ANNEXURE B

KNYSNA
Municipality Munisipaliteit uMasipala

inclusive II innovative II inspired

Mid-Year Budget Assessment Report

(Section 72 of the MFMA)

1 July 2023 – 31 December 2023

To the Municipal Council

I hereby wish to submit to the Municipal Council the Mid-year Budget Assessment Report on the implementation of the budget and the financial state of affairs of the Municipality for the first six months of the financial year (July 2023 to December 2023).

As per Section 54(1)(f) of the Municipal Finance Management Act (MFMA), the Executive Mayor must submit the Section 72 report (Mid-year Budget Assessment Report), as submitted by the Accounting Officer to him, to Council by the 31st of January of each year.

The submission of this report forms part of my general responsibilities as the Executive Mayor of Knysna Municipality, as stipulated in Section 52 of the MFMA. This report is intended to inform the Council about the state of the financial affairs of the Municipality to enable Council to exercise oversight responsibility.

AUBREY TSENGWA
EXECUTIVE MAYOR

25 January 2024

To the Executive Mayor

In accordance with Section 72(1) of the MFMA, I submit herewith the required Mid-Year Budget Assessment Report on the state of Knysna Municipality's budget, containing the financial performance for the six-month period ending December 2023.

Section 54(1) of the MFMA requires from the Executive Mayor to perform appropriate actions following the receipt of this Report in order to ensure that the approved budget is implemented in accordance with the projections included in the Service Delivery and Budget Implementation Plan.

Should the Mid-year Budget Assessment Report necessitate adjustments to the original approved budget, Regulation 23(1) of the Municipal Budget and Reporting Regulations will require the Executive Mayor to table an adjustments budget in the Municipal Council no later than 28 February 2024.

The administration is currently in the process of preparing an adjustments budget. Based on the contents of this Report, it is recommended that the Executive Mayor table an adjustments budget in February 2024. The applicable Adjustments Budget Process Plan with tasks and time frames is attached to the item as Annexure A.

ANDISWA DUNYWA
ACTING MUNICIPAL MANAGER

25 January 2024

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1. INTRODUCTION

1.1 Section 72(1) of the MFMA requires from the Accounting Officer of the Municipality to submit a mid-year budget assessment report to the Executive Mayor by 25 January of each year detailing the state of the Municipality's capital and operational budget, based on the Section 71 reports submitted;

The Municipality's service delivery performance for the first half of the financial year taking into account the service delivery targets and performance indicators set in the Service Delivery and Budget Implementation Plan (SDBIP); and

Take into account the previous year's Annual Report and progress made on resolving problems identified in the Annual Report.

1.2 This Mid-Year Budget Assessment report addresses only the financial related matters (budget versus actuals for operating income, operating expenditure and capital expenditure), and progress made on the financial related concerns identified in the 2022/2023 Annual Report. The Municipality's service delivery performance assessment on the service delivery performance indicators, as specified in the SDBIP, will be provided in a separate report.

1.3 Section 28 of the MFMA determines that:

"(1) A municipality may revise an approved annual budget through an adjustments budget **[which is the case]**.

(2) An adjustments budget:

(a) Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year **[which is the case]**;

(b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for **[which is the case]***;*

(c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality **[not applicable]***;*

(d) May authorise the utilisation of projected savings in one vote towards spending under another vote **[which is the case]***;*

(e) *May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council* **[not applicable]***;*

(f) *May correct any errors in the annual budget* **[which is the case]***; and*

(g) *May provide for any other expenditure within a prescribed framework* **[not applicable]***.*

(3) *An adjustments budget must be in a prescribed framework* **[which will be the case]***.*

(4) *Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing and frequency* **[which will be the case]***.*

(5) *When an adjustments budget is tabled, it must be accompanied by –*

(a) *An explanation how the adjustments budget affects the annual budget* **[which will be the case]***;*

(b) *A motivation of any material changes to the annual budget* **[which will be the case]***;*

(c) *An explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years* **[which will be the case]***; and*

(d) *Any other supporting documentation that may be prescribed* **[which will be the case]***.*

(6) *Municipal tax and tariffs may not be increased during a financial year* **[which will not be the case]***."*

1.4 This Report does not include any specific proposals for adjusting the latest approved annual budget for budgeted revenue and budgeted expenditure. This report is a summary of the main concerns arising from the budget monitoring process. It compares the actual results of operating revenue, operating expenditure and capital expenditure, against the budgeted revenue and expenditure for the first six months of the current financial year. The projections made is simply for assessment purposes and is not suggesting that any of the amounts be allocated to line items in the adjustments budget. This will be an administrative exercise performed by senior and middle management, wherein all departments, divisions and sections will be involved.

1.5 Section 54 of the MFMA requires the Executive Mayor to consider the Section 71 and 72 reports and to take appropriate action, if needed, to ensure that the approved budget is implemented in accordance with the SDBIP.

1.6 Regulation 23(1) of the Municipal Budget and Reporting Regulations determines that:

> *"An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year* **[which will be the case]**.*"*

2. HIGH LEVEL OPERATING BUDGET ASSESSMENT

2.1 Operating Revenue per Category

2.1.1 The high-level budget assessment of operating revenue (capital grants included) per category is presented in Table 1 below.

Table 1: High Level Summary of Operating Revenue per Category										
			Budget Year 2023/2024							
Row Number	Description	2022/2023 Audited Outcome	Original Budget	Adjusted Budget	Year-To-Date Actual Revenue 31/12/2023	Actual Revenue as a % of Budgeted Revenue	Projected Revenue for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	Exchange Revenue / Service charges - Electricity	305,379,319	384,778,101	384,778,101	177,397,307	46.1%	358,712,091	-26,066,010	-6.8%
2	Exchange Revenue / Service charges - Water	77,197,968	84,388,754	84,388,754	50,767,028	60.2%	92,797,482	8,408,728	10.0%
3	Exchange Revenue / Service charges - Waste Water Management	29,240,122	30,864,387	30,864,387	19,548,118	63.3%	30,588,384	-276,003	-0.9%
4	Exchange Revenue / Service charges - Waste Management	28,465,919	30,029,458	30,029,458	19,999,410	66.6%	31,022,898	993,440	3.3%
5	Exchange Revenue / Sale of Goods and Rendering of Services	19,597,398	39,358,519	39,358,519	19,035,214	48.4%	43,729,714	4,371,195	11.1%
6	Exchange Revenue / Agency services	4,085,719	4,032,719	4,032,719	2,006,965	49.8%	3,806,965	-225,754	-5.6%
7	Exchange Revenue / Interest earned from Receivables	22,439,713	14,751,081	14,751,081	13,084,283	88.7%	27,236,497	12,485,416	84.6%
8	Exchange Revenue / Interest earned from Current and Non Current Assets	2,014,369	1,826,291	1,826,291	1,171,758	64.2%	2,048,484	222,193	12.2%
9	Exchange Revenue / Rental from Fixed Assets	6,395,970	6,938,143	6,938,143	3,761,052	54.2%	7,139,989	201,846	2.9%
10	Exchange Revenue / Licence and permits	70,929	45,480	45,480	68,219	150.0%	109,947	64,467	141.7%
11	Exchange Revenue / Operational Revenue	7,900,436	6,022,888	6,022,888	1,807,665	30.0%	2,013,401	-4,009,487	-66.6%
12	Non-Exchange Revenue / Property rates	260,888,545	304,253,695	304,253,695	191,723,053	63.0%	334,378,790	30,125,095	9.9%
13	Non-Exchange Revenue / Fines, penalties and forfeits	87,568,489	99,090,019	99,090,019	32,474,813	32.8%	100,160,702	1,070,683	1.1%
14	Non-Exchange Revenue / Licences or permits	1,377,333	1,742,814	1,742,814	709,689	40.7%	1,214,287	-528,527	-30.3%
15	Non-Exchange Revenue / Transfer and subsidies - Operational	133,959,649	150,239,391	150,239,391	97,097,456	64.6%	150,625,391	386,000	0.3%
16	Non-Exchange Revenue / Interest	7,795,167	5,732,582	5,732,582	5,274,378	92.0%	11,163,542	5,430,960	94.7%
17	Non-Exchange Revenue / Operational Revenue	0	0	0	0	0.0%	0	0	0.0%
18	Non-Exchange Revenue / Gains on disposal of Assets	852,714	500,000	500,000	38,765	7.8%	271,355	-228,645	-45.7%
19	Non-Exchange Revenue / Other Gains					0.0%		0	0.0%
15	Sub-Total	995,229,759	1,164,594,322	1,164,594,322	635,965,174	54.6%	1,197,019,917	32,425,595	2.8%
16	Transfers and Subsidies: Capital	38,900,782	78,183,609	78,183,609	14,251,785	18.2%	78,183,609	0	0.0%
17	Transfers and Subsidies: Donations	1,030	0	0	0	0.0%		0	0.0%
18	Grand Total	1,034,131,571	1,242,777,931	1,242,777,931	650,216,960	52.3%	1,275,203,526	32,425,595	2.6%

2.1.2 The year-to-date actual revenue (capital grants excluded) as at 31 December 2023 amounted to R 635.9 million (Row 15 & Column E) and represents 54.6% (Row 15 & Column F) of the adjusted budgeted revenue of R 1.164 million (Row 15 & Column D). An overall increase of R 32.4 million (Row 15 & Column H) of operating revenue is projected and will therefore necessitate amendments in an adjustments budget.

2.1.3 Revenue (capital grants included) for the financial year projects an amount of R 1.275 million (Row 18 & Column G) compared with the budgeted revenue of R 1.242 million (Row 18 & Column D).

2.1.3 An overall increase of 23% projected when comparing the projected revenue of R 1.275 million to audited total revenue of R1.034 million

2.1.4 Notable variances are as follows:

(a) Property Rates: A positive variance of R 30.1 million or 9.9% on Rates revenue additional is projected. The projected revenue of R 334.3million is 26% more than the actual audited revenue raised of R 260.8 million for the 2022/2023 financial year.
The increase was as a result of new GV implementation. Corrections on property values through objections and appeal periods.

(b) Electricity Revenue: A negative variance of R 26.0 million or -6.8% mainly on prepaid electricity sales as well as Bulk supply. The projected revenue of R 358.7 million is 17% more than the actual revenue of R 305.3 million for the 2022/2023 audited outcome.
Electricity Revenue is reflecting R8.4 million under collection and revenue raised by December2022 reporting period. Hence projections of possible R26.0 million reduction of revenue as a result of Loadshedding impact.

(c) Interest Earned: Outstanding Debtors: A positive variance of R 12.4 million or 84.6% against the budget of R14.7 million. The projected revenue of R 27.2 million is 21% more than the actual revenue of R 22.4 million for the 2022/2023 financial year.
Interest billed on outstanding debtors is already at 88.7% against annual budget, hence projected increase.

(d) Water Revenue: A positive variance of R8.4 million or 10% against the budget of R84.3 million. The projected revenue of R92.7 million is 20% more than the actual revenue of R77.1 million for the 2022/2023 audited outcome.

(e) Non-Exchange Revenue/Interest: a positive variance of R5.4 million or 94.7% against the budget of R5.7 million. The projected revenue of R11.1 million is 43% more than the R7.7 million 2022/2023 audited outcome.
Interest raised against property rates is R5.2 million or 92% against the annual budget of R5.7 million as at end December reporting period.

(f) Exchange Revenue / Sale of Goods and Rendering of Services: a positive variance of R4.3 million or 11.1% against the budget of R39.3 million. The projected revenue of R43.7 million is 123% more that the audited outcome of R19.5 million. The increase mainly relates to additional Human Settlement grants gazetted.

(g) Exchange Revenue / Operational Revenue: a negative variance of R4 million or 66.6% against R6.0 million budget. The projected revenue of R2 million is a reduction of 75% against R7.9 million audited figure of 2022/2023.

The reduction of revenue will be done on the Collection and deposits forfeited for breaking municipal facilities. This must be Zero-based going forward as no income recognised compared to 2022/2023.

2.1.5 It is evident from the projected revenue amounts and the additional grant allocations that an adjustments budget needs to be prepared and tabled in Council.

2.2 Operating Expenditure per Category

2.2.1 The high-level budget assessment of operating expenditure per category is presented in Table 2 below.

Table 2: High Level Summary of Operating Expenditure per Category

Row Number	Description	2022/2023 Audited Outcome	Budget Year 2023/2024 Original Budget	Adjusted Budget	Year-To-Date Actual Expenditure 31/12/2023	Actual Expenditure as a % of Budgeted Expenditure	Projected Expenditure for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	Expenditure / Employee related costs	292,468,744	305,558,192	305,558,192	153,140,515	50.1%	316,046,275	10,488,083	3.4%
2	Expenditure / Remuneration of councillors	9,787,116	10,081,756	10,081,756	4,843,019	48.0%	9,887,540	-194,216	-1.9%
3	Expenditure / Bulk purchases - electricity	238,307,168	293,304,290	293,304,290	129,413,822	44.1%	293,304,290	0	0.0%
4	Expenditure / Inventory consumed	58,457,471	54,053,315	57,257,905	24,504,075	42.8%	55,471,400	-1,786,505	-3.1%
5	Expenditure / Dept Impairment	134,636,341	149,729,891	149,729,891	24,579,509	16.4%	149,729,891	0	0.0%
6	Expenditure / Depreciation and amortisation	51,416,053	49,118,855	49,118,855	24,672,437	50.2%	55,618,855	6,500,000	13.2%
7	Expenditure / Interest	35,275,558	31,848,485	31,848,485	1,406,157	4.4%	31,898,485	50,000	0.2%
8	Expenditure / Contracted services	187,170,968	185,406,105	183,168,025	72,419,439	39.5%	187,668,025	4,500,000	2.5%
9	Expenditure / Transfers and subsidies	1,933,564	1,457,448	1,459,948	460,155	31.5%	1,459,948	0	0.0%
10	Expenditure / Irrecoverable debts written off	0	1,783,929	1,783,929	0	0.0%	1,783,929	0	0.0%
11	Expenditure / Operational costs	58,596,579	73,456,092	72,487,082	35,730,923	49.3%	74,846,304	2,359,222	3.3%
	Expenditure / Other Losses	1,221,132	0	0			0		
12	Grand Total	1,069,270,695	1,155,798,358	1,155,798,358	471,170,050	40.8%	1,177,714,942	21,916,584	1.9%

2.2.2 The year-to-date actual expenditure as at 31 December 2023 amounted to R 471.1 million (Row 12 & Column E) and represents 40.8% (Row 12 & Column F) of the adjusted budgeted expenditure of R 1,155 million (Row 12 & Column D). An overall estimated increase of R 21.9 million (Row 12 & Column H) is projected by year-end.

2.2.3 Operating expenditure projects an amount of R108 million or 10.1% escalation to R 1.177 million (Row 12 & Column G) compared to the audited actual expenditure of R 1.069 million (Row 12 & Column B.
All details will be investigated and addressed in the February adjustments budget.

2.2.4 Notable variances are as follows:

(a) Employee Related Costs: A positive variance of R 10.4 million or 3.4% mainly as a result of additional funds required on overtime and temp/ casuals budget.

Table 2.1: Employee Related Operating Expenditure per Sub-Category										
			Budget Year 2023/2024							
Row Number	Description	2022/2023 Audited Outcome	Original Budget	Adjusted Budget	Year-To-Date Actual Revenue 31/12/2023	Actual Revenue as a % of Budgeted Revenue	Projected Revenue for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	Acting Allowance	2,493,481	1,865,257	1,824,852	1,292,160	70.8%	2,799,726	974,874	53.4%
2	Actuarials	3,284,498	14,036,900	14,036,900	0	0.0%	14,036,900	0	0.0%
3	Bonus	13,569,591	13,866,016	13,866,016	13,542,916	97.7%	13,579,740	-286,276	-2.1%
4	Housing Allowance	830,704	754,767	754,767	328,454	43.5%	750,753	-4,014	-0.5%
5	Leave Pay	3,033,728	1,490,660	1,490,660	0	0.0%	1,490,660	0	0.0%
6	Night Shift Allowance	995,657	1,263,917	1,263,917	393,501	31.1%	824,857	-439,060	-34.7%
7	Overtime	20,044,551	13,066,800	13,036,800	8,429,606	64.7%	18,181,533	5,144,733	39.5%
8	Performance Bonus	-171,352	199,112	199,112	30,000	15.1%	30,000	-169,112	-84.9%
9	Rental Allowance	1,853,307	2,144,506	2,144,506	786,272	36.7%	1,682,937	-461,569	-21.5%
10	Scarcity Allowance	1,910,722	1,611,435	1,611,435	927,315	57.5%	1,902,162	290,727	18.0%
11	Shift Allowance	3,446,684	4,074,856	4,074,856	1,515,533	37.2%	3,274,986	-799,870	-19.6%
12	Skills Dev Levy	84,033	109,229	109,229	43,051	39.4%	85,999	-23,230	-21.3%
13	SM Acting Allowance	0	0	0	8,894	0.0%	25,570	25,570	0.0%
14	SM Car Allowance	521,571	430,032	430,032	277,000	64.4%	556,000	125,968	29.3%
15	SM Cellular and Telephone	5,000	5,265	5,265	6,000	114.0%	12,000	6,735	127.9%
16	SM Group Life Insurance	54,648	71,036	71,036	20,220	28.5%	33,049	-37,987	-53.5%
17	SM Medical Aid	60,066	50,451	50,451	31,664	62.8%	63,329	12,878	25.5%
18	SM Pension	284,583	437,984	437,984	165,638	37.8%	331,275	-106,709	-24.4%
19	SM Salaries	5,075,612	7,211,932	7,211,932	2,331,916	32.3%	4,785,881	-2,426,051	-33.6%
20	SM Scarcity Allowance	0	220,518	220,518	0	0.0%	0	-220,518	-100.0%
21	SM UIF	10,694	12,750	12,750	5,136	40.3%	10,450	-2,300	-18.0%
22	Staff Car Allowance	8,322,133	7,600,098	7,600,098	3,919,488	51.6%	8,233,293	633,195	8.3%
23	Staff Cellular and Telephone	0	200,000	200,000	0	0.0%	0	-200,000	-100.0%
24	Staff Group life Insurance	4,760,022	4,941,488	4,941,488	2,463,567	49.9%	4,931,073	-10,416	-0.2%
25	Staff Medical Aid	13,125,857	15,253,528	15,311,284	6,672,941	43.6%	13,284,440	-2,026,844	-13.2%
26	Staff Pension	28,838,914	30,204,600	30,204,600	15,359,388	50.9%	31,710,151	1,505,551	5.0%
27	Staff Salaries	161,837,795	168,961,905	168,496,149	83,704,670	49.7%	169,519,110	1,022,961	0.6%
28	Staff UIF	1,739,830	3,231,753	3,231,753	768,276	23.8%	1,497,943	-1,733,810	-53.6%
29	Standby Allowance	6,661,264	5,270,393	5,270,393	3,143,729	59.6%	6,677,224	1,406,831	26.7%
30	Temp Salaries	8,439,708	6,790,481	7,268,886	6,394,158	88.0%	14,473,865	7,204,979	99.1%
31	Uniform/Special/Protective Clothing	528	528	528	993	188.1%	1,257	729	138.1%
32	Allowances - Service Related Benefits - Fire Briga	1,315,930	164,200	164,200	578,028	352.0%	1,260,112	1,095,912	667.4%
33	Allowance:Non-pensionable	38,985	15,795	15,795	0	0.0%	0	-15,795	-100.0%
	Grand Total	292,468,744	305,558,192	305,558,192	153,140,515	50.1%	316,046,275	10,488,083	3.4%

The projected expenditure of R 316.0 million is 3.4% more than the adjusted budget of R305.5 million and 8% against the R292.4 million of the 2022/2023 audited actual expenditure which is more than the CPI SALGA per centage increases implemented for salary costs.

The projected over expenditure of the Temp budget as well as overtime has a negative impact on salary budget of the vacant post of which the impact will have to be addressed with the February adjustments budget.

(b) Expenditure / Depreciation and amortisation: A positive variance of R 6.5 million or 13.2% on depreciation is required as this expenditure year-on results in an overall unauthorised expenditure at year-end. Final figures will as well be implemented during adjustments budget.

(c) Expenditure / Contracted services: A positive variance of R 4.5 million or 2.5% relates to Legal Services costs required as current budget is depleted.

(d) Expenditure / Operational costs: A positive variance of R 2.3 million or 3.3% mainly on higher charges as well as external audit fees.

(e) Expenditure/ Inventory Consumed: A negative variance of R 1.7 million or -3.1% mainly reduction of fuel cost at Waste Department. Costs are diverted towards appointment of the service provider to assist with the collection of the waste and maintenance of the current trucks. Though a significant reduction of fuel cost overall, Water Disaster is projecting an over expenditure.

(f) Expenditure / Bulk purchases - Electricity: though no projections submitted with this report, possible downward adjustments will be implemented on receipt of confirmation by Eskom on the fluctuation of consumption when comparing from one month to the other.

Eskom	2022-2023						2022-2023					
Consumption:	**2022/07/01**	**2022/08/01**	**2022/09/01**	**2022/10/01**	**2022/11/01**	**2022/12/01**	**2023/07/01**	**2023/08/01**	**2023/09/01**	**2023/10/01**	**2023/11/01**	**2023/12/01**
ENERGY CONSUMPTION OFF PEAK kWH	1,098,943	1,058,435	3,001,959	978,395	894,141	1,042,914	3,402,573	3,012,533	2,979,876	3,423,991	2,495,697	3,809,721
ENERGY CONSUMPTION STD kWh	1,059,234	1,152,247	3,442,953	952,041	930,434	932,463	3,336,782	3,421,399	2,921,335	3,554,581	2,892,400	2,993,174
ENERGY CONSUMPTION PEAK kWh	463,324	495,857	1,500,305	415,027	437,014	378,628	1,274,748	1,447,749	1,138,461	1,595,467	1,137,233	1,164,919
ENERGY CONSUMPTION ALL kWh	2,621,502	2,706,539	7,945,218	2,345,463	2,261,589	2,354,005	8,014,103	7,881,681	7,039,672	8,574,039	6,525,329	7,967,813
DEMAND CONSUMPTION - OFF PEAK	6,719	5,428	21,289	6,217	5,114	6,225	19,687	20,912	17,971	16,104	17,931	16,538
DEMAND CONSUMPTION - STD	6,806	6,104	21,289	5,559	5,114	6,225	25,441	20,557	23,175	21,793	20,998	19,265
DEMAND CONSUMPTION - PEAK	6,806	6,714	21,289	5,559	5,114	6,225	22,419	20,616	21,783	22,627	18,066	18,079
DEMAND READING - KW/KVA	6,806	6,714	21,289	5,559	5,114	6,225	25,441	20,912	23,175	22,627	20,998	19,265
REACTIVE ENERGY - OFF PEAK	451,555	437,596	24,472	501,070	486,799	522,736	69,742	6,798	73,085	13,255	37,380	118,424
REACTIVE ENERGY - STD	362,011	404,580	182,429	412,256	429,296	411,438	117,600	75,892	119,394	145,063	244,115	253,548
REACTIVE ENERGY - PEAK	138,187	149,529	59,284	159,624	182,332	155,016	24,592	10,665	37,445	46,599	74,006	80,942
EXCESS REACTIVE ENERGY							13,086					
SIMULTANEOUS MAX DEMAND(2021/07/	53,066	68,897	21,289	-	-	-	25,441	19,765	23,175	22,627	20,998	19,265
LOAD FACTOR	51	56	54	47	46	37	42	50	42	51	43	56
Low Season Standard Energy Charge 4,102,15	-	-	3,603,050	996,311	973,699	975,823	-		3,622,455	4,407,680	3,586,576	3,711,536
Low Season Peak Energy Charge 1,760,711 k	-	-	2,281,664	631,173	664,611	575,817	-		2,051,507	2,875,032	2,049,294	2,099,184
Low Season Off Peak Energy Charge 3,615,70	-	-	1,993,001	649,556	593,620	692,391	-		2,343,970	2,693,311	1,963,114	2,996,727
High Season Off Peak Energy Charge 3,962,9	842,889	811,820		-	-	-	3,092,258	2,737,790				
High Season Peak Energy Charge 1,918,999 k	2,160,155	2,311,834		-	-	-	7,042,090	7,997,800				
High Season Standard Energy Charge 4,792,66	1,496,168	1,627,549		-	-	-	5,584,438	5,726,053				
Electrification and rural subsidy 10,674,658 k	307,502	317,477	931,974	275,123	265,284	276,125	1,113,960	1,095,554	978,514	1,191,791	907,021	1,107,526
High Season Reactive energy Charge 53,066 k	11,245	14,599		-		-	3,286	-				
Residual Connection Charge @ R21,454.00	21,454	21,454		21,454	21,454	-	-	-				
Residual Connection Charge @ R13,572.00	13,572	13,572		13,572	13,572	13,572	-	-				
P+A34:N34remium Connection Charge @ R0	-	-		-	-		-	-				
SERVICE CHARGE	9,338	9,338	177,086	9,338	9,037	9,338	216,820	216,820	209,826	216,820	209,826	216,820
TOTAL CHARGE	**5,324,640**	**5,588,955**	**10,619,696**	**3,037,385**	**2,974,406**	**2,994,626**	**19,067,045**	**19,679,747**	**11,170,952**	**13,349,115**	**10,635,882**	**12,028,599**

The above table clearly depicts non-comparable monthly expenditure from one year to the other. As well as month to month consumption, hence further investigation is done as the collections are reflecting significant decline of revenue as a result of Load Shedding.

2.2.5 It is evident from the projected expenditure amounts and the additional/amended grant allocations that an adjustments budget needs to be prepared and tabled in Council.

2.3 Operating Revenue and Expenditure Summary

2.3.1 The high-level budget assessment of operating revenue (capital grants included) and operating expenditure is presented in Table 3 below.

Table 3: High Level Summary of Operating Revenue and Expenditure

Row Number	Description	2022/2023 Audited Outcome	Budget Year 2023/2024 Original Budget	Adjusted Budget	Year-To-Date Actual Revenue / Expenditure 31/12/2023	Actual Revenue / Expenditure as a % of Budgeted Revenue	Projected Revenue/ Expenditure for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	Total Operating Revenue	995,229,759	1,164,594,322	1,164,594,322	635,965,174	54.6%	1,197,019,917	32,425,595	2.8%
2	Total Operating Expenditure	1,069,270,695	1,155,798,358	1,155,798,358	471,170,050	40.8%	1,177,714,942	-21,916,584	-1.9%
3	Operating Surplus / (Deficit)	-74,040,937	8,795,964	8,795,964	164,795,124	1873.5%	19,304,976	10,509,012	119%
4	Capital Grants	38,900,782	78,183,609	78,183,609	14,251,785	18.2%	78,183,609	-	0.0%
5	Surplus / (Deficit) for the Year	-35,140,155	86,979,573	86,979,573	179,046,910	205.8%	97,488,585	10,509,012	12.1%

2.3.2 Total operating revenue (capital grants excluded) for the financial year under review projects a positive variance of R 32.4 million (Row 1 & Column H) including the Provincial Grants gazette to be received in current year.

Total operating expenditure projects over-expenditure of R 21.9 million (Row 2 & Column H). Therefore, an overall positive variance of R 10.5 million (Row 3 & Column H) is projected for the 2023/2024 financial year.

2.3.3 The current adjustments budget reflects an operating surplus (capital grants excluded) of R 8.7 million (Row 3 & Column D). this was reserved to fund Capital expenditure funded through Internal funds.

2.3.4 The current adjustments budget reflects an overall surplus (capital grants included) of R 86.9 million (Row 5 & Column D) compared with the projected overall surplus of R 97.4 million (Row 5 & Column G).

3. HIGH LEVEL CAPITAL BUDGET ASSESSMENT

3.1 Capital Expenditure per Directorate

3.1.1 Council originally approved a capital budget of R 110.7 million (Row 9 & Column C) for the 2023/2024 financial year, as presented in Table 4 below. Council subsequently approved a Roll-Over Adjustments budget in August 2023 resulting in an increase to R 113.5 million (Row 9 & Column D).

Table 4: High Level Capital Budget per Directorate

Row Number	Directorate	2022/2023 Unaudited Outcome	Budget Year 2023/2024 Original Budget	Adjusted Budget	Year-to-Date Actual Expenditure 31/12/2023	Actual Expenditure as a % of Adjusted Budget (D to E)	Projected Expenditure for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	11,955	0	0	0	0.0%	0	0	0.0%
2	Corporate Services	1,477,586	200,000	449,739	103,763	23.1%	449,739	0	0.0%
3	Financial Services	382,061	0	0	0	0.0%	0	0	0.0%
4	Planning and Development	197,209	5,000	5,000	0	0.0%	0	5,000	100.0%
5	Integrated Human Settlements	1,243,273	0	0	0	0.0%	0	0	0.0%
6	Community Services	9,015,508	11,879,910	12,500,957	562,275	4.5%	8,300,957	4,200,000	33.6%
7	Electrical Services	21,279,834	47,747,000	48,350,924	3,064,102	6.3%	40,150,924	8,200,000	17.0%
8	Technical Services	61,488,122	50,906,699	52,225,931	17,290,838	33.1%	39,625,931	12,600,000	24.1%
9	Grand Total	95,095,547	110,738,609	113,532,551	21,020,978	18.5%	88,527,551	25,005,000	22.0%

3.1.2 Actual capital expenditure during the first six months of the 2023/2024 financial year (capital commitments excluded) equates to R21.0 million (Row 9 & Column E) or 18.5% against the Adjusted Budget of R113.5 million.

3.1.3 Actual (R21.0 million) and committed capital expenditure (R18.4 million) amounts to R39.4 million or 34.7% of the capital expenditure adjustments budget of R 113.5 million.

3.1.4 All Capital Expenditure funded through borrowings has been frozen as a result of no responsive of all banks during Municipal Loan tender process. Possible reduction of the R25 million Capital projects or other funding sources to be identified in this adjustments budget.
Capital reduction will adjust the budget to R88.5 million projected (Row 9 & Column G)

3.2 Capital Expenditure per Funding Source

3.2.1 Table 5 below depicts the same financial information contained in Table 4 above, however Table 5 categorises the capital expenditure by funding source.

Table 5: High Level Capital Budget per Funding Source										
			Budget Year 2023/2024							
Row Number	Funding Source	2022/2023 Unaudited Outcome	Original Budget	Adjusted Budget	Year-to-Date Actual Expenditure 31/12/2023	Actual Expenditure as a % of Adjusted Budget (D to E)	Projected Expenditure for the Year	Positive / (Negative) Variance (D to G)	Positive / (Negative) Variance %
Column Reference	A	B	C	D	E	F	G	H	I
1	National Government Grant	36,054,532	78,183,609	78,183,609	15,714,551	20.1%	78,183,609	0	0.0%
2	Provincial Government Grant	2,086,840	0	0	0	0.0%	0	0	0.0%
3	District Grant	120,000	0	0	0	100.0%	0	0	100.0%
4	Public Contributions and Donations		0	0	0	0.0%	0	0	0.0%
5	Borrowings	52,876,326	25,005,000	27,347,544	3,110,538	11.4%	2,342,544	25,005,000	91.4%
6	Internally Generated Funds	3,957,849	7,550,000	8,001,398	2,195,889	27.4%	8,001,398	0	0.0%
7	Grand Total	95,095,547	110,738,609	113,532,551	21,020,978	18.5%	88,527,551	25,005,000	22.0%

3.2.2 The spending patterns of the funding sources are discussed below:

(a) National Government Grants: Actual expenditure amounts to R 15.7 million (Row 1 & Column E) or 20.1% (Row 1 & Column F) of the budgeted amount of R 78.1 million (Row 1 & Column D).

Actual (R15.7 million) and committed capital expenditure (R14.2 million0 amounts to R 29.9 million or 38.2% of the capital expenditure adjustments budget of R 78.1 million as per the Monthly and Quarterly Budget Statement (Sections 71 and 52 of the MFMA) as at 31 December 2023.

There has been communication issued of possible reduction of MIG as a result of poor spending compared to milestones submitted. Recently appointed CFO travelled to Cape Town MIG office to address accelerated plans on the MIG grant spending for the remainder of the financial year.

(b) Provincial Grant: no projects funded through Provincial grants in the current year however R3 million gazetted by Provincial Human Settlement Department for Capital project.

(c) External Borrowings: Actual expenditure amounts to R 3.1 million (Row 5 & Column E) or 11.4% (Row 5 & Column F) of the budgeted amount of R 27.3 million (Row 5 & Column D).

Actual R3.1 million) and committed capital expenditure (R2.6 million) amounts to R 5.7 million or 20.8% of the capital expenditure adjustments budget of R 27.3 million as per the Monthly and Quarterly Budget Statement (Sections 71 and 52 of the MFMA) as at 31 December 2023.

The commitment of R5.7 million will have to be transferred to internal funds as all Loan Capital funded projects has been frozen as a result of non-responsive of the banks.

(d) Internally Generated Funds: Actual expenditure amounts to R 2.1 million (Row 6 & Column E) or 27.4% (Row 6 & Column F) of the budgeted amount of R 8.0 million (Row 6 & Column D).
Actual (R2.1 million) and committed capital expenditure (R1.6 million) amounts to R 3.7 million or 46.2% of the capital expenditure adjustments budget of R 8.0 million as per the Monthly and Quarterly Budget Statement (Sections 71 and 52 of the MFMA) as at 31 December 2023.

3.2.3 The committed R5.7 million expenditure incurred on the Borrowings are paid from the internal funds as we anticipated favourable response from the banks for the R25 million tendered amount.

4. 2022/2023 DRAFT ANNUAL REPORT

4.1 Submission of 2022/2023 Draft Annual Report

4.1.1 As legislated, Knysna Municipality submitted the Unaudited Annual Financial Statements for the 2022/2023 financial year to the Auditor-General of South Africa on 31 August 2023. By November 2023 re-statements were produced and submitted to AG for the changes and the Audit outcome from the AGSA on Knysna audited financials was an Qualified Audit opinion with material findings.

4.2 2022/2023 Operating Budget Results

4.2.1 <u>2022/2023 Operating Revenue Results</u>

4.2.1.1 Table 6 below depicts the audited revenue results for the 2022/20233 financial year. The actual revenue (including capital grants) for the year under review amounted to R 1.034 billion (Row 18 & Column C) and compared with the budgeted of R 1.126 billion (Row 18 & Column B), resulted in a negative variance of R 92.0 million (Row 18 & Column E).

4.2.1.2 The main contributors towards the negative variance is the R 31.2 million under Service Charges Electricity mainly on prepaid electricity sales;

4.2.1.3 R 30.1 million Fines, Penalties and Forfeits;

4.2.1.4 R7.6 million and R6.9 million on Transfers recognised Operating and Capital respectively.

4.2.1.5 R28 million on Other Revenue (R 28.0 million,

4.2.1.6 Transfers and Subsidies: Capital further contributed on the under collection by R7.0 million.

Table 6: Audited Revenue for the 2022/2023 Financial Year						
Row Number	Description	Final Budget	Unaudited Actual Revenue	% of Budgeted Revenue	Positive / (Negative) Variance (B to C)	Positive / (Negative) Variance % (B to C)
Column Reference	A	B	C	D	E	F
1	Property Rates	258,519,581	260,888,545	100.9%	2,368,964	0.9%
2	Service Charges: Electricity Revenue	336,642,289	305,379,319	90.7%	-31,262,970	-9.3%
3	Service Charges: Water Revenue	74,208,342	77,197,968	104.0%	2,989,626	4.0%
4	Service Charges: Sanitation Revenue	29,310,910	29,240,122	99.8%	-70,788	-0.2%
5	Service Charges: Refuse Revenue	27,831,817	28,465,919	102.3%	634,102	2.3%
6	Rental of Facilities and Equipment	6,588,929	6,395,970	97.1%	-192,959	-2.9%
7	Interest Earned: External Investments	1,734,370	2,014,369	116.1%	279,999	16.1%
8	Interest Earned: Outstanding Debtors	21,656,751	22,439,713	103.6%	782,962	3.6%
9	Fines, Penalties and Forfeits	125,516,494	95,363,656	76.0%	-30,152,838	-24.0%
10	Licences and Permits	1,655,094	1,377,333	83.2%	-277,761	-16.8%
11	Agency Services	3,829,743	4,085,719	106.7%	255,976	6.7%
12	Transfers and Subsidies: Operational	134,986,778	133,959,649	99.2%	-1,027,129	-0.8%
13	Other Revenue	55,613,984	27,568,764	49.6%	-28,045,220	-50.4%
14	Gains on Disposal of PPE	2,104,759	852,714	40.5%	-1,252,045	-59.5%
15	Sub-Total	1,080,199,841	995,229,759	92.1%	-84,970,082	-7.9%
16	Contributions Recognised: Donated Assets		1,030	#DIV/0!	1,030	#DIV/0!
17	Transfers and Subsidies: Capital	45,994,130	38,900,782	84.6%	-7,093,348	-15.4%
18	Grand Total	1,126,193,971	1,034,131,571	91.8%	-92,062,400	-8.2%

4.3.2 2022/2023 Operating Expenditure Results

4.3.2.1 Table 7 below depicts the audited operating expenditure results for the 2022/2023 financial year. The actual operating expenditure for the year under review amounted to R 1069 billion (Row 12 & Column C) compared with the budgeted operating expenditure amount of R 1 079 billion (Row 12 & Column B), resulted in a positive variance of R 10.5 million (Row 12 & Column E) or 1% (Row 12 & Column F).

4.3.2.2 The main contributor towards the positive variance of R 10.5 million is the under-expenditure of:

- R 18.1 million on Bulk Purchases
- R16.2 million Debt Impairment and

R4.7 million on Other Expenditure

Depreciation reflects negative variance of R 13.7 million due to Infrastructure assets useful lives were adjusted during the year causing an increase above budget and Other Materials R9.2 million.

Table 7: Unaudited Operating Expenditure for the 2022/2023 Financial Year						
Row Number	Description	Final Budget	Unaudited Actual Expenditure	% of Budgeted Expenditure	Positive / (Negative) Variance (B to C)	Positive / (Negative) Variance % (B to C)
Column Reference	A	B	C	D	E	F
1	Employee Related Costs	290,012,991	292,468,744	100.8%	-2,455,753	-0.8%
2	Remuneration of Councillors	9,788,642	9,787,116	100.0%	1,526	0.0%
3	Debt Impairment	144,850,952	128,576,807	88.8%	16,274,145	11.2%
4	Depreciation & Asset Impairment	43,687,538	57,475,588	131.6%	-13,788,050	-31.6%
5	Finance Charges	28,346,140	35,275,558	124.4%	-6,929,418	-24.4%
6	Bulk Purchases	256,505,491	238,307,168	92.9%	18,198,323	7.1%
7	Other Materials	46,475,724	55,758,720	120.0%	-9,282,996	-20.0%
8	Contracted Services	190,433,418	187,503,588	98.5%	2,929,830	1.5%
9	Transfers and Subsidies	2,808,464	1,933,564	68.8%	874,900	31.2%
10	Other Expenditure	66,926,861	62,183,842	92.9%	4,743,019	7.1%
11	Loss on Disposal of PPE			#DIV/0!	0	#DIV/0!
12	Grand Total	1,079,836,221	1,069,270,695	99.0%	10,565,526	1.0%

4.3.3 2022/2023 Operating Revenue and Expenditure Results

4.3.3.1 Table 8 below depicts a summary of the audited operating results for the 2022/2023 financial year. The actual operating surplus (capital grants excluded) for the year under review amounted to R 2.9 million (Row 3 & Column C) and compared with the budgeted operating surplus amount of R 3.4 million (Row 3 & Column B), resulted in a negative variance of R 465 thousand (Row 3 & Column E).

Table 8: Unaudited Revenue and Expenditure for the 2022/2023 Financial Year						
Row Number	Description	Final Budget	Unaudited Actual Revenue / Expenditure	% of Budgeted Revenue / Expenditure	Positive / (Negative) Variance (B to C)	Positive / (Negative) Variance % (B to C)
Column Reference	A	B	C	D	E	F
1	Total Operating Revenue	1,080,199,841	995,229,759	92.1%	-84,970,082	-7.9%
2	Total Operating Expenditure	1,079,836,221	1,069,270,695	99.0%	10,565,526	1.0%
3	Operating Surplus / (Deficit)	363,620	-74,040,937	-20362.2%	-74,404,557	-20462.2%
4	Contributions Recognised: Donated Assets	0	1,030	0.0%	1,030	0.0%
5	Capital Grants	45,994,130	38,900,782	84.6%	-7,093,348	-15.4%
6	Surplus / (Deficit) for the Year	46,357,750	-35,139,124	-75.8%	-81,496,874	-175.8%

4.3.3.2 The actual deficit for the year under review (capital grants included) amounted to R 35.1 million (Row 6 & Column C) and compared with the budgeted surplus amount of R 46.3 million (Row 6 & Column B), resulted in a negative variance of R 81.4 million (Row 6 & Column E).

4.4 Analysis of Outstanding Debtors

4.4.1 Section 78(1)(d) of the Municipal Finance Management Act (MFMA) determines that:

> "*Each senior manager of a municipality and each official of a municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that all revenue due to the municipality is collected*".

4.4.2 It is therefore not only the responsibility of the Directorate: Financial Services to ensure that all **revenue is billed and collected**. All Directors, senior managers and middle management should work collectively to ensure that billing business processes are implemented and complied with.

4.4.3 The Municipality is primarily dependent on the cash flow from operations and as such, all billed revenue must be collected. An analysis of the revenue collection rates for the year under review and the outstanding debtors is discussed hereunder, which indicates that the Municipality is still a going concern.

4.4.4 Outstanding Debtors per Revenue Source as at 30 June 2023

4.4.4.1 Table 9 below presents the age analysis of outstanding debtors (VAT inclusive) per revenue source as at 30 June 2023. Outstanding debtors went up from 2021/2022 (R 356.6 million) when comparing to the audited outcome of 2022/2023 (R 385.9 million (Row 8 & Column F) and after taking the R 270.7 million (Row 8 & Column G) of provision for bad debts into consideration, the net difference results in a possible recoverable outstanding debtor amount of R 115.2 million (Row 8 & Column H) as reflected in the Statement of Financial Position when excluding Fines.

4.4.4.2 Outstanding debt (90 days and older) amounting to R 309.4 million (Row 8 & Column E).

4.4.4.3 Current outstanding debt amounting to R 47.8 million (Row 8 & Column B) represents 12.4% (Row 9 & Column B) of total outstanding debtors of R 385.9 million (Row 8 & Column F).

4.4.4.4 Current outstanding debt amounting to R 47.8 million (Row 8 & Column B) represents 41.5% (Row 10 & Column B) of net outstanding debtors of R 115.2 million (Row 8 & Column H).

Table 9: Unaudited Debtors Age Analysis per Revenue Source as at 30 June 2023								
Row Number	Revenue Source	Outstanding Debtors Current	Outstanding Debtors 31 - 60 Days	Outstanding Debtors 61 - 90 Days	Outstanding Debtors 91+ Days	Total Outstanding Debtors	Provision for Bad Debt Impairment	Net Outstanding Debtors
Column Reference	A	B	C	D	E	F	G	H
1	Property Rates	15,869,945	6,340,472	3,561,272	79,312,296	105,083,985	-48,214,957	56,869,028
2	Service Charges: Electricity	19,359,474	5,549,579	3,072,564	49,009,766	76,991,383	-46,487,507	30,503,876
3	Service Charges: Water	6,781,465	2,705,816	2,589,290	51,401,102	63,477,673	-51,358,470	12,119,203
4	Service Charges: Sanitation	2,620,018	1,295,120	1,056,316	56,913,807	61,885,261	-56,860,432	5,024,829
5	Service Charges: Refuse	2,585,196	1,158,502	903,677	49,309,371	53,956,746	-47,230,384	6,726,362
6	Housing Rentals	413,999	148,168	95,712	7,453,285	8,111,164	-6,848,893	1,262,271
7	Sundry Debtors	181,090	146,654	156,031	16,000,844	16,484,619	-13,786,234	2,698,385
8	Total Outstanding Debtors (Including VAT)	47,811,187	17,344,311	11,434,862	309,400,471	385,990,831	-270,786,877	115,203,954
9	% of Total Outstanding Debt	12.4%	4.5%	3.0%	80.2%	100.0%		
10	% of Net Outstanding Debt	41.5%	15.1%	9.9%				

4.4.5 <u>Outstanding Debtors per Revenue Source as at 30 June 2022</u>

4.4.5.1 Table 10 below presents the age analysis of outstanding debtors (VAT inclusive) per revenue source as at 30 June 2022. Outstanding debtors amounted to R 356.6 million (Row 8 & Column F) and after taking the R 244 million (Row 8 & Column G) of provision for bad debts into consideration, the net difference results in a possible recoverable outstanding debtor amount of R 112.6 million (Row 8 & Column H) as reflected in the Statement of Financial Position (Balance Sheet).

Table 10: Audited Debtors Age Analysis per Revenue Source as at 30 June 2022								
Row Number	Revenue Source	Outstanding Debtors Current	Outstanding Debtors 31 - 60 Days	Outstanding Debtors 61 - 90 Days	Outstanding Debtors 91+ Days	Total Outstanding Debtors	Provision for Bad Debt Impairment	Net Outstanding Debtors
Column Reference	A	B	C	D	E	F	G	H
1	Property Rates	13,426,225	5,378,547	2,846,187	74,444,466	96,095,425	-41,136,503	54,958,922
2	Service Charges: Electricity	27,314,211	4,376,627	2,775,610	41,833,803	76,300,251	-37,690,709	38,609,542
3	Service Charges: Water	6,035,658	2,465,872	1,778,700	44,440,908	54,721,138	-44,878,313	9,842,825
4	Service Charges: Sanitation	1,399,036	1,156,517	914,804	54,935,377	58,405,734	-54,290,643	4,115,091
5	Service Charges: Refuse	738,174	936,178	697,252	46,188,677	48,560,281	-45,705,922	2,854,359
6	Housing Rentals	339,467	156,279	136,166	7,104,746	7,736,658	-6,652,997	1,083,661
7	Sundry Debtors	212,141	118,750	164,115	14,325,855	14,820,861	-13,651,216	1,169,645
8	Total Outstanding Debtors (Including VAT)	49,464,912	14,588,770	9,312,834	283,273,832	356,640,348	-244,006,303	112,634,045
9	% of Total Outstanding Debt	13.9%	4.1%	2.6%	79.4%	100.0%		
10	% of Net Outstanding Debt	43.9%	13.0%	8.3%				

4.4.5.2 Outstanding debt (90 days and older) amounting to R 283.2 million (Row 8 & Column E)

4.4.5.3 Current outstanding debt amounting to R 54.9 million (Row 8 & Column B) represents 17.7% (Row 9 & Column B) of total outstanding debtors of R 310.1 million (Row 8 & Column F).

4.4.5.4 Current outstanding debt amounting to R 49.4 million (Row 8 & Column B) represented 43.9% (Row 10 & Column B) of net outstanding debtors of R 356.6 million (Row 8 & Column H).

4.4.6 Comparing Outstanding Debtors as at 30 June 2022 and 30 June 2023

4.4.6.1 Gross outstanding debtors of R 356.6 million as at 30 June 2022 increased with R 29.5 million to R 385.9 million as at 30 June 2023.

4.4.6.2 Bad debt provision of R 244.0 million as at 30 June 2022 increased with R 26.7 million to R 270.7 million as 30 June 2022.

4.4.6.3 Net outstanding debtors of R 120.1 million as at 30 June 2021 decreased with R 5.1 million to R 115.0 million as at 30 June 2023.

4.4.6.4 Current outstanding debtors of R 49.4 million as at 30 June 2022 decreased with R 1.6 million to R 47.8 million as at 30 June 2023.

4.4.7 Debtors' Test Ratio

4.4.7.1 The debtors' test ratios (VAT excluded) are depicted in Table 11 below.

Table 11: Debtors' Test Ratio

Row Number	Description	Audited Outcome 2021/2022	Audited Outcome 2022/2023
Column Reference	A	B	C
1	Gross Outstanding Debtors (Before Bad Debt Provision) (VAT Excluded)	310,122,042	335,644,201
2	Billed Revenue for Property Rates and Service Charges (VAT Excluded)	456,012,329	519,000,920
3	Debtors' Test Ratio (Before Bad Debt Provision) (Cell B1 ÷ Cell B2 x 365 Days) (Cell C1 ÷ Cell C2 x 365 Days)	248.2	236.0
4	Total Outstanding Debtors (After Bad Debt Provision) (VAT Excluded)	97,942,648	100,177,351
5	Billed Revenue for Property Rates and Service Charges (VAT Excluded)	456,012,329	519,000,920
6	Debtors' Test Ratio (After Bad Debt Provision) (Cell B4 ÷ Cell B5 x 365 Days) (Cell C4 ÷ Cell C5 x 365 Days)	78.4	70.5

4.4.7.2 The Debtors' Test Ratio (before bad debt provision) of 248.2 days (Row 3 & Column B) for the 2021/2022 financial year decreased by 12 days to 236 days in the 2022/2023 financial year.

5. KEY CHALLENGES

5.1 Challenges to be addressed, but not limited to, are as follows:

(a) Limited short-term cash flow availability;

(b) Implementation of cost reduction measures;

(c) Implementation of revenue enhancement / realisation recommendations;

(d) Attaining a debt collection rate of 95% over the next few years;

(e) Strict adherence to Council approved policies;

(f) Application of strict budget control and variance analysis;

(g) Sourcing of additional grant / donor funding opportunities;

(h) Continued dependency on the use of consultants and debt collection firms;

(i) Utilisation of own funds to fund unfunded / underfunded mandates;

(j) Lack of or limited skills transfer; and

(k) Long-term financial sustainability.

5.2 Of material concern is the continued year-on-year increase in outstanding debtors.

6. RECOMMENDATIONS

6.1 It is recommended:

(a) That Council takes notes the content of the Section 72 Mid-Year Budget Assessment Report,

(b) That the Municipal Manager and Directors compile an Adjustments Budget for 2023/2024 based on the findings within the Section 72 Mid-Year Budget Assessment Report.

(c) That the Section 72 Mid-Year Budget Assessment Report be submitted to the National Treasury, Western Cape Provincial Treasury, the Internal Audit Department and the Audit Committee.

(d) That the Section 72 Mid-Year Budget Assessment Report be published on the municipal website.

7. APPENDICES

Appendix A: Municipal Budget and Reporting Regulations C-Schedules

8. TABLES

9. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

QUALITY CERTIFICATE

I, Mrs Andiswa Dunywa, the Acting Municipal Manager of Knysna Municipality (WC 048), hereby certify that:

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

for the six-month period ending December 2023, has been prepared in accordance with the Municipal Finance Management Act (Act No. 56 of 2003) and Regulations made under this Act.

Name: **ANDISWA DUNYWA**

Signature: ____________________

Date: **25 January 2024**

APPENDIX A

Municipal Budget and Reporting Regulations C-Schedules

WC048 Knysna - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

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	19,609	191,723	183,228	8,495	5%	304,254
Service charges	440,283	530,061	530,061	38,790	267,712	265,955	1,756	1%	530,061
Investment revenue	2,014	–	–	–	–	–	–		–
Transfers and subsidies - Operational	2,014	1,826	1,826	146	1,172	985	187	19%	1,826
Other own revenue	307,694	328,454	328,454	44,652	175,358	173,106	2,252	1%	–
Total Revenue (excluding capital transfers and contributions)	**752,006**	**1,164,594**	**1,164,594**	**103,197**	**635,965**	**623,274**	**12,691**	**2%**	**1,164,594**
Employee costs	292,469	305,558	305,558	24,563	153,141	153,172	(31)		305,558
Remuneration of Councillors	9,787	10,082	10,082	841	4,843	5,140	(297)		10,082
Depreciation and amortisation	59,438	49,119	49,119	8,187	24,672	24,560	113		49,119
Interest	35,276	31,848	31,848	18,647	20,053	19,628	425		31,848
Inventory consumed and bulk purchases	296,765	347,358	350,562	23,012	153,918	150,210	3,708		350,562
Transfers and subsidies	1,934	1,457	1,460	22	460	59	401	681%	1,460
Other expenditure	387,507	410,376	407,169	21,800	137,600	133,370	4,231	3%	407,169
Total Expenditure	**1,083,175**	**1,155,798**	**1,155,798**	**97,071**	**494,687**	**486,138**	**8,549**	**2%**	**1,155,798**
Surplus/(Deficit)	**(331,169)**	**8,796**	**8,796**	**6,126**	**141,278**	**137,136**	**4,142**	**3%**	**8,796**
Transfers and subsidies - capital (monetary allocations)	38,901	78,184	78,184	2,994	14,252	11,469	2,783	24%	78,184
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(292,268)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**	**6,925**	**5%**	**86,980**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(292,268)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**	**6,925**	**5%**	**86,980**
Capital expenditure & funds sources									
Capital expenditure	**–**	**110,739**	**113,533**	**3,878**	**21,021**	**57,346**	**(36,325)**	**-63%**	**113,533**
Capital transfers recognised	–	78,184	78,184	2,541	15,715	52,413	(36,699)	-70%	78,184
Borrowing	–	25,005	27,348	686	3,111	4,108	(998)	-24%	27,348
Internally generated funds	**–**	**7,550**	**8,001**	**651**	**2,196**	**825**	**1,371**	**166%**	**8,001**
Total sources of capital funds	**–**	**110,739**	**113,533**	**3,878**	**21,021**	**57,346**	**(36,325)**	**-63%**	**113,533**
Financial position									
Total current assets	129,005	212,740	209,946		240,241				209,946
Total non current assets	1,544,057	1,562,309	1,565,103		1,564,184				1,565,103
Total current liabilities	285,944	271,657	271,657		232,143				271,657
Total non current liabilities	448,900	398,563	398,563		422,011				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	13,982	171,726	314,130	142,404	45%	191,847
Net cash from (used) investing	(83,312)	(104,105)	–	(3,268)	(25,636)	–	25,636	#DIV/0!	–
Net cash from (used) financing	(39,593)	(39,361)	(39,361)	(21,270)	(23,597)	(20,723)	2,874	-14%	(39,361)
Cash/cash equivalents at the month/year end	**20,358**	**24,321**	**21,527**	**(17,101)**	**15,111**	**251,721**	**236,610**	**94%**	**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	54,045	23,243	15,053	52,271	10,759	8,509	78,915	211,465	454,260
Creditors Age Analysis									
Total Creditors	16,626	–	–	–	–	–	–	–	16,626

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

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**	**27,303**	**216,829**	**207,565**	9,264	4%	**343,953**
Executive and council		5,132	5,280	5,280	1,498	3,455	3,472	(18)	-1%	5,280
Finance and administration		300,746	338,673	338,673	25,805	213,375	204,093	9,282	5%	338,673
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**128,201**	**149,493**	**149,493**	**2,939**	**55,763**	**54,499**	1,264	2%	**149,493**
Community and social services		12,026	12,506	12,506	1,240	7,578	7,345	233	3%	12,506
Sport and recreation		1,460	1,361	1,361	117	735	653	82	13%	1,361
Public safety		87,818	101,891	101,891	119	32,234	32,713	(479)	-1%	101,891
Housing		26,897	33,735	33,735	1,463	15,217	13,789	1,428	10%	33,735
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**22,828**	**31,089**	**31,089**	**1,672**	**11,335**	**9,224**	2,111	23%	**31,089**
Planning and development		10,843	10,193	10,193	923	5,115	3,931	1,184	30%	10,193
Road transport		11,091	20,896	20,896	749	6,120	5,293	827	16%	20,896
Environmental protection		893	–	–	–	100	–	100	#DIV/0!	–
Trading services		**594,890**	**718,242**	**718,242**	**74,278**	**366,290**	**363,456**	2,834	1%	**718,242**
Energy sources		343,742	463,884	463,884	38,557	206,938	217,643	(10,705)	-5%	463,884
Water management		118,750	123,185	123,185	18,359	80,003	68,781	11,222	16%	123,185
Waste water management		80,796	80,172	80,172	9,560	43,822	42,370	1,452	3%	80,172
Waste management		51,601	51,001	51,001	7,802	35,528	34,662	866	2%	51,001
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,051,795**	**1,242,778**	**1,242,778**	**106,191**	**650,217**	**634,743**	**15,474**	**2%**	**1,242,778**
Expenditure - Functional										
Governance and administration		**165,030**	**212,982**	**213,002**	**15,208**	**92,817**	**89,491**	3,326	4%	**213,002**
Executive and council		17,676	31,154	31,154	1,238	7,197	7,544	(347)	-5%	31,154
Finance and administration		143,237	176,823	176,788	13,458	82,999	80,213	2,787	3%	176,788
Internal audit		4,118	5,005	5,060	513	2,621	1,735	886	51%	5,060
Community and public safety		**246,969**	**235,472**	**240,376**	**13,428**	**84,885**	**89,166**	(4,281)	-5%	**240,376**
Community and social services		22,963	17,169	22,103	3,222	13,350	12,906	444	3%	22,103
Sport and recreation		25,023	23,962	23,932	2,411	11,485	13,956	(2,471)	-18%	23,932
Public safety		149,893	146,014	146,014	5,145	36,424	35,908	516	1%	146,014
Housing		49,090	48,327	48,327	2,650	23,625	26,395	(2,769)	-10%	48,327
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**79,942**	**84,035**	**84,035**	**9,824**	**40,825**	**36,935**	3,890	11%	**84,035**
Planning and development		36,371	40,063	40,063	3,179	17,679	16,786	893	5%	40,063
Road transport		37,088	38,827	38,827	6,206	21,000	17,609	3,391	19%	38,827
Environmental protection		6,483	5,146	5,146	439	2,147	2,541	(394)	-16%	5,146
Trading services		**575,190**	**623,309**	**618,385**	**58,611**	**276,160**	**270,546**	**5,613**	2%	**618,385**
Energy sources		313,207	389,692	388,568	30,166	170,430	158,142	12,288	8%	388,568
Water management		111,040	98,024	96,415	12,409	44,765	51,050	(6,284)	-12%	96,415
Waste water management		90,739	89,675	87,484	11,647	37,704	37,351	353	1%	87,484
Waste management		60,203	45,918	45,918	4,389	23,260	24,004	(744)	-3%	45,918
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1,067,131**	**1,155,798**	**1,155,798**	**97,071**	**494,687**	**486,138**	**8,549**	**2%**	**1,155,798**
Surplus/ (Deficit) for the year		**(15,336)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**	**6,925**	**5%**	**86,980**

WC048 Knysna - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

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	–	7,439	219	1,919	4,471	(2,552)	-57.1%	7,439
Vote 4 - FINANCIAL SERVICES (34: IE)		56	(471)	(471)	–	–	–	–		(471)
Vote 5 - OPERATING SERVICES (35: IE)		5,452	–	–	4	156	–	156	#DIV/0!	–
Vote 6 - 1. Executive AND Council (110: IE)		5,132	5,280	5,280	1,498	3,455	3,472	(18)	-0.5%	5,280
Vote 7 - 2. Corporate (120: IE)		6,579	6,363	6,363	615	3,529	3,977	(448)	-11.3%	6,363
Vote 8 - 3. Finance (130: IE)		278,773	318,662	318,662	20,803	199,576	189,524	10,051	5.3%	318,662
Vote 9 - (140: IE)		–	–	–	–	–	–	–		–
Vote 10 - 5. Planning (150: IE)		7,031	5,112	5,112	732	3,605	3,210	395	12.3%	5,112
Vote 11 - 6. Community (160: IE)		166,346	187,192	179,753	13,798	87,649	84,445	3,205	3.8%	179,753
Vote 12 - 7. Electricity (170: IE)		343,742	463,884	463,884	38,557	206,938	217,643	(10,705)	-4.9%	463,884
Vote 13 - 6. Community (180: IE)		204,755	223,020	223,020	28,630	128,478	114,212	14,266	12.5%	223,020
Vote 14 - 8. Technical (180: IE)		26,870	33,735	33,735	1,338	14,913	13,789	1,125	8.2%	33,735
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,051,795**	**1,242,778**	**1,242,778**	**106,191**	**650,217**	**634,743**	**15,474**	**2.4%**	**1,242,778**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		299	529	539	44	400	286	114	40.0%	539
Vote 2 - CORPORATE SERVICES (32: IE)		84	64	64	23	194	32	162	503.3%	64
Vote 3 - COMMUNITY SERVICES (33: IE)		2,064	33,344	33,344	1,440	15,502	16,472	(970)	-5.9%	33,344
Vote 4 - FINANCIAL SERVICES (34: IE)		41	78	81	25	119	42	77	184.2%	81
Vote 5 - OPERATING SERVICES (35: IE)		(348)	5,117	5,007	528	1,641	495	1,147	231.7%	5,007
Vote 6 - 1. Executive AND Council (110: IE)		25,856	41,061	40,751	1,978	11,435	10,836	599	5.5%	40,751
Vote 7 - 2. Corporate (120: IE)		63,338	68,196	68,516	3,376	32,174	32,301	(127)	-0.4%	68,516
Vote 8 - 3. Finance (130: IE)		63,741	88,622	88,620	8,686	42,696	39,948	2,748	6.9%	88,620
Vote 9 - (140: IE)		–	3,633	4,283	152	617	1,153	(536)	-46.5%	4,283
Vote 10 - 5. Planning (150: IE)		27,161	559,086	555,231	38,383	223,986	231,058	(7,072)	-3.1%	555,231
Vote 11 - 6. Community (160: IE)		273,432	251,011	254,326	16,605	92,734	94,595	(1,861)	-2.0%	254,326
Vote 12 - 7. Electricity (170: IE)		316,808	30,835	30,835	5,080	17,402	16,916	486	2.9%	30,835
Vote 13 - 6. Community (180: IE)		246,108	69,510	69,490	20,056	52,318	38,674	13,643	35.3%	69,490
Vote 14 - 8. Technical (180: IE)		48,545	4,711	4,711	694	3,468	3,329	139	4.2%	4,711
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,067,131**	**1,155,798**	**1,155,798**	**97,071**	**494,687**	**486,138**	**8,549**	**1.8%**	**1,155,798**
Surplus/ (Deficit) for the year	2	**(15,336)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**	**6,925**	**4.7%**	**86,980**

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

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	26,886	177,397	185,885	(8,488)	-5%	384,778
Service charges - Water		77,198	84,389	84,389	8,227	50,767	41,796	8,971	21%	84,389
Service charges - Waste Water Management		29,240	30,864	30,864	1,840	19,548	19,001	547	3%	30,864
Service charges - Waste management		28,466	30,029	30,029	1,837	19,999	19,273	727	4%	30,029
Sale of Goods and Rendering of Services		31,369	39,359	39,359	1,944	19,035	17,457	1,579	9%	39,359
Agency services		4,086	4,033	4,033	112	2,007	2,002	5	0%	4,033
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		22,440	14,751	14,751	2,359	13,084	10,350	2,735	26%	14,751
Interest from Current and Non Current Assets		2,014	1,826	1,826	146	1,172	985			1,826
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		6,396	6,938	6,938	563	3,761	3,770	(9)	0%	6,938
Licence and permits		71	45	45	7	68	16	52	313%	45
Operational Revenue		7,912	6,023	6,023	34	1,808	1,241	567	46%	6,023
Non-Exchange Revenue								–		
Property rates		–	304,254	304,254	19,609	191,723	183,228	8,495	5%	304,254
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		87,568	99,090	99,090	239	32,475	32,672	(197)		99,090
Licence and permits		1,377	1,743	1,743	84	710	671	38		1,743
Transfers and subsidies - Operational		133,960	150,239	150,239	38,290	97,097	101,067	(3,969)		150,239
Interest		7,795	5,733	5,733	982	5,274	3,861	1,413		5,733
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		2,815	500	500	39	39	–	39		500
Other Gains		3,920	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**752,006**	**1,164,594**	**1,164,594**	**103,197**	**635,965**	**623,274**	**12,691**	**2%**	**1,164,594**
Expenditure By Type										
Employee related costs		292,469	305,558	305,558	24,563	153,141	153,172	(31)	0%	305,558
Remuneration of councillors		9,787	10,082	10,082	841	4,843	5,140	(297)	-6%	10,082
Bulk purchases - electricity		238,307	293,304	293,304	18,934	129,414	124,142	5,272		293,304
Inventory consumed		58,457	54,053	57,258	4,078	24,504	26,068	(1,564)		57,258
Debt impairment		136,599	149,730	149,730	4,871	29,450	29,450	–		149,730
Depreciation and amortisation		59,438	49,119	49,119	8,187	24,672	24,560	113	0%	49,119
Interest		35,276	31,848	31,848	18,647	20,053	19,628	425	2%	31,848
Contracted services		187,171	185,406	183,168	7,215	72,419	72,206	213	0%	183,168
Transfers and subsidies		1,934	1,457	1,460	22	460	59	401	681%	1,460
Irrecoverable debts written off		–	1,784	1,784	–	–	–	–		1,784
Operational costs		62,516	73,456	72,487	9,714	35,731	31,714	4,017	13%	72,487
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		1,221	–	–	–	–	–	–		–
Total Expenditure		**1,083,175**	**1,155,798**	**1,155,798**	**97,071**	**494,687**	**486,138**	**8,549**	**2%**	**1,155,798**
Surplus/(Deficit)		**(331,169)**	**8,796**	**8,796**	**6,126**	**141,278**	**137,136**	**4,142**	**0**	**8,796**
Transfers and subsidies - capital (monetary allocations)		38,901	78,184	78,184	2,994	14,252	11,469	2,783	0	78,184
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(292,268)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**			**86,980**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**(292,268)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**			**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**	**9,120**	**155,530**	**148,605**			**86,980**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(292,268)**	**86,980**	**86,980**	**9,120**	**155,530**	**148,605**			**86,980**

WC048 Knysna - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

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)		–	–	–	–	–	–	–		–
Vote 20 - 5. Planning (150: CAPEX)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	–	–	–	–	–		–
Vote 22 - 7. Electricity (170: CAPEX)		–	–	–	–	–	–	–		–
Vote 23 - 8. Technical (180: CAPEX)		–	–	–	–	–	–	–		–
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 16 - CAPITAL SUSPENSE (28: CAPEX)		–	110,739	113,368	3,878	20,951	57,264	(36,314)	-63%	113,368
Vote 17 - 1. Executive AND Council (110: CAPEX)		–	–	–	–	–	–	–		–
Vote 18 - 2. Corporate (120: CAPEX)		–	–	–	–	–	–	–		–
Vote 19 - 3. Finance (130: CAPEX)		–	–	–	–	–	–	–		–
Vote 20 - 5. Planning (150: CAPEX)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	95	–	63	75	(12)	-15%	95
Vote 22 - 7. Electricity (170: CAPEX)		–	–	63	–	–	–	–		63
Vote 23 - 8. Technical (180: CAPEX)		–	–	7	–	7	7	–		7
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	110,739	113,533	3,878	21,021	57,346	**(36,325)**	**-63%**	113,533
Total Capital Expenditure		**–**	**110,739**	**113,533**	**3,878**	**21,021**	**57,346**	**(36,325)**	**-63%**	**113,533**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**700**	**1,052**	**–**	**174**	**82**	92	112%	**1,052**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	700	1,052	–	174	82	92	112%	1,052
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**10,480**	**11,006**	**–**	**499**	**6,157**	(5,658)	-92%	**11,006**
Community and social services		–	800	800	–	–	–	–		800
Sport and recreation		–	7,180	6,615	–	499	5,826	(5,327)	-91%	6,615
Public safety		–	2,500	3,591	–	–	331	(331)	-100%	3,591
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**–**	**25,291**	**33,483**	**1,590**	**7,931**	**21,752**	(13,821)	-64%	**33,483**
Planning and development		–	150	143	–	7	(7)	14	-201%	143
Road transport		–	25,136	33,335	1,590	7,924	21,759	(13,835)	-64%	33,335
Environmental protection		–	5	5	–	–	–	–		5
Trading services		**–**	**74,267**	**67,991**	**2,288**	**12,417**	**29,356**	(16,938)	-58%	**67,991**
Energy sources		–	47,247	47,851	1,002	3,064	13,467	(10,403)	-77%	47,851
Water management		–	12,107	12,308	1,262	3,441	16,663	(13,222)	-79%	12,308
Waste water management		–	13,514	6,432	24	5,912	(774)	6,686	-864%	6,432
Waste management		–	1,400	1,400	–	–	–	–		1,400
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**–**	**110,739**	**113,533**	**3,878**	**21,021**	**57,346**	**(36,325)**	**-63%**	**113,533**
Funded by:										
National Government		–	78,184	78,184	2,541	15,715	52,413	(36,699)	-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**	**2,541**	**15,715**	**52,413**	**(36,699)**	**-70%**	**78,184**
Borrowing	6	–	25,005	27,348	686	3,111	4,108	(998)	-24%	27,348
Internally generated funds		–	7,550	8,001	651	2,196	825	1,371	166%	8,001
Total Capital Funding		**–**	**110,739**	**113,533**	**3,878**	**21,021**	**57,346**	**(36,325)**	**-63%**	**113,533**

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		20,358	24,321	21,527	15,111	21,527
Trade and other receivables from exchange transactions		59,245	71,456	71,456	104,360	71,456
Receivables from non-exchange transactions		18,705	80,145	80,145	117,945	80,145
Current portion of non-current receivables		4	4	4	4	4
Inventory		11,799	13,818	13,818	15,286	13,818
VAT		18,942	25,875	25,875	12,396	25,875
Other current assets		(49)	(2,878)	(2,878)	(24,861)	(2,878)
Total current assets		**129,005**	**212,740**	**209,946**	**240,241**	**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	1,478,635	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**	**1,564,184**	**1,565,103**
TOTAL ASSETS		**1,673,062**	**1,775,049**	**1,775,049**	**1,804,425**	**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	15,355	14,573
Trade and other payables from exchange transactions		206,248	174,123	174,123	108,262	174,123
Trade and other payables from non-exchange transactions		(22,267)	(5,344)	(5,344)	12,715	(5,344)
Provision		33,910	33,777	33,777	33,064	33,777
VAT		(773)	(1,082)	(1,082)	9,301	(1,082)
Other current liabilities		5,077	4,563	4,563	5,077	4,563
Total current liabilities		**285,944**	**271,657**	**271,657**	**232,143**	**271,657**
Non current liabilities						
Financial liabilities		319,072	273,206	273,206	295,926	273,206
Provision		129,828	125,357	125,357	126,085	125,357
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**448,900**	**398,563**	**398,563**	**422,011**	**398,563**
TOTAL LIABILITIES		**734,844**	**670,220**	**670,220**	**654,155**	**670,220**
NET ASSETS	2	**938,218**	**1,104,830**	**1,104,830**	**1,150,270**	**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**

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

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	–	22,368	67,092	–	67,092	#DIV/0!	–
Service charges		311,691	495,555	1,091,243	25,826	165,368	721,243	(555,875)	-77%	1,091,243
Other revenue		24,838	38,721	–	2,568	16,714	–	16,714	#DIV/0!	–
Transfers and Subsidies - Operational		109,684	167,773	–	36,429	189,974	–	189,974	#DIV/0!	–
Transfers and Subsidies - Capital		–	78,184	–	–	50,241	–	50,241	#DIV/0!	–
Interest		493	1,826	1,826	–	–	985	(985)	-100%	1,826
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(453,604)	(922,757)	(869,374)	(91,856)	(337,705)	(395,470)	(57,766)	15%	(869,374)
Interest		32,440	(31,848)	(31,848)	18,647	20,041	(12,628)	(32,669)	259%	(31,848)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**262,918**	**117,459**	**191,847**	**13,982**	**171,726**	**314,130**	**142,404**	**45%**	**191,847**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		2,105	500	–	39	39	–	39	#DIV/0!	–
Decrease (increase) in non-current receivables		4,001	3,067	–	93	1,636	–	1,636	#DIV/0!	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(93,419)	(110,739)	–	(3,492)	(28,946)	–	28,946	#DIV/0!	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,312)**	**(104,105)**	**–**	**(3,268)**	**(25,636)**	**–**	**25,636**	**#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)	(21,270)	(23,597)	(20,723)	2,874	-14%	(39,361)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(39,593)**	**(39,361)**	**(39,361)**	**(21,270)**	**(23,597)**	**(20,723)**	**2,874**	**-14%**	**(39,361)**
NET INCREASE/ (DECREASE) IN CASH HELD		**140,013**	**(26,007)**	**152,486**	**(10,556)**	**122,493**	**293,407**			**152,486**
Cash/cash equivalents at beginning:		(119,656)	50,328	(130,959)	(6,545)	(107,382)	(130,959)			(107,382)
Cash/cash equivalents at month/year end:		20,358	24,321	21,527	(17,101)	15,111	251,721			21,527

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description		Budget Year 2023/24											
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	9,847	4,003	3,213	9,819	2,119	1,540	16,847	36,389	83,776	66,713	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	17,470	7,182	4,078	3,984	2,517	2,214	12,909	33,722	84,076	55,346	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	20,979	8,718	5,028	23,977	2,844	2,594	23,694	50,280	138,115	103,389	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,662	1,615	1,358	7,521	1,045	1,046	12,605	47,314	75,166	69,531	–	–
Receivables from Exchange Transactions - Waste Management	1600	2,552	1,473	1,180	6,787	892	885	10,241	40,842	64,852	59,647	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	395	159	76	79	1,096	64	394	7,162	9,425	8,794	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	138	93	120	104	247	166	2,226	(4,244)	(1,151)	(1,502)	–	–
Total By Income Source	**2000**	**54,045**	**23,243**	**15,053**	**52,271**	**10,759**	**8,509**	**78,915**	**211,465**	**454,260**	**361,919**	**–**	**–**
2022/23 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2,986	1,775	1,296	3,910	596	505	2,214	2,309	15,591	9,534	–	–
Commercial	2300	17,741	7,377	5,407	10,563	4,910	3,447	30,265	59,413	139,123	108,598	–	–
Households	2400	33,318	14,091	8,349	37,798	5,252	4,557	46,437	149,743	299,546	243,788	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**54,045**	**23,243**	**15,053**	**52,271**	**10,759**	**8,509**	**78,915**	**211,465**	**454,260**	**361,919**	**–**	**–**

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

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	907	–	–	–	–	–	–	–	**907**	
Bulk Water	0200	–	–	–	–	–	–	–	–	**–**	
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**	
VAT (output less input)	0400	–	–	–	–	–	–	–	–	**–**	
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**	
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**	
Trade Creditors	0700	15,719	–	–	–	–	–	–	–	**15,719**	
Auditor General	0800	–	–	–	–	–	–	–	–	**–**	
Other	0900	–	–	–	–	–	–	–	–	**–**	
Total By Customer Type	**1000**	**16,626**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**16,626**	–

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

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	3,030	21			**3,051**
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										**3,050**		–	–	**3,071**
TOTAL INVESTMENTS AND INTEREST	2									**3,050**		–	–	**3,071**

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

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**	**37,271**	**90,233**	**94,401**	**(4,168)**	**-4.4%**	**138,581**
Equitable Share		111,172	122,358	122,358	36,772	87,755	91,769	(4,014)	-4.4%	122,358
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	141	498	651	(153)	-23.5%	1,264
Integrated National Electrification Programme Grant		1,400	5,707	5,707	150	322	661	(340)	-51.4%	5,707
Local Government Financial Management Grant		1,721	1,771	1,771	17	148	267	(119)	-44.5%	1,771
Municipal Infrastructure Grant		4,655	5,081	5,081	191	1,510	721	789	109.4%	5,081
Neighbourhood Development Partnership Grant		379	1,957	1,957	–	–	331	(331)	-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**	**1,019**	**6,765**	**6,666**	**99**	**1.5%**	**11,658**
Grant Income - W C P A		10,795	11,019	11,019	1,019	6,765	6,666	99	1.5%	11,019
Grant Income - WCPA(FMCBG)		363	639	639	–	–	–	–		639
Other transfers and grants [insert description]								–		
Other grant providers:		**–**	**–**	**–**	**–**	**100**	**–**	100	#DIV/0!	**–**
South Africa National Biodiversity Institute (SANBI)		–	–	–	–	**100**	–	100	#DIV/0!	–
Total Operating Transfers and Grants	5	**131,529**	**150,239**	**150,239**	**38,290**	**97,097**	**101,067**	**(3,969)**	**-3.9%**	**150,239**
Capital Transfers and Grants										
National Government:		34,996	78,184	78,184	2,994	14,252	11,469	2,783	**24.3%**	78,184
Integrated National Electrification Programme Grant		9,330	38,047	38,047	1,002	2,144	4,410	(2,266)	-51.4%	38,047
Municipal Infrastructure Grant		23,140	24,137	24,137	575	5,541	4,851	690	14.2%	24,137
Neighbourhood Development Partnership Grant		2,526	13,043	13,043	553	3,377	2,208	1,169	52.9%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	865	3,191	–	3,191	#DIV/0!	2,957
Provincial Government:		**1,698**	**–**	**–**	**–**	**–**	**–**	–		**–**
Capital Grant WCPA		**1,698**	**–**	**–**	**–**	**–**	**–**	–		**–**
Total Capital Transfers and Grants	5	**36,694**	**78,184**	**78,184**	**2,994**	**14,252**	**11,469**	**2,783**	**24.3%**	**78,184**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	168,223	228,423	228,423	41,284	111,349	112,536	(1,186)	-1.1%	228,423

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

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**	**39,042**	**3,673**	**19,391**	**20,922**	**(1,531)**	**-7.3%**	**39,042**
Equitable Share		32,803	30,637	34,402	3,348	17,639	19,369	(1,730)	-8.9%	34,402
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	141	498	266	232	87.0%	1,264
Local Government Financial Management Grant		1,721	1,906	1,906	17	148	187	(39)	-20.9%	1,906
Municipal Infrastructure Grant		1,975	1,471	1,471	167	1,106	1,100	6	0.5%	1,471
Other transfers and grants [insert description]								–		
Provincial Government:		**39,935**	**43,986**	**43,973**	**2,354**	**21,631**	**22,011**	**(380)**	**-1.7%**	**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	–	64	74	(9)	-12.6%	131
Fuel Management Rental Fee		3	4	4	–	1	1	(1)	-50.7%	4
Grant - W C P A		12,688	18,766	18,766	1,719	11,798	9,742	2,056	21.1%	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	316	2,924	3,362	(438)	-13.0%	6,724
Grant - W C P A (Hlalani 273)		6,968	9,480	9,480	237	3,522	4,740	(1,218)	-25.7%	9,480
Grant - W C P A (Qolweni)		7	–	–	–	–	–	–		–
Grant - WCPA(FMCBG)		316	639	639	–	–	–	–		639
Grant - WCPA(Heidevallei Planning)		–	8,212	8,212	82	3,294	4,106	(812)	-19.8%	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!	**–**
Total operating expenditure of Transfers and Grants:		**78,488**	**80,638**	**84,389**	**6,027**	**41,061**	**42,944**	**(1,883)**	**-4.4%**	**84,389**
Capital expenditure of Transfers and Grants										
National Government:		–	78,184	78,184	2,541	15,715	52,413	(36,699)	**-70.0%**	78,184
Integrated National Electrification Programme Grant		–	38,047	38,047	1,002	2,044	13,192	(11,148)	-84.5%	38,047
Municipal Infrastructure Grant		–	24,137	24,137	307	7,902	18,162	(10,259)	-56.5%	24,137
Neighbourhood Development Partnership Grant		–	13,043	13,043	481	2,936	6,522	(3,586)	-55.0%	13,043
Water Services Infrastructure Grant		–	2,957	2,957	752	2,833	14,538	(11,705)	-80.5%	2,957
Total capital expenditure of Transfers and Grants		**–**	**78,184**	**78,184**	**2,541**	**15,715**	**52,413**	**(36,699)**	**-70.0%**	**78,184**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**78,488**	**158,822**	**162,573**	**8,568**	**56,776**	**95,357**	**(38,582)**	**-40.5%**	**162,573**

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year Assessment

Description	Ref	Budget Year 2023/24				
R thousands		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					–	
Provincial Government:		–	–	–	–	
Grant Income - W C P A					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
South Africa National Biodiversity Institute (SANBI)					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Integrated National Electrification Programme Grant					–	
Provincial Government:		–	–	–	–	
					–	
					–	
District Municipality:		–	–	–	–	
					–	
					–	
Other grant providers:		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

WC048 Knysna - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

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	3,824	4,106	(281)	-7%	8,032
Pension and UIF Contributions		613	616	616	54	324	349	(24)	-7%	616
Medical Aid Contributions		108	211	211	12	71	74	(3)	-4%	211
Motor Vehicle Allowance		249	239	239	20	119	128	(8)	-7%	239
Cellphone Allowance		521	587	587	48	277	280	(4)	-1%	587
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		16	–	–	–	–	–	–		–
Sub Total - Councillors		**9,402**	**9,684**	**9,684**	**773**	**4,616**	**4,937**	**(321)**	**-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	2,332	2,123	209	10%	7,212
Pension and UIF Contributions		350	522	522	31	191	198	(7)	-3%	522
Medical Aid Contributions		60	50	50	5	32	32	–		50
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		(171)	199	199	–	30	354	(324)	-92%	199
Motor Vehicle Allowance		522	430	430	47	277	114	163	143%	430
Cellphone Allowance		5	5	5	1	6	6	–		5
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		39	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**5,880**	**8,419**	**8,419**	**492**	**2,868**	**2,826**	**41**	**1%**	**8,419**
% increase	4		**43.2%**	**43.2%**						**43.2%**
Other Municipal Staff										
Basic Salaries and Wages		170,278	175,752	175,765	15,649	90,099	87,455	2,644	3%	175,765
Pension and UIF Contributions		35,343	38,378	38,378	3,258	18,591	18,054	537	3%	38,378
Medical Aid Contributions		13,126	15,254	15,311	1,102	6,673	6,741	(69)	-1%	15,311
Overtime		24,483	18,406	18,376	1,990	10,339	12,672	(2,333)	-18%	18,376
Performance Bonus		13,570	13,866	13,866	6	13,543	13,432	110	1%	13,866
Motor Vehicle Allowance		8,322	7,600	7,600	719	3,919	4,265	(346)	-8%	7,600
Cellphone Allowance		–	200	200	–	–	–	–		200
Housing Allowances		2,684	2,899	2,899	220	1,115	1,310	(195)	-15%	2,899
Sub Total - Other Municipal Staff		**267,805**	**272,355**	**272,395**	**22,944**	**144,279**	**143,929**	**350**	**0%**	**272,395**
% increase	4		**1.7%**	**1.7%**						**1.7%**
Total Parent Municipality		**283,086**	**290,458**	**290,498**	**24,210**	**151,762**	**151,692**	**69**	**0%**	**290,498**
Unpaid salary, allowances & benefits in arrears:										
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		**283,086**	**290,458**	**290,498**	**24,210**	**151,762**	**151,692**	**69**	**0%**	**290,498**
% increase	4		**2.6%**	**2.6%**						**2.6%**
TOTAL MANAGERS AND STAFF		**273,685**	**280,773**	**280,814**	**23,437**	**147,146**	**146,756**	**391**	**0%**	**280,814**

WC048 Knysna - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

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	Outcome	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	22,368	–	–	–	–	–	222,914	290,007	300,162	314,311
Service charges - Electricity revenue		14,636	18,247	19,196	17,725	18,058	16,428	–	–	–	–	–	259,856	364,147	417,917	437,559
Service charges - Water revenue		4,694	6,378	5,962	5,760	6,543	5,837	–	–	–	–	–	41,354	76,529	82,779	91,657
Service charges - Waste Water Management		1,506	2,798	2,250	1,950	1,991	1,690	52,194	40,346	129,664	57,720	(1,099)	(263,230)	27,779	29,303	30,831
Service charges - Waste Mangement		1,588	3,394	2,558	2,211	2,096	1,870	–	–	–	–	–	13,383	27,100	28,583	29,977
		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		304	217	303	343	319	605	–	–	–	–	–	4,259	6,349	6,688	7,029
Interest earned - external investments		–	–	–	–	–	–	137	51	40	286	300	1,013	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	983	–	–	–	–	–	8,255	14,864	32,000	38,159
Licences and permits		124	139	145	142	137	91	–	–	–	–	–	1,021	1,799	1,887	1,976
Agency services		120	144	240	132	138	112	–	–	–	–	–	3,145	4,033	4,230	4,429
Transfers and Subsidies - Operational		68,238	2,088	34,823	23,283	25,114	36,429	–	–	–	–	–	(22,201)	167,773	179,630	175,920
Other revenue		1,340	767	671	1,107	1,687	778	–	–	–	–	–	5,327	11,677	12,249	12,824
Cash Receipts by Source		**95,027**	**72,972**	**69,355**	**55,402**	**59,200**	**87,191**	**52,331**	**40,397**	**129,703**	**58,006**	**(799)**	**275,095**	**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 Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	39	–	–	–	–	–	461	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		711	243	166	96	328	93	–	–	–	–	–	1,431	3,067	3,217	3,368
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**119,582**	**73,215**	**69,521**	**63,895**	**77,528**	**87,323**	**52,331**	**40,397**	**129,703**	**58,006**	**(799)**	**325,435**	**1,096,136**	**1,194,226**	**1,251,776**

Cash Payments by Type												–			
Employee related costs	–	–	–	–	–	33,056	27,215	27,149	27,101	27,101	27,106	146,914	315,640	336,829	346,724
Remuneration of councillors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest	(415)	(586)	(394)	–	–	(18,647)	746	348	–	416	–	50,380	31,848	35,409	39,073
Bulk purchases - Electricity	29,551	34,622	34,338	20,093	21,007	18,938	16,601	16,348	14,944	16,700	15,809	54,353	293,304	332,300	348,915
Acquisitions - water & other inventory	1,324	1,347	2,897	2,352	3,796	3,121	–	–	–	–	–	38,655	53,493	55,878	58,752
Contracted services	19,509	10,683	8,834	16,570	19,144	11,883	13,623	9,118	19,804	12,896	5,621	37,719	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	24,858	5,229	4,595	3,000	4,595	2,100	9,299	73,456	78,154	81,731
Cash Payments by Type	**56,049**	**49,286**	**49,001**	**42,238**	**47,880**	**73,209**	**63,414**	**57,559**	**64,849**	**61,707**	**50,636**	**337,320**	**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	3,492	–	–	–	–	–	81,792	110,739	121,754	135,487
Repayment of borrowing	563	1,281	483	–	–	21,270	3,454	3,454	3,454	3,454	3,454	(1,506)	39,361	41,447	43,643
Other Cash Flows/Payments	–	–	–	–	–	–	–	56	5	9	146	1,242	1,457	1,316	1,333
Total Cash Payments by Type	**65,422**	**55,970**	**54,883**	**45,280**	**50,681**	**97,971**	**66,868**	**61,069**	**68,308**	**65,170**	**54,236**	**418,847**	**1,104,705**	**1,197,953**	**1,246,494**
NET INCREASE/(DECREASE) IN CASH HELD	**54,159**	**17,245**	**14,638**	**18,615**	**26,847**	**(10,648)**	**(14,537)**	**(20,672)**	**61,396**	**(7,164)**	**(55,035)**	**(93,413)**	**(8,569)**	**(3,727)**	**5,282**
Cash/cash equivalents at the month/year beginning:	20,358	–	–	–	–	–	–	–	–	–	–	(55,035)	–	–	–
Cash/cash equivalents at the month/year end:	74,517	17,245	14,638	18,615	26,847	(10,648)	(14,537)	(20,672)	61,396	(7,164)	(55,035)	(148,448)	(8,569)	(3,727)	5,282

WC048 Knysna - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

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 new assets by Asset Class/Sub-class										
Infrastructure		–	**48,747**	**49,790**	**1,160**	**3,271**	**14,517**	11,246	**77.5%**	**49,790**
Roads Infrastructure		–	3,000	3,000	–	378	–	(378)	**#DIV/0!**	3,000
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	3,000	3,000	–	378	–	(378)	**#DIV/0!**	3,000
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	42,047	42,651	1,002	2,686	13,267	10,581	**79.8%**	42,651
MV Switching Stations		–	2,500	2,500	–	–	–	–		2,500
MV Networks		–	1,500	1,701	–	643	75	(568)	**-756.8%**	1,701
LV Networks		–	38,047	38,450	1,002	2,044	13,192	11,148	**84.5%**	38,450
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	3,450	3,619	158	207	1,250	1,043	**83.5%**	3,619
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	750	750	–	–	500	500	**100.0%**	750
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	700	700	–	–	750	750	**100.0%**	700
Distribution Points		–	250	419	158	192	–	(192)	**#DIV/0!**	419
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	1,750	1,750	–	14	–	(14)	**#DIV/0!**	1,750
Rail Infrastructure		–	250	270	–	–	–	–		270
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	250	270	–	–	–	–		270
Storm water Conveyance		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	250	–	–	–	–		250
Data Centres		–	–	250	–	–	–	–		250
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		–	**2,000**	**3,280**	–	–	**500**	**500**	**100.0%**	**3,280**
Community Facilities		–	2,000	3,280	–	–	500	500	**100.0%**	3,280
Halls		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	2,000	3,280	–	–	500	500	100.0%	3,280
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**
Furniture and Office Equipment		–	–	7	–	7	7	–		7
Machinery and Equipment		–	**650**	**643**	–	**152**	**(7)**	**(159)**	2274.5%	**643**
Machinery and Equipment		–	650	643	–	152	(7)	(159)	2274.5%	643
Transport Assets		–	**1,400**	**1,400**	–	–	–	–		**1,400**
Transport Assets		–	1,400	1,400	–	–	–	–		1,400
Total Capital Expenditure on new assets	1	–	**52,997**	**55,320**	**1,160**	**3,533**	**15,017**	**11,483**	**76.5%**	**55,320**

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

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	946	4,652	14,908	10,256	68.8%	26,573
Roads Infrastructure		–	19,302	22,623	594	4,250	14,533	10,283	70.8%	22,623
Roads		–	19,302	22,623	594	4,250	14,533	10,283	70.8%	22,623
Water Supply Infrastructure		–	3,950	3,950	352	402	375	(27)	-7.2%	3,950
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	150	150	–	50	–	(50)	#DIV/0!	150
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	3,800	3,800	352	352	375	23	6.2%	3,800
Community Assets		–	755	755	–	–	–	–		755
Community Facilities		–	5	5	–	–	–	–		5
Nature Reserves		–	5	5	–	–	–	–		5
Public Ablution Facilities		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	750	750	–	–	–	–		750
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	750	750	–	–	–	–		750
Total Capital Expenditure on renewal of existing assets	1	–	24,007	27,328	946	4,652	14,908	10,256	68.8%	27,328

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

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
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**52,600**	**59,922**	**57,731**	**1,528**	**18,653**	**16,665**	(1,988)	**-11.9%**	**57,731**
Roads Infrastructure		3,918	6,802	6,802	451	3,147	1,364	(1,783)	**-130.7%**	6,802
Roads		3,905	6,783	6,783	451	3,147	1,364	(1,783)	**-130.7%**	6,783
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		13	19	19	–	–	–	–		19
Storm water Infrastructure		877	1,166	540	27	83	(451)	(534)	**118.5%**	540
Drainage Collection		70	25	25	–	4	24	20	**83.0%**	25
Storm water Conveyance		807	1,141	514	27	79	(475)	(554)	**116.7%**	514
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		20,898	27,209	27,209	1,040	9,301	7,180	(2,122)	**-29.6%**	27,209
Power Plants		–	–	–	–	–	–	–		–
HV Substations		2,171	2,580	2,580	516	2,300	292	(2,008)	**-688.1%**	2,580
HV Switching Station		211	659	659	–	7	83	76	**92.1%**	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	344	2,995	3,686	691	**18.7%**	12,778
LV Networks		4,170	8,786	8,786	179	3,252	2,203	(1,049)	**-47.6%**	8,786
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		15,743	13,823	13,823	–	4,721	4,099	(622)	**-15.2%**	13,823
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		13,676	10,798	10,798	–	4,275	3,240	(1,034)	**-31.9%**	10,798
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		2,067	3,025	3,025	–	446	859	413	**48.1%**	3,025
Sanitation Infrastructure		9,946	9,661	8,097	7	1,327	3,581	2,254	**62.9%**	8,097
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		9,946	9,661	8,097	7	1,327	3,581	2,254	**62.9%**	8,097
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,218	1,260	1,260	3	74	892	819	**91.8%**	1,260
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		1,218	1,260	1,260	3	74	892	819	**91.8%**	1,260
Community Assets		**4,816**	**4,634**	**4,634**	**194**	**1,639**	**2,676**	**1,037**	**38.7%**	**4,634**
Community Facilities		3,465	3,165	3,165	153	1,014	1,913	899	**47.0%**	3,165
Halls		227	255	255	25	95	119	25	20.6%	255
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		67	134	134	–	–	67	67	100.0%	134
Testing Stations		–	–	–	–	–	–	–		–
Museums		78	98	98	3	9	41	32	78.1%	98
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		500	569	569	1	195	278	83	30.0%	569
Cemeteries/Crematoria		660	511	511	57	174	343	168	49.1%	511
Police		29	189	189	–	2	8	6	79.5%	189
Purls		–	–	–	–	–	–	–		–
Public Open Space		1,902	1,409	1,409	66	539	1,055	517	49.0%	1,409
Sport and Recreation Facilities		1,351	1,469	1,469	41	626	763	138	**18.0%**	1,469
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		1,351	1,469	1,469	41	626	763	138	18.0%	1,469
Other assets		**3,251**	**3,456**	**3,456**	**259**	**548**	**872**	**324**	**37.1%**	**3,456**
Operational Buildings		740	2,445	2,445	259	521	205	(316)	**-154.3%**	2,445
Municipal Offices		617	2,149	2,149	259	503	115	(388)	-336.9%	2,149
Depots		123	296	296	–	19	90	71	79.4%	296
Capital Spares		–	–	–	–	–	–	–		–
Housing		2,511	1,010	1,010	–	27	667	640	**96.0%**	1,010
Staff Housing		1,120	1,000	1,000	–	2	667	665	99.7%	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**	**483**	**2,622**	**2,323**	**(299)**	-12.9%	**6,215**
Transport Assets		6,140	6,215	6,215	483	2,622	2,323	(299)	-12.9%	6,215
Total Repairs and Maintenance Expenditure	1	**66,820**	**74,266**	**72,075**	**2,465**	**23,463**	**22,537**	**(926)**	**-4.1%**	**72,075**

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment

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									
Depreciation by Asset Class/Sub-class										
Infrastructure		**40,379**	**31,114**	**31,114**	**5,186**	**15,557**	**15,557**	**–**		**31,114**
Roads Infrastructure		5,818	5,186	5,186	864	2,593	2,593	–		5,186
Roads		5,818	5,186	5,186	864	2,593	2,593	–		5,186
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		1,029	901	901	150	451	451	–		901
Drainage Collection		1,029	901	901	150	451	451	–		901
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		8,001	7,875	7,875	1,313	3,938	3,938	–		7,875
Power Plants		3	6	6	1	3	3	–		6
HV Substations		7,999	7,869	7,869	1,311	3,934	3,934	–		7,869
Water Supply Infrastructure		17,501	16,851	16,851	2,808	8,425	8,425	–		16,851
Water Treatment Works		208	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		17,293	16,851	16,851	2,808	8,425	8,425	–		16,851
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		6,120	152	152	25	76	76	–		152
Pump Station		1	28	28	5	14	14	–		28
Reticulation		5,909	–	–	–	–	–	–		–
Waste Water Treatment Works		166	79	79	13	40	40	–		79
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		44	44	44	7	22	22	–		44
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,818	50	50	8	25	25	–		50
Landfill Sites		1,818	50	50	8	25	25	–		50
Information and Communication Infrastructure		92	99	99	16	49	49	–		99
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		92	99	99	16	49	49	–		99
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**2,524**	**1,681**	**1,681**	**280**	**840**	**840**	**–**		**1,681**
Community Facilities		1,900	1,626	1,626	271	813	813	–		1,626
Halls		635	68	68	11	34	34	–		68
Centres		7	528	528	88	264	264	–		528
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		68	41	41	7	20	20	–		41
Testing Stations		0	0	0	0	0	0	–		0
Museums		6	6	6	1	3	3	–		6
Galleries		–	–	–	–	–	–	–		–
Theatres		–	1	1	0	1	1	–		1
Libraries		572	332	332	55	166	166	–		332
Cemeteries/Crematoria		9	23	23	4	12	12	–		23
Police		2	55	55	9	28	28	–		55
Purls		252	181	181	30	90	90	–		181
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	8	8	1	4	4	–		8
Markets		–	–	–	–	–	–	–		–
Stalls		22	71	71	12	35	35	–		71
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		327	313	313	52	157	157	–		313
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		624	55	55	9	28	28	–		55
Indoor Facilities		–	1	1	0	1	1	–		1
Outdoor Facilities		624	54	54	9	27	27	–		54
Capital Spares		–	–	–	–	–	–	–		–

Investment properties		**137**	**145**	**145**	**24**	**73**	**73**	**–**		**145**
Revenue Generating		137	145	145	24	73	73	–		145
Improved Property		137	145	145	24	73	73	–		145
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		**1,773**	**1,624**	**1,624**	**271**	**925**	**812**	**(113)**	**-13.9%**	**1,624**
Operational Buildings		1,773	619	619	103	310	310	–		619
Housing		–	1,005	1,005	167	615	502	(113)	-22.5%	1,005
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	1,005	1,005	167	615	502	(113)	-22.5%	1,005
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		**16**	**72**	**72**	**12**	**36**	**36**	**–**		**72**
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		16	72	72	12	36	36	–		72
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		16	72	72	12	36	36	–		72
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		**973**	**3,924**	**3,924**	**654**	**1,962**	**1,962**	**–**		**3,924**
Computer Equipment		973	3,924	3,924	654	1,962	1,962	–		3,924
Furniture and Office Equipment		**1,616**	**6,902**	**6,902**	**1,150**	**3,451**	**3,451**	**–**		**6,902**
Furniture and Office Equipment		1,616	6,902	6,902	1,150	3,451	3,451	–		6,902
Machinery and Equipment		**735**	**621**	**621**	**104**	**311**	**311**	**–**		**621**
Machinery and Equipment		735	621	621	104	311	311	–		621
Transport Assets		**3,263**	**3,036**	**3,036**	**506**	**1,518**	**1,518**	**–**		**3,036**
Transport Assets		3,263	3,036	3,036	506	1,518	1,518	–		3,036
Total Depreciation	1	**51,416**	**49,119**	**49,119**	**8,187**	**24,672**	**24,560**	**(113)**	**-0.5%**	**49,119**

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

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 upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**–**	**25,754**	**23,564**	**1,772**	**12,418**	**21,689**	9,271	**42.7%**	**23,564**
Roads Infrastructure		–	5,834	10,713	996	3,673	7,225	3,552	**49.2%**	10,713
Roads		–	5,834	10,713	996	3,673	7,225	3,552	**49.2%**	10,713
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	500	500	24	51	–	(51)	**#DIV/0!**	500
Drainage Collection		–	500	500	24	51	–	(51)	**#DIV/0!**	500
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
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	752	2,833	15,038	12,205	**81.2%**	4,739
Dams and Weirs		–	500	500	–	–	–	–		500
Water Treatment Works		–	250	250	–	–	500	500	**100.0%**	250
Bulk Mains		–	250	283	–	–	–	–		283
Distribution		–	3,707	3,707	752	2,833	14,538	11,705	**80.5%**	3,707
Sanitation Infrastructure		–	12,014	4,912	–	5,861	(774)	(6,635)	**857.2%**	4,912
Pump Station		–	750	794	–	–	–	–		794
Reticulation		–	11,014	3,868	–	5,861	(774)	(6,635)	**857.2%**	3,868
Waste Water Treatment Works		–	250	250	–	–	–	–		250
Community Assets		**–**	**7,980**	**7,321**	**–**	**417**	**5,732**	**5,315**	**92.7%**	**7,321**
Community Facilities		–	800	800	–	–	–	–		800
Cemeteries/Crematoria		–	800	800	–	–	–	–		800
Sport and Recreation Facilities		–	7,180	6,521	–	417	5,732	5,315	**92.7%**	6,521
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	7,180	6,521	–	417	5,732	5,315	92.7%	6,521
Capital Spares		–	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing assets	1	**–**	**33,734**	**30,885**	**1,772**	**12,835**	**27,421**	**14,586**	**53.2%**	**30,885**