna Food Security Forum		1,000	–	–	–	39	–	39	#DIV/0!	–
Other grant providers:		1,000	–	–	–	39	–	39	#DIV/0!	–
Greater Knysna Food Security Forum		1,000	–	–	–	39	–	39	#DIV/0!	–
South Africa National Biodiversity Institute (SANBI)								–		
Total operating expenditure of Transfers and Grants:		78,488	80,638	82,825	9,507	35,035	38,669	(3,634)	-9.4%	82,825
Capital expenditure of Transfers and Grants										
National Government:		–	78,184	78,184	1,715	13,173	44,132	(30,958)	-70.1%	78,184
Integrated National Electrification Programme Grant		–	38,047	38,047	–	1,042	11,342	(10,300)	-90.8%	38,047
Municipal Infrastructure Grant		–	24,137	24,137	1,565	7,595	15,240	(7,645)	-50.2%	24,137
Neighbourhood Development Partnership Grant		–	13,043	13,043	13	2,455	5,435	(2,979)	-54.8%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	137	2,081	12,115	(10,034)	-82.8%	2,957
Provincial Government:		–	–	–	–	–	–	–		–
Knysna Vision(1393) UISP		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	78,184	78,184	1,715	13,173	44,132	(30,958)	-70.1%	78,184
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		78,488	158,822	161,008	11,222	48,208	82,801	(34,593)	-41.8%	161,008

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

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M05 November

Description R thousands	Ref	Budget Year 2023/24 Approved Rollover 2022/23	 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:		–	–	–	–	
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 - M05 November

Summary of Employee and Councillor remuneration R thousands	Ref	2022/23 Audited Outcome	Budget Year 2023/24 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	639	3,185	3,421	(236)	-7%	8,032
Pension and UIF Contributions		613	616	616	54	270	291	(21)	-7%	616
Medical Aid Contributions		108	211	211	12	59	62	(3)	-4%	211
Motor Vehicle Allowance		249	239	239	20	99	106	(7)	-7%	239
Cellphone Allowance		521	587	587	48	229	234	(5)	-2%	587
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		16	–	–	–	–	–	–		–
Sub Total - Councillors		9,402	9,684	9,684	773	3,842	4,114	(272)	-7%	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	409	1,923	1,769	154	9%	7,212
Pension and UIF Contributions		350	522	522	31	160	165	(5)	-3%	522
Medical Aid Contributions		60	50	50	5	26	26	–		50
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		(171)	199	199	30	30	–	30	#DIV/0!	199
Motor Vehicle Allowance		522	430	430	47	231	95	136	143%	430
Cellphone Allowance		5	5	5	1	5	5	–		5
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		39	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		5,880	8,419	8,419	522	2,375	2,060	315	15%	8,419
% increase	4		43.2%	43.2%						43.2%
Other Municipal Staff										
Basic Salaries and Wages		170,278	175,752	175,765	15,169	74,450	72,971	1,479	2%	175,765
Pension and UIF Contributions		35,343	38,378	38,378	3,069	15,333	15,045	288	2%	38,378
Medical Aid Contributions		13,126	15,254	15,311	1,094	5,571	5,618	(47)	-1%	15,311
Overtime		24,483	18,406	18,376	(97)	8,348	10,560	(2,212)	-21%	18,376
Performance Bonus		13,570	13,866	13,866	13,499	13,537	13,380	157	1%	13,866
Motor Vehicle Allowance		8,322	7,600	7,600	349	3,201	3,554	(354)	-10%	7,600
Cellphone Allowance		–	200	200	–	–	–	–		200
Housing Allowances		2,684	2,899	2,899	20	895	1,091	(196)	-18%	2,899
Sub Total - Other Municipal Staff		267,805	272,355	272,395	33,103	121,334	122,219	(884)	-1%	272,395
% increase	4		1.7%	1.7%						1.7%
Total Parent Municipality		283,086	290,458	290,498	34,399	127,552	128,393	(841)	-1%	290,498
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		283,086	290,458	290,498	34,399	127,552	128,393	(841)	-1%	290,498
% increase	4		2.6%	2.6%						2.6%
TOTAL MANAGERS AND STAFF		273,685	280,773	280,814	33,625	123,710	124,279	(569)	0%	280,814

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 - M05 November

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	2023/24	+1 2024/25	+2 2025/26
Cash Receipts By Source																
Property rates		1,458	37,699	2,042	1,600	1,924	–	–	–	–	–	–	245,282	290,007	300,162	314,311
Service charges - Electricity revenue		14,636	18,247	19,196	17,725	18,058	–	–	–	–	–	–	276,284	364,147	417,917	437,559
Service charges - Water revenue		4,694	6,378	5,962	5,760	6,543	–	–	–	–	–	–	47,191	76,529	82,779	91,657
Service charges - Waste Water Management		1,506	2,798	2,250	1,950	1,991	88,539	52,194	40,346	129,664	57,720	(1,099)	(350,079)	27,779	29,303	30,831
Service charges - Waste Mangement		1,588	3,394	2,558	2,211	2,096	–	–	–	–	–	–	15,253	27,100	28,583	29,977
Rental of facilities and equipment		304	217	303	343	319	–	–	–	–	–	–	4,863	6,349	6,688	7,029
Interest earned - external investments		–	–	–	–	–	135	137	51	40	286	300	878	1,826	1,916	2,006
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,018	1,101	1,166	1,148	1,193	–	–	–	–	–	–	9,237	14,864	32,000	38,159
Licences and permits		124	139	145	142	137	–	–	–	–	–	–	1,112	1,799	1,887	1,976
Agency services		120	144	240	132	138	–	–	–	–	–	–	3,258	4,033	4,230	4,429
Transfers and Subsidies - Operational		68,238	2,088	34,823	23,283	25,114	–	–	–	–	–	–	14,227	167,773	179,630	175,920
Other revenue		1,340	767	671	1,107	1,687	–	–	–	–	–	–	6,105	11,677	12,249	12,824
Cash Receipts by Source		**95,027**	**72,972**	**69,355**	**55,402**	**59,200**	**88,673**	**52,331**	**40,397**	**129,703**	**58,006**	**(799)**	**273,613**	**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	–	–	8,397	18,000	–	–	–	–	–	–	27,943	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**	**63,799**	**77,200**	**88,673**	**52,331**	**40,397**	**129,703**	**58,006**	**(799)**	**322,560**	**1,093,069**	**1,191,009**	**1,248,408**

Cash Payments by Type													–			
Employee related costs		–	–	–	–	–	27,507	27,215	27,149	27,101	27,101	27,106	152,462	315,640	336,829	346,724
Remuneration of councillors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
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	20,093	21,007	16,498	16,601	16,348	14,944	16,700	15,809	56,792	293,304	332,300	348,915
Acquisitions - water & other inventory		1,324	1,347	2,897	2,352	3,796	–	–	–	–	–	–	41,776	53,493	55,878	58,752
Contracted services		19,509	10,683	8,834	16,570	19,144	7,792	13,623	9,118	19,804	12,896	5,621	41,810	185,406	194,866	190,836
Transfers and subsidies - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		6,079	3,220	3,326	3,223	3,932	2,180	5,229	4,595	3,000	4,595	2,100	31,977	73,456	78,154	81,731
Cash Payments by Type		**56,049**	**49,286**	**49,001**	**42,238**	**47,880**	**65,172**	**63,414**	**57,559**	**64,849**	**61,707**	**50,636**	**345,357**	**953,148**	**1,033,436**	**1,066,031**
Other Cash Flows/Payments by Type																
Capital assets		8,810	5,403	5,398	3,042	2,801	–	–	–	–	–	–	85,284	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	16,310	39,361	41,447	43,643
Other Cash Flows/Payments		–	–	–	–	–	(20)	–	56	5	9	146	1,262	1,457	1,316	1,333
Total Cash Payments by Type		**65,422**	**55,970**	**54,883**	**45,280**	**50,681**	**68,606**	**66,868**	**61,069**	**68,308**	**65,170**	**54,236**	**448,212**	**1,104,705**	**1,197,953**	**1,246,494**
NET INCREASE/(DECREASE) IN CASH HELD		**53,449**	**17,002**	**14,472**	**18,520**	**26,519**	**20,068**	**(14,537)**	**(20,672)**	**61,396**	**(7,164)**	**(55,035)**	**(125,652)**	**(11,635)**	**(6,943)**	**1,914**
Cash/cash equivalents at the month/year beginning:		20,358	–	–	–	–	–	–	–	–	–	–	(55,035)	–	–	–
Cash/cash equivalents at the month/year end:		73,806	17,002	14,472	18,520	26,519	20,068	(14,537)	(20,672)	61,396	(7,164)	(55,035)	(180,687)	(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 - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	48,747	49,790	948	2,111	12,446	10,335	83.0%	49,790
Roads Infrastructure		–	3,000	3,000	289	378	–	(378)	#DIV/0!	3,000
Capital Spares		–	3,000	3,000	289	378	–	(378)	#DIV/0!	3,000
Electrical Infrastructure		–	42,047	42,651	643	1,684	11,404	9,720	85.2%	42,651
MV Switching Stations		–	2,500	2,500	–	–	–	–		2,500
MV Networks		–	1,500	1,701	643	643	63	(580)	-928.1%	1,701
LV Networks		–	38,047	38,450	–	1,042	11,342	10,300	90.8%	38,450
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	3,450	3,619	17	48	1,042	993	95.4%	3,619
Water Treatment Works		–	750	750	–	–	417	417	100.0%	750
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	700	700	–	–	625	625	100.0%	700
Distribution Points		–	250	419	17	34	–	(34)	#DIV/0!	419
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	1,750	1,750	–	14	–	(14)	#DIV/0!	1,750
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	–	–	417	417	100.0%	3,280
Community Facilities		–	2,000	3,280	–	–	417	417	100.0%	3,280
Fire/Ambulance Stations		–	2,000	3,280	–	–	417	417	100.0%	3,280
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	200	200	–	104	–	(104)	#DIV/0!	200
Computer Equipment		–	200	200	–	104	–	(104)	#DIV/0!	200
Furniture and Office Equipment		–	–	7	7	7	7	–		7
Furniture and Office Equipment		–	–	7	7	7	7	–		7
Machinery and Equipment		–	650	643	1	152	(7)	(159)	2274.5%	643
Machinery and Equipment		–	650	643	1	152	(7)	(159)	2274.5%	643
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		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	–	52,997	55,320	957	2,373	12,863	10,489	81.5%	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 - M05

Description	Ref	2022/23	Budget Year 2023/24							
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	26,573	492	3,706	9,985	6,279	62.9%	26,573
Roads Infrastructure		–	19,302	22,623	492	3,656	9,672	6,016	62.2%	22,623
Roads		–	19,302	22,623	492	3,656	9,672	6,016	62.2%	22,623
Water Supply Infrastructure		–	3,950	3,950	–	50	313	262	84.0%	3,950
Water Treatment Works		–	150	150	–	50	–	(50)	#DIV/0!	150
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	3,800	3,800	–	–	313	313	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
Capital Spares		–	750	750	–	–	–	–		750
Total Capital Expenditure on renewal of existing ass	1	–	24,007	27,328	492	3,706	9,985	6,279	62.9%	27,328

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

WC048 Knysna - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		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	59,295	6,953	17,125	16,589	(536)	-3.2%	59,295
Roads Infrastructure		3,918	6,802	6,802	1,721	2,696	1,345	(1,351)	-100.5%	6,802
Roads		3,905	6,783	6,783	1,721	2,696	1,345	(1,351)	-100.5%	6,783
Capital Spares		13	19	19	–	–	–	–		19
Storm water Infrastructure		877	1,166	540	46	56	(451)	(507)	112.4%	540
Drainage Collection		70	25	25	–	4	24	20	83.0%	25
Storm water Conveyance		807	1,141	514	46	52	(475)	(527)	110.9%	514
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		20,898	27,209	27,209	3,115	8,261	6,115	(2,146)	-35.1%	27,209
Power Plants		–	–	–	–	–	–	–		–
HV Substations		2,171	2,580	2,580	321	1,784	164	(1,620)	-988.5%	2,580
HV Switching Station		211	659	659	0	7	19	13	66.5%	659
HV Transmission Conductors		4,898	2,406	2,406	–	747	915	169	18.4%	2,406
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		9,447	12,778	12,778	905	2,651	3,595	944	26.2%	12,778
LV Networks		4,170	8,786	8,786	1,889	3,073	1,422	(1,651)	-116.1%	8,786
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		15,743	13,823	13,823	2,063	4,721	3,642	(1,078)	-29.6%	13,823
Water Treatment Works		13,676	10,798	10,798	1,896	4,275	3,148	(1,127)	-35.8%	10,798
Capital Spares		2,067	3,025	3,025	167	446	495	49	9.9%	3,025
Sanitation Infrastructure		9,946	9,661	9,661	7	1,321	5,145	3,825	74.3%	9,661
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		9,946	9,661	9,661	7	1,321	5,145	3,825	74.3%	9,661
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,218	1,260	1,260	2	70	792	722	91.1%	1,260
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		1,218	1,260	1,260	2	70	792	722	91.1%	1,260
Community Assets		4,816	4,634	4,634	207	1,445	2,177	732	33.6%	4,634
Community Facilities		3,465	3,165	3,165	182	860	1,415	555	39.2%	3,165
Halls		227	255	255	3	69	96	27	27.8%	255
Fire/Ambulance Stations		67	134	134	–	–	2	2	100.0%	134
Testing Stations		–	–	–	–	–	–	–		–
Museums		78	98	98	3	6	36	30	83.4%	98
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		500	569	569	65	193	278	85	30.5%	569
Cemeteries/Crematoria		660	511	511	3	117	239	122	51.1%	511
Police		29	189	189	–	2	5	3	67.4%	189
Purls		–	–	–	–	–	–	–		–
Public Open Space		1,902	1,409	1,409	107	473	758	285	37.6%	1,409
Sport and Recreation Facilities		1,351	1,469	1,469	26	585	762	177	23.3%	1,469
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		1,351	1,469	1,469	26	585	762	177	23.3%	1,469
Other assets		3,251	3,456	3,456	64	289	664	375	56.5%	3,456
Operational Buildings		740	2,445	2,445	64	262	124	(138)	-111.7%	2,445
Municipal Offices		617	2,149	2,149	48	244	115	(129)	-111.7%	2,149
Depots		123	296	296	17	19	9	(10)	-112.3%	296
Capital Spares		–	–	–	–	–	–	–		–
Housing		2,511	1,010	1,010	–	27	540	513	95.0%	1,010
Staff Housing		1,120	1,000	1,000	–	2	540	538	99.6%	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	509	2,139	2,082	(57)	-2.7%	6,215
Transport Assets		6,140	6,215	6,215	509	2,139	2,082	(57)	-2.7%	6,215
Total Repairs and Maintenance Expenditure	1	66,820	74,266	73,639	7,734	20,998	21,513	515	2.4%	73,639

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
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**	**–**	**10,371**	**12,964**	2,593	**20.0%**	**31,114**
Roads Infrastructure		5,818	5,186	5,186	–	1,729	2,161	432	20.0%	5,186
Roads		5,818	5,186	5,186	–	1,729	2,161	432	20.0%	5,186
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		1,029	901	901	–	300	376	75	20.0%	901
Drainage Collection		1,029	901	901	–	300	376	75	20.0%	901
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		8,001	7,875	7,875	–	2,625	3,281	656	20.0%	7,875
Power Plants		3	6	6	–	2	3	1	20.0%	6
HV Substations		7,999	7,869	7,869	–	2,623	3,279	656	20.0%	7,869
Water Supply Infrastructure		17,501	16,851	16,851	–	5,617	7,021	1,404	20.0%	16,851
Water Treatment Works		208	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		17,293	16,851	16,851	–	5,617	7,021	1,404	20.0%	16,851
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		6,120	152	152	–	51	63	13	20.0%	152
Pump Station		1	28	28	–	9	12	2	20.0%	28
Reticulation		5,909	–	–	–	–	–	–		–
Waste Water Treatment Works		166	79	79	–	26	33	7	20.0%	79
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		44	44	44	–	15	18	4	20.0%	44
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,818	50	50	–	17	21	4	20.0%	50
Landfill Sites		1,818	50	50	–	17	21	4	20.0%	50
Information and Communication Infrastructure		92	99	99	–	33	41	8	20.0%	99
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		92	99	99	–	33	41	8	20.0%	99
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**2,524**	**1,681**	**1,681**	**–**	**560**	**700**	140	**20.0%**	**1,681**
Community Facilities		1,900	1,626	1,626	–	542	677	135	20.0%	1,626
Halls		635	68	68	–	23	28	6	20.0%	68
Centres		7	528	528	–	176	220	44	20.0%	528
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		68	41	41	–	14	17	3	20.0%	41
Testing Stations		0	0	0	–	0	0	0	20.0%	0
Museums		6	6	6	–	2	2	0	20.0%	6
Galleries		–	–	–	–	–	–	–		–
Theatres		–	1	1	–	0	1	0	20.0%	1
Libraries		572	332	332	–	111	138	28	20.0%	332
Cemeteries/Crematoria		9	23	23	–	8	10	2	20.0%	23
Police		2	55	55	–	18	23	5	20.0%	55
Purls		252	181	181	–	60	75	15	20.0%	181
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	8	8	–	3	3	1	20.0%	8
Markets		–	–	–	–	–	–	–		–
Stalls		22	71	71	–	24	29	6	20.0%	71
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		327	313	313	–	104	130	26	20.0%	313
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		624	55	55	–	18	23	5	20.0%	55
Indoor Facilities		–	1	1	–	0	1	0	20.0%	1
Outdoor Facilities		624	54	54	–	18	22	4	20.0%	54
Capital Spares		–	–	–	–	–	–	–		–

Investment properties		137	145	145	–	48	61	12	20.0%	145
Revenue Generating		137	145	145	–	48	61	12	20.0%	145
Improved Property		137	145	145	–	48	61	12	20.0%	145
Other assets		1,773	1,624	1,624	–	654	677	22	3.3%	1,624
Operational Buildings		1,773	619	619	–	206	258	52	20.0%	619
Municipal Offices		1,773	619	619	–	206	258	52	20.0%	619
Housing		–	1,005	1,005	–	448	419	(29)	-7.0%	1,005
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	1,005	1,005	–	448	419	(29)	-7.0%	1,005
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		16	72	72	–	24	30	6	20.0%	72
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		16	72	72	–	24	30	6	20.0%	72
Computer Software and Applications		16	72	72	–	24	30	6	20.0%	72
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		973	3,924	3,924	–	1,308	1,635	327	20.0%	3,924
Computer Equipment		973	3,924	3,924	–	1,308	1,635	327	20.0%	3,924
Furniture and Office Equipment		1,616	6,902	6,902	–	2,301	2,876	575	20.0%	6,902
Furniture and Office Equipment		1,616	6,902	6,902	–	2,301	2,876	575	20.0%	6,902
Machinery and Equipment		735	621	621	–	207	259	52	20.0%	621
Machinery and Equipment		735	621	621	–	207	259	52	20.0%	621
Transport Assets		3,263	3,036	3,036	–	1,012	1,265	253	20.0%	3,036
Transport Assets		3,263	3,036	3,036	–	1,012	1,265	253	20.0%	3,036
Total Depreciation	1	51,416	49,119	49,119	–	16,486	20,466	3,980	19.4%	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 - M05

Description	Ref	2022/23	Budget Year 2023/24							
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	23,564	1,854	10,646	19,442	8,796	45.2%	23,564
Roads Infrastructure		–	5,834	10,713	393	2,677	1,401	(1,277)	-91.2%	10,713
Roads		–	5,834	10,713	393	2,677	1,401	(1,277)	-91.2%	10,713
Storm water Infrastructure		–	500	500	27	27	–	(27)	#DIV/0!	500
Drainage Collection		–	500	500	27	27	–	(27)	#DIV/0!	500
Electrical Infrastructure		–	2,700	2,700	–	–	200	200	100.0%	2,700
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	137	2,081	12,532	10,451	83.4%	4,739
Dams and Weirs		–	500	500	–	–	–	–		500
Water Treatment Works		–	250	250	–	–	417	417	100.0%	250
Bulk Mains		–	250	283	–	–	–	–		283
Distribution		–	3,707	3,707	137	2,081	12,115	10,034	82.8%	3,707
Sanitation Infrastructure		–	12,014	4,912	1,297	5,861	5,310	(551)	-10.4%	4,912
Pump Station		–	750	794	–	–	–	–		794
Reticulation		–	11,014	3,868	1,297	5,861	5,310	(551)	-10.4%	3,868
Waste Water Treatment Works		–	250	250	–	–	–	–		250
Community Assets		–	7,980	7,321	–	417	5,326	4,908	92.2%	7,321
Community Facilities		–	800	800	–	–	–	–		800
Cemeteries/Crematoria		–	800	800	–	–	–	–		800
Sport and Recreation Facilities		–	7,180	6,521	–	417	5,326	4,908	92.2%	6,521
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	7,180	6,521	–	417	5,326	4,908	92.2%	6,521
Total Capital Expenditure on upgrading of existing	1	–	33,734	30,885	1,854	11,063	24,768	13,705	55.3%	30,885