ANNEXURE A

KNYSNA
Municipality Munisipaliteit uMasipala

Monthly Budget Statement

(Section 71 of the MFMA)

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

February 2024

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PART 1: IN-YEAR REPORT

1. LEGAL CONTEXT

1.1 Monthly Budget Statement

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

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

(a) Actual revenue, per revenue source;

(b) Actual borrowings;

(c) Actual expenditure, per vote;

(d) Actual capital expenditure, per vote

(e) The amount of any allocations received;

(f) Actual expenditure on those allocations, excluding expenditure on –

(i) Its share of the local government equitable share; and

(ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

(g) When necessary, an explanation of –

(i) Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;

(ii) Any material variances from the service delivery and budget implementation plan; and

(iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include –

(a) A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and

(b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

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

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

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

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

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

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

1.2 Responsibility of the Executive Mayor

Section 54 of the MFMA determines that:

"(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must –

(a) Consider the statement or report;

(b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;

(c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;

(d) Issue any appropriate instructions to the accounting officer to ensure –

(i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and

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

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

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

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

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

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

(ii) The tabling of an adjustments budget; or

(iii) Steps in terms of Chapter 13; and

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

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

2. EXECUTIVE MAYOR'S REPORT

2.1 In-Year Report: Monthly Budget Statement

2.1.1 This report represents the Section 71 MFMA monthly budget statement for the month ending 29 February 2024, and reflects the implementation of the budget and the financial state of affairs of the Municipality.

2.1.2 I hereby wish to submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality as at the end of February 2024.

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

2.2 Overall Financial Status of the Municipality

2.2.1 As at 29 February 2024, the Commitments exceed the Cash and Cash Equivalents by R 84.6 million which has decreased with R 3.4 million compared to the R 87.9 million of January 2024. The cashflow position therefore remains a critical concern. The overdraft fascility is currently being used as and when required.

2.2.2 The last tranche of the Equitable Share is due to be received in March 2024 however, this will only provide temporary relief to the cashflow position.

2.2.3 The tender for the provision of R 25 million borrowings to fund capital projects budgeted is currently being assessed.

2.2.4 The Finance Directorate discloses an Unpaid Housing Grant of R 25.8 million.

Human Settlements has identified claims that is recoverable from the Department of Human Settlements which are in the process of resubmission after the finalisation of the reconciliation that was conducted internally. The age-based claims for beneficiaries will be taken up with the Department of Infrastructure for confirmation of repayment to the municipality. The municipality awaits the agreement on the refund of Covid claims from the Department of Infrastructure. A sundry debtor account relating to Covid claims for SC Housing will be opened for recovery thereof.

2.2.5 The municipality continuous to implement the debtors collection policy through the disconnection of long outstanding accounts. The political by-in with this process is commended. Furthermore the new appointments made within the Income Section will positively contribute the revenue enhancement.

2.2.6 The Diagnostics Report from the Western Cape Provincial Teasury, Department of Local Government and National COGTA was adopted by Council. A support plan are currently being prepared for implementation.

2.2.7 The February 2024 Adjustments Budget was approved on 28 February 2024.

2.3 Recommendations

(a) That the Mayoral Committee notes the Section 71 monthly budget statement as at 29 February 2024.

(b) That the Mayoral Committee notes that the Section 71 monthly budget statement for February 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 March 2024, being the 10th working day after the end of February 2024.

(a) That the Mayoral Committee notes that the Section 71 monthly budget statement as at 29 February 2024 will be published on the municipal website.

CLLR AUBREY TSENGWA
EXECUTIVE MAYOR
DATE: 14 March 2024

3. ACCOUNTING OFFICER'S REPORT

3.1 Introduction

3.1.1 In accordance with Section 71(1) of the Municipal Finance Management Act (MFMA), I submit the required statement on the state of Knysna Municipality's budget reflecting the financial information for the month ending February 2024.

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

3.1.3 The financial performance of the operating and capital budget for the 2023/2024 financial year, and an overview of the financial position of the Municipality, is provided below.

3.2 Financial Performance Overview

3.2.1 Year-to-date actual operating revenue (Row 18 in table below) of R 808.3 million compared to the year-to-date budgeted operating revenue of R 808.6 million results in a negative variance of -R 447.5 thousand or -0.1% (capital grants excluded). Variances of a material value in nature in the operating revenue budget are presented with appropriate comments in the table below.

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Adjusted Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
1	Service charges - Electricity	384,778,101	358,549,554	235,671,072	238,296,630	-2,625,558	-1.1%	The variance was mainly as a result of the reduced revenue received on Prepaid electricity revenue. The monthly projections for the remainder of the year was based on average billing to date of R13 million monthly collections and the January collections declined by R2 million in Feb 2024 after budget adjusted downward. Ontec report is submitted to the Electrical department as urgent investigation needs to be carried to ensure that no possible escalation of electricity by passing but purely load shedding impact.
2	Service charges - Water	84,388,754	89,582,630	68,659,899	63,586,873	5,073,026	8.0%	The variance is specifically relating to actual billing reading done in February 2024 compared to monthly estimate billing. This significant consumption could be as a result of various factors such as undetected leaks, tank filling as well as usage related to seasonal changes. This will be submitted to the plumbing department for further investigation.
3	Service charges - Waste Water Management	30,864,387	32,370,798	23,215,900	23,510,926	-295,026	-1.3%	
4	Service charges - Waste management	30,029,458	31,413,434	23,506,862	23,642,516	-135,654	-0.6%	
5	Sale of Goods and Rendering of Services	33,066,322	38,601,582	23,735,913	24,409,978	-674,065	-2.8%	
6	Agency services	4,032,719	4,032,719	2,935,263	2,685,039	250,224	9.3%	
7	Interest earned from Receivables	14,751,081	21,043,958	17,822,221	17,073,011	749,210	4.4%	
8	Interest from Current and Non Current Assets	1,826,291	1,826,291	1,503,934	1,580,318	-76,384	-4.8%	
9	Rental from Fixed Assets	6,938,143	7,413,022	4,762,407	5,558,925	-796,518	-14.3%	
10	Licence and permits	45,480	96,349	90,214	89,921	293	0.3%	
11	Operational Revenue	6,022,888	6,598,156	3,470,078	4,072,354	-602,276	-14.8%	
12	Property rates	304,253,695	313,942,594	231,121,831	231,402,815	-280,984	-0.1%	
13	Fines, penalties and forfeits	99,090,019	99,090,019	58,077,125	57,777,255	299,870	0.5%	
14	Licence and permits	1,742,814	1,742,814	966,797	1,193,104	-226,307	-19.0%	Immaterial value.
15	Transfers and subsidies - Operational	150,239,391	151,320,558	105,613,140	105,791,149	-178,009	-0.2%	
16	Interest (Property Rates)	5,732,582	10,604,918	7,116,544	7,953,662	-837,118	-10.5%	
17	Gains on Disposal of PPE	500,000	500,000	38,765	131,012	-92,247	0.0%	
18	**Total Revenue (Capital Grants Excluded)**	**1,158,302,125**	**1,168,729,396**	**808,307,965**	**808,755,488**	**-447,523**	**-0.1%**	

3.2.2 Year-to-date actual operating expenditure (Row 32 in table below) of R 657.7 million compared to the year-to-date budgeted operating expenditure of R 660.5 million results in a positive variance of R 2.8 million or 0.4%. Variances of a material value in nature in the operating expenditure budget are presented with appropriate comments in the table below.

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Adjusted Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
19	Employee related costs	305,558,192	313,339,507	202,601,546	202,711,792	110,246	0.1%	
20	Remuneration of councillors	10,081,756	10,454,233	6,502,433	6,502,434	1	0.0%	
21	Bulk purchases - electricity	293,304,290	282,612,104	170,892,265	170,902,288	10,023	0.0%	
22	Other materials	54,053,315	56,814,376	38,376,405	36,912,526	-1,463,879	-4.0%	
23	Debt impairment	149,729,891	169,614,791	39,191,114	39,941,179	750,065	1.9%	
24	Depreciation and amortisation	49,118,855	58,131,672	32,860,451	32,859,729	-722	0.0%	
25	Interest	31,848,485	37,564,791	21,857,304	22,527,430	670,126	3.0%	
26	Contracted services	185,406,105	161,162,619	100,079,728	101,351,576	1,271,848	1.3%	The variance is as a result of the Housing grant realignment. This grant projects were adjusted with the February Adjustments Budget. Revised cash flows will be requested from the service department and will be effected with the March reporting.
27	Transfers and subsidies	1,457,448	2,146,588	496,989	484,155	-12,834	-2.7%	
28	Irrecoverable debts written off	1,783,929	1,783,929	0	0	0	0.0%	
29	Operational costs	73,456,092	73,779,637	44,855,274	46,284,309	1,429,035	3.1%	The variance is mainly on the office rental (To cater for the new standard bank building rentals) as well as Waste Management hire charges for hiring the compactor trucks for the transfer station backlog. Both these items were adjusted upward in the February adjustments budget. Revised cash flows will be requested and implemented for March Reporting.
30	Losses on Disposal of Assets	0	0	0	0	0	0.0%	
31	Other Losses	0	0	0	0	0	0.0%	
32	**Total Operating Expenditure**	**1,155,798,358**	**1,167,404,247**	**657,713,509**	**660,477,418**	**2,763,909**	**0.4%**	

3.2.3 The year-to-date actual operating revenue compared to the year-to-date actual operating expenditure results in an operating surplus of R 150.6 million compared to a budgeted operating surplus of R 148.3 million (capital grants excluded). This results in a positive operating surplus variance of R 2.3 million or 1.6% (Row 33 in the table below).

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Adjusted Budget (Including Virements)	Year-to-Date Actual	Year-to-Date Budget	Positive / (Negative) Variance	Positive / (Negative) Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
18	**Total Revenue (Capital Grants Excluded)**	**1,158,302,125**	**1,168,729,396**	**808,307,965**	**808,755,488**	**-447,523**	**-0.1%**	
32	**Total Operating Expenditure**	**1,155,798,358**	**1,167,404,247**	**657,713,509**	**660,477,418**	**2,763,909**	**0.4%**	
33	**Operating Surplus/(Deficit)**	**2,503,767**	**1,325,149**	**150,594,456**	**148,278,070**	**2,316,386**	**1.6%**	
34	Capital Grants	78,183,609	84,014,681	25,102,176	28,543,124	-3,440,948	-12.1%	The variance relates to the WSIG and NDPG grant underspending against the total revised grant allocation hence under recognition of revenue on income
35	Public Contributions	0	0	0	0	0	0.0%	
36	**Surplus/(Deficit) for the Year**	**80,687,376**	**85,339,830**	**175,696,632**	**176,821,194**	**-1,124,562**	**-0.6%**	

3.2.4 The year-to-date actual surplus for the year of R 175.7 million (capital grants included) compared to the year-to-date budget surplus for the year of R 176.8 million results in a negative variance of -R 1.1 million or -0.6% (Row 36 in the table above).

3.2.5 Revenue Enhancement Implementation Project

Following completion of the DBSA / Profmap Revenue Enhancement project, the Municipality has developed an internal Revenue Enhancement Implementation Plan. This goes hand in hand with the support plan for the adopted Diagnostics Report.

3.2.6 Overtime

The Table below depicts the Overtime expenditure per Directorate:

Overtime									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	4,978	0	0	0	0	0	0	0
2	Corporate Services	162,478	190,877	88,697	157,403	12,376	113,092	110,752	2,340
3	Financial Services	58,470	96,974	66,764	79,298	903	57,825	55,825	2,000
4	Planning and Development	44,580	35,863	0	0	0	0	0	0
5	Integrated Human Settlements	24,103	40,834	27,584	67,348	0	50,289	46,323	3,966
6	Community Services	9,414,187	8,664,292	6,193,827	7,593,993	973,583	6,050,948	6,047,261	3,687
7	Electrical Services	1,557,015	1,978,723	1,345,896	1,822,132	173,194	1,340,804	1,357,009	-16,205
8	Technical Services	7,088,695	7,335,761	5,344,032	7,086,510	1,024,161	5,807,335	5,870,132	-62,797
9	Grand Total	18,354,507	18,343,324	13,066,800	16,806,684	2,184,217	13,420,293	13,487,302	-67,009

The overspending is mainly on Infrastructure Services as a result of the unplanned emergencies on repairs and maintenance which goes hand in hand with the Standby on table 3.2.7.

3.2.7 Standby

The Table below depicts the Standby expenditure per Directorate.

Standby Allowance									
Row Number	Directorate	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Adjusted Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	155,000	0	140,179	140,179	0
2	Corporate Services	187,924	182,157	202,176	190,540	17,460	127,843	127,843	0
3	Financial Services	116,329	152,718	179,010	179,010	0	42,535	42,535	0
4	Planning and Development	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0
6	Community Services	1,582,999	1,733,951	775,945	1,330,438	165,717	1,004,418	1,056,650	-52,232
7	Electrical Services	916,804	1,130,285	910,159	1,420,776	150,191	996,082	1,034,411	-38,329
8	Technical Services	2,887,134	2,826,944	3,203,103	3,419,303	286,272	2,113,851	2,120,314	-6,463
9	Grand Total	5,691,190	6,026,055	5,270,393	6,695,067	619,640	4,424,908	4,521,932	-97,024

3.2.8 Use of Consultants

The Table below depicts the Use of Consultants per Directorate:

Use of Consultants per Directorate										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C		D	E	F	G	H	I
1	Executive and Council	270,000	150,000	0	0	0	0	0	0	0
2	Corporate Services	5,090,579	4,540,688	6,684,895	5,099,770	8,120,774	133,850	6,024,348	6,024,346	2
3	Financial Services	10,480,437	3,791,019	3,868,450	3,371,575	2,985,865	21,850	1,036,421	1,106,421	-70,000
4	Planning and Development	816,380	1,401,449	1,294,495	3,483,292	2,110,184	0	459,972	459,971	1
5	Integrated Human Settlements	4,988,330	1,129,751	2,467,243	2,000,000	5,959,317	590,143	3,809,317	590,143	3,219,174
6	Community Services	172,354	299,625	397,981	1,043,830	325,647	0	35,750	35,750	0
7	Electrical Services	17,250	224,427	0	306,852	179,010	0	0	0	0
8	Technical Services	383,593	2,897,026	2,922,785	3,126,906	717,138	0	79,809	79,809	0
9	Grand Total	22,218,922	14,433,986	17,635,848	18,432,225	20,397,935	745,843	11,445,617	8,296,440	3,149,177

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

3.2.9 Rental Costs: Office Accommodation

The table below depicts the YTD Rental Costs.

Rental Costs: Office Accommodation										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	0	0	0	0	0	0	0
2	Corporate Services	5,563,672	5,875,703	6,208,197	6,700,000	8,500,000	1,031,990	5,392,924	4,360,934	1,031,990
3	Financial Services	0	0	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0	0
6	Community Services	0	0	0	0	0	0	0	0	0
7	Electrical Services	0	0	0	0	0	0	0	0	0
8	Technical Services	0	0	0	0	0	0	0	0	0
9	Grand Total	5,563,672	5,875,703	6,208,197	6,700,000	8,500,000	1,031,990	5,392,924	4,360,934	1,031,990

The variance is a result of invoices for February 2024 not yet processed at date of the report.

3.2.10 Security Costs

Table below depicts the Security Costs per Directorate.

Security Costs										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	127,800	0	0	0	0	0	0
2	Corporate Services	0	0	0	0	0	0	0	0	0
3	Financial Services	0	0	0	0	0	0	0	0	0
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	0	0	0	0	0	0
6	Community Services	12,710,608	18,099,309	19,715,670	8,400,000	18,900,000	2,089,006	13,924,724	13,924,724	0
7	Electrical Services	0	0	0	0	0	0	0	0	0
8	Technical Services	368,963	344,417	0	362,671	0	0	0	0	0
9	Grand Total	13,079,571	18,443,726	19,843,470	8,762,671	18,900,000	2,089,006	13,924,724	13,924,724	0

3.2.11 Repairs and Maintenance

Repairs and Maintenance per Directorate are found in below table.

Repairs and Maintenance										
Row Number	Directorate	Expenditure 2020/2021	Expenditure 2021/2022	Expenditure 2022/2023	Original Budget 2023/2024	Current Budget 2023/2024	Actual February 2024	YTD Budget 2023/2024	YTD Actual 2023/2024	Variance (H-I)
Column Reference	A	B	C	D	E	F	G	H	I	J
1	Executive and Council	0	0	0	0	0	0	0	0	0
2	Corporate Services	2,484,727	1,677,499	2,571,655	2,834,394	2,054,985	-96,090	855,219	608,844	246,375
3	Financial Services	55,037	25,549	105,421	54,653	104,653	6,800	67,448	67,448	0
4	Planning and Development	0	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	35,518	281,209	1,409,679	52,069	110,155	104	43,781	43,782	-1
6	Community Services	5,266,832	7,208,067	9,555,069	9,153,610	6,989,604	349,409	4,261,985	4,281,468	-19,483
7	Electrical Services	8,303,076	7,709,016	12,822,830	23,129,668	17,026,324	1,155,074	9,542,262	10,023,564	-481,302
8	Technical Services	31,583,284	36,372,098	41,866,100	41,107,319	28,246,522	2,701,031	16,708,325	18,944,733	-2,236,408
9	Grand Total	47,728,474	53,273,438	68,330,754	76,331,713	54,532,243	4,116,328	31,479,020	33,969,840	-2,490,820

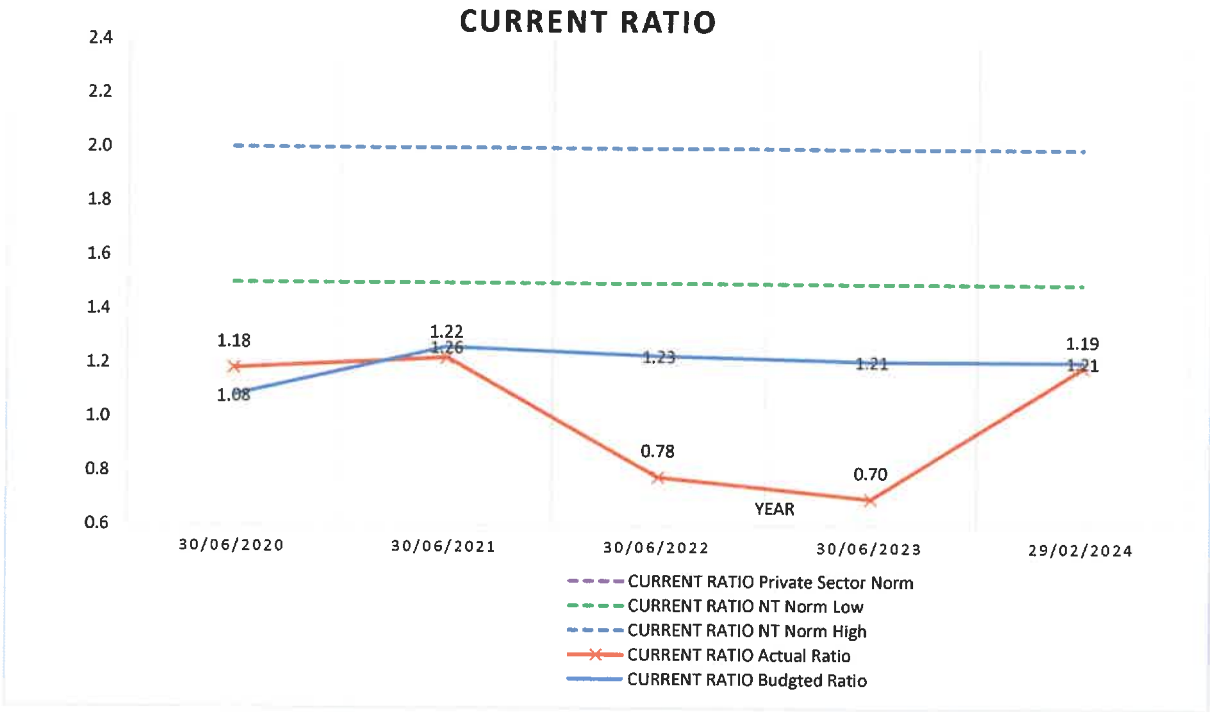
The YTD actual total of R 34.0 million represents 62% spent within 8 months of the financial year against a full year budget allocation of R 54.5 million. The overspending is mainly on Infrastructure Services as a result of the unplanned emergencies.

3.3 Financial Position Overview

3.3.1 Current Ratio (1.19 : 1)

The Current Ratio as at 29 February 2024 equates to 1.19 : 1 compared to the National Treasury norm of 1.5 – 2 : 1, and a budgeted current ratio of 1.13 : 1.

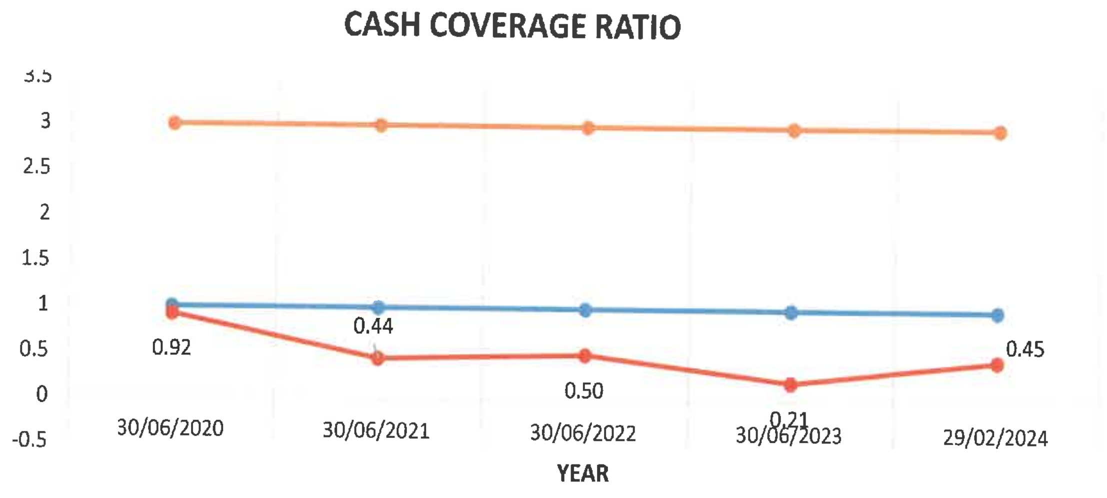
The actual current ratio is based on current assets of R 286.7 million and current liabilities of R 240.1 million.



The current ratio were budgeted less than the norm due to prior challenges, however there are measures and controls in place which will improve the outcome.

3.3.2 Cash/Cost Coverage Ratio (0.45 months)

The Cash /Cost Coverage Ratio as at 29 February 2024 equates to 0.45 months compared to the National Treasury norm of 1 – 3 months.



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

3.3.3 Cash and Cash Equivalents (R 16.1 million)

Cash and Cash Equivalents (Row 3 in the Table below) equates to R 16.1 million as at 29 February 2024.

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

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

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

3.3.4 Current Investments (R 20.3 thousand)

Investments (Row 2 in the Table below) equates to R 20.3 thousand at the end of February 2024.

Cash and Cash Equivalents versus Commitments					
Row Number	Description	December 2023	January 2024	February 2024	Movement (C to D)
Column Reference	A	B	C	D	F
1	Cash at Bank	15,091,438	24,870,757	16,034,981	-8,835,776
2	Investments - Current	20,065	20,203	20,333	130
3	**Total Cash and Cash Equivalents**	**15,111,503**	**24,890,960**	**16,055,314**	**-8,835,646**
4	Unspent Conditional Transfers and Grants	40,423,923	40,491,191	38,052,800	-2,438,390
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	0	0	0	0
7	Unspent External Loans	31,789,630	30,824,133	30,820,075	-4,058
8	Payables from Exchange Transactions	31,693,373	41,498,500	31,737,944	-9,760,556
9	**Total Commitments**	**103,906,926**	**112,813,824**	**100,610,819**	**-12,203,004**
10	**Surplus / (Shortfall)**	**-88,795,423**	**-87,922,864**	**-84,555,505**	**3,367,358**

3.3.5 Cash Commitments (R 100.6 million)

Total commitments (Row 9 in the Table above) decreased by R12.2 million during the month under review from R 112.8 million at the end of January 2024 to R 100.6 million at the end of February 2024. Commitments exceed the cash and cash equivalents at the end of February 2024 by R 84.5 million (Row 10 in the Table above), thereby resulting in a shortfall.

3.3.6 Overdraft Facility

Council approved an Overdraft facility of R 20 million which is currently being accessed as and when required. The below table depicts the interest on overdraft incurred. The overdraft facility will be closed by end of March 2024.

Overdraft - Interest incurred					
Row Number	Description	December 2023	January 2024	February 2024	Movement (B to C)
Column Reference	A	B	C	D	E
1	Interest Costs	0	1,550	24,114	-22,564

3.3.7 Unpaid Conditional Grants (R 25.9 million)

Unpaid Conditional Grants (Row 3 in the Table below) reflects a total balance of R 25.9 million at the end of February 2024.

Unpaid Conditional Grants					
Row Number	Description	Opening Balance: 01/07/2023	Receipts: 01/07/2023 till 29/02/2024	Expenditure: 01/07/2023 till 29/02/2024	Closing Balance: 29/02/2024
Column Reference	A	B	C	D	F
1	Integrated Human Settlements Grant	19,395,355	-12,306,037	18,688,012	25,777,331
2	Maintenance of Proclaimed Roads	157,054	-79,596	0	77,458
3	**Total**	**19,552,409**	**-12,385,633**	**18,688,012**	**25,854,789**

Human Settlements has identified claims that is recoverable from the Department of Human Settlements which are in the process of resubmission. It is evident that the claims are being refunded hence the reduced closing balance compared to the prior month's balance of R 26.2 million.

3.3.8 Unspent Conditional Grants (R 38.1 million)

Unspent Conditional Grants (Row 14 in the Table below) reflects a total balance of R 38.1 million as at 29 February 2024. Based on the table depicted below it is clear that we have spent 50% of the conditional grants to date and to avoid future Roll-Over Grant applications from being rejected, Directorates are to ensure full spending of their respective grants by 30 June 2024.

Unspent Conditional Grants							
Row Number	Description	Directorate	Opening Balance: 01/07/2023	Receipts: 01/07/2023 till 29/02/2024	Expenditure: 01/07/2023 till 29/02/2024	Repayment of Unspent	Closing Balance: 29/02/2024
Column Reference	A	B	C	D	E	F	G
1	Municipal Infrastructure Grant	Technical Services	1,918,398	19,317,000	-10,557,680	-1,918,447	8,759,271
2	Neighbourhood Development Partnership Grant	Technical Services	2,095,553	8,397,000	-3,958,532	-2,095,553	4,438,468
3	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	0	0	0	56,884
4	Nedbank: SMME Incubator Program	Planning and Development	22,904	0	0	0	22,904
5	Finance Management Grant Capacity Building Grant	Financial Services	38,273	-38,273	0	0	0
6	Integrated National Electrification Programme	Electrical Services	36	31,000,000	-10,881,242	0	20,118,793
7	Finance Management Capacity Grant	Financial Services	186,640	639,000	-32,034	0	793,606
8	Emergency Loadshedding	Electrical Services	134	0	0	0	134
9	Finance Management Grant	Financial Services	0	1,771,000	-516,187	0	1,254,813
10	Water Services Infrastructure Grant	Water Services	0	3,400,000	-3,303,447	0	96,554
11	Library Services Grant	Community Services	0	10,978,000	-8,798,964	0	2,179,036
12	Community Development Workers	Corporate Services	0	57,000	-27,241	0	29,759
13	EPWP	Planning and Economic Development	0	1,074,000	-771,421	0	302,579
14	**Total**		**4,318,822**	**76,594,727**	**-38,846,748**	**-4,014,000**	**38,052,800**

3.3.9 Payables from Exchange Transactions (R 31.7 million)

Payables from Exchange Transactions (Row 3 in the Table below) decreased by R 9.8 million during the month under review from R 41.5 million at the end of January 2024 to R 31.7 million at the end of February 2024.

Payables from Exchange Transactions					
Row Number	Description	December 2023	January 2024	February 2024	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Payables	16,625,914	26,048,484	17,258,466	-8,790,018
2	Retentions	15,067,459	15,450,016	14,479,478	-970,538
3	**Total**	**31,693,373**	**41,498,500**	**31,737,944**	**-9,760,556**

3.3.10 External Borrowings (R 340.2 million)

External Borrowings as at 29 February 2024 equate to R 340.2 million (Row 6 in the Table below), and are taken up to fund capital expenditure only. The loans has decreased which indicates that the municipality is honouring it's liabilities.

External Borrowings					
Row Number	Description	December 2023	January 2024	February 2024	Movement (C to D)
Column Reference	A	B	C	D	E
1	Opening Balance	362,528,094	341,258,277	340,958,222	-300,055
2	New Loans Acquired	0	0	0	0
3	Interest Capitalised	18,646,605	627,663	322,141	-305,522
4	Repayments	-39,916,421	-1,764,827	-1,109,199	655,628
5	Adjustments	0	837,109	0	-837,109
6	**Closing Balance**	**341,258,277**	**340,958,222**	**340,171,165**	**-787,057**
7	**Budgeted Operating Revenue (Conditional Operating Grants excluded) =**	1,014,354,931			
8	**Gearing Ratio =**	**33.5%**			

External borrowings as a percentage of <u>budgeted</u> operating revenue (conditional operating grants excluded) equates to a gearing ratio of 33.5% which is below the National Treasury benchmark of 45%.

The tender for the provision of R 25 million borrowings to fund capital projects budgeted is currently being assessed. Directorates have been requested to temporarily suspend the implementation of the projects funded by borrowings.

3.3.11 Consumer Debtors (R 466.2 million)

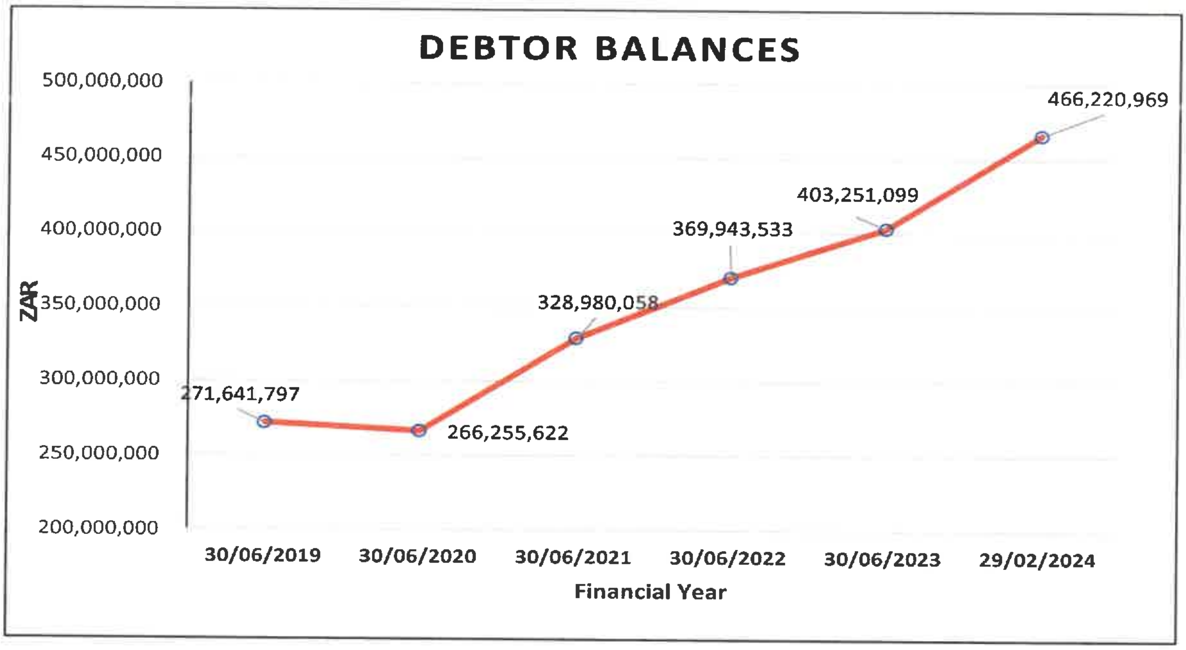
Total outstanding debtors of R 466.2 million as at 29 February 2024 (Row 7 in the Table below) is presented by both Income Source and by Customer Group.

The total outstanding debtors have increased by R 6 million from R 460 million as at 29 February 2024 to R 466 million as at 29 February 2024.

The total due by Organs of State and Businesses of R168.7 million constitutes 46.0% of the total outstanding debtors of R 466.2 million.

Debtor Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
1	Water	12,655,383	5,383,453	3,938,182	68,857,852	90,834,870
2	Electricity	19,655,459	7,821,099	4,107,179	59,549,922	91,133,659
3	Property Rates	20,623,549	8,117,378	5,042,060	100,318,586	134,101,573
4	Sanitation	2,667,996	1,576,512	1,271,262	70,666,436	76,182,206
5	Refuse	2,560,223	1,398,755	1,100,040	60,230,290	65,289,308
6	Other	1,170,747	495,016	191,951	6,821,639	8,679,353
7	**Grand Total**	**59,333,357**	**24,792,213**	**15,650,674**	**366,444,725**	**466,220,969**
8	**% of Total Outstanding Debtors =**	**12.7%**	**5.3%**	**3.4%**	**78.6%**	**100.0%**
By Customer Group						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Debtors
Column Reference	A	B	C	D	E	F
9	Organs of State	5,836,546	1,980,245	2,118,382	11,724,879	21,660,052
10	Commercial	19,650,345	8,478,984	5,383,631	113,530,727	147,043,687
11	Households	33,846,466	14,332,984	8,148,661	241,189,119	297,517,230
12	**Grand Total**	**59,333,357**	**24,792,213**	**15,650,674**	**366,444,725**	**466,220,969**
13	**% of Total Outstanding Debtors =**	**12.7%**	**5.3%**	**3.4%**	**78.6%**	**100.0%**

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



3.3.12 Debtor Collection Rate (83.7 %)

The overall Debtor Collection Rate as at 29 February 2024 equates to 83.7 % (Row 14 in the Table below), compared to the National Treasury norm of 95%.

It should be noted that the formula used in the Table below will be reviewed and could be amended going forward.

Debtor Collection Rate								
Row Number	Month	Annual / Monthly Billing	Payments Received	% Revenue Collected	Year-to-Date Billing	Year-to-Date Payments Received	Year-to-Date % Revenue Collected	% Increase in Payment Rate
Column Reference	A	B	C	D	E	F	G	H
1	July 2023(Annual)	130,477,573	43,080,591	24.1%	178,505,740	43,080,591	24.1%	24.1%
2	July 2023 (Monthly)	48,028,167						
3	August 2023 (Monthly)	50,171,186	76,835,770	153.1%	228,676,926	119,916,361	52.4%	28.3%
4	September 2023 (Monthly)	48,742,610	70,666,306	145.0%	277,419,535	190,582,667	68.7%	16.3%
5	October 2023 (Monthly)	61,524,195	59,017,941	95.9%	338,943,730	249,600,608	73.6%	4.9%
6	November 2023 (Monthly)	48,688,433	60,397,601	124.0%	387,632,163	309,998,209	80.0%	6.3%
7	December 2023 (Monthly)	55,125,728	53,638,234	97.3%	442,757,891	363,636,443	82.1%	2.2%
8	January 2024 (Monthly)	60,393,263	54,441,571	90.1%	503,151,154	418,078,014	83.1%	1.0%
9	February 2024 (Monthly)	58,472,186	52,195,841	89.3%	561,623,340	470,273,855	83.7%	0.6%
10	March 2024 (Monthly)							
11	April 2024 (Monthly)							
12	May 2024 (Monthly)							
13	June 2024 (Monthly)							
14	Totals	561,623,340	470,273,855	89.3%	561,623,340	470,273,855	83.7%	0.6%

3.3.13 Capital Expenditure per Directorate (27.9%)

The year-to-date actual capital expenditure of R 33.1 million (Row 9 in Table below) equates to 27.9% (Row 10 in Table below) of the capital expenditure budget of R 118.9 million. Commitments of R 43.9 million (36.9%) and the year-to-date actual capital expenditure in total equates to R 77.0 million or 64.8% of the capital expenditure budget.

Capital Expenditure per Directorate									
Row Number	Directorate	Original Budget (OB)	Adjustments Budget (AB)	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	0	0	0	0.0%	0
2	Corporate Services	200,000	449,739	103,763	103,763	135,796	239,558	53.3%	210,181
3	Financial Services	0	61,130	0	0	0	0	0.0%	61,130
4	Planning and Development	5,000	0	0	0	0	0	0.0%	0
5	Integrated Human Settlements	0	3,798,000	0	0	0	0	0.0%	3,798,000
6	Community Services	11,879,910	12,615,304	930,936	930,936	4,123,352	5,054,288	40.1%	7,561,016
7	Electrical Services	47,747,000	45,588,480	7,202,413	10,485,439	29,599,305	40,084,744	87.9%	5,503,736
8	Technical Services	50,906,699	56,374,270	19,048,298	21,629,269	10,005,874	31,635,143	56.1%	24,739,127
9	Grand Total	110,738,609	118,886,923	27,285,410	33,149,406	43,864,327	77,013,734	64.8%	41,873,189
10	% of Adjusted Budget =				27.9%	36.9%	64.8%		35.2%

3.3.14 Capital Expenditure per Funding Source (27.9%)

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

Capital Expenditure per Funding Source									
Row Number	Funding Source	Original Budget (OB)	Adjustments Budget (AB)	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
Column Reference	A	B	C	D	E	F	G	H	I
1	National Government Grant	78,183,609	80,176,681	20,648,242	25,996,917	39,362,196	65,359,113	81.5%	14,817,568
2	Provincial Government Grant	0	3,838,000	0	0	0	0	0	3,838,000
3	District Municipality Grant	0	0	0	0	0	0	0	0
4	Borrowings	25,005,000	27,342,544	4,034,100	4,080,093	3,054,507	7,134,600	26.1%	20,207,944
5	Internally Generated Funds	7,550,000	7,529,698	2,603,068	3,072,397	1,447,625	4,520,021	60.0%	3,009,677
6	Grand Total	110,738,609	118,886,923	27,285,410	33,149,406	43,864,327	77,013,734	64.8%	41,873,189
7	% of Adjusted Budget =				27.9%	36.9%	64.8%		35.2%

The year-to-date actual and committed capital expenditure is funded by National Grants of 81.5%; external borrowings of 26.1% and, internally generated funds of 60.0%.

Year-to-date actual capital expenditure of R 33.1 million (27.9%) and capital commitments of R 43.9 million (36.9%) of the capital expenditure budget results in available funds of R 41.9 million (35.2%), which must be spent by 30 June 2024.

3.4 Remedial or Corrective Steps

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

3.5 Conclusion

More emphasis will be placed on collecting outstanding debt; implementing revenue realisation recommendations; and, reducing operating expenditure through cost containment measures.

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 14 March 2024

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **Ombali Phineas Sebola** the Municipal Manager of Knysna Municipality, hereby certify that -

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

for the month February 2024 the 2023/2024 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

OMBALI PHINEAS SEBOLA
MUNICIPAL MANAGER
DATE: 14 March 2024

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knysna - Table C1 Monthly Budget Statement Summary - M08 February

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	243,364	304,254	313,943	19,772	231,122	231,403	(281)	-0%	313,943
Service charges	440,283	530,061	511,916	40,725	351,054	349,037	2,017	1%	511,916
Investment revenue	2,014	–	–	–	–	–	–		–
Transfers and subsidies - Operational	2,014	1,826	1,826	88	1,504	1,580	(76)	-5%	1,826
Other own revenue	307,694	328,454	341,044	14,128	224,628	226,735	(2,107)	-1%	–
Total Revenue (excluding capital transfers and contributions)	**995,370**	**1,164,594**	**1,168,729**	**74,712**	**808,308**	**808,755**	**(448)**	**-0%**	**1,168,729**
Employee costs	292,469	305,558	313,340	24,137	202,602	202,712	(110)		313,340
Remuneration of Councillors	9,787	10,082	10,454	830	6,502	6,502	(0)		10,454
Depreciation and amortisation	51,416	49,119	58,132	4,093	32,860	32,860	1		58,132
Interest	35,276	31,848	37,565	328	21,857	22,527	(670)		37,565
Inventory consumed and bulk purchases	296,765	347,358	339,426	23,885	209,269	207,815	1,454		339,426
Transfers and subsidies	1,934	1,457	2,147	32	497	484	13	3%	2,147
Other expenditure	387,507	410,376	406,341	18,721	184,126	187,577	(3,451)	-2%	406,341
Total Expenditure	**1,075,153**	**1,155,798**	**1,167,404**	**72,026**	**657,714**	**660,477**	**(2,764)**	**-0%**	**1,167,404**
Surplus/(Deficit)	**(79,783)**	**8,796**	**1,325**	**2,687**	**150,594**	**148,278**	**2,316**	**2%**	**1,325**
Transfers and subsidies - capital (monetary	38,901	78,184	84,015	4,467	25,102	28,543	###	-12%	84,015
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**	**(1,125)**	**-1%**	**85,340**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**	**(1,125)**	**-1%**	**85,340**
Capital expenditure & funds sources									
Capital expenditure	**–**	**110,739**	**118,887**	**5,128**	**33,149**	**27,285**	**5,864**	**21%**	**118,887**
Capital transfers recognised	–	78,184	84,015	4,467	25,997	20,648	5,349	26%	84,015
Borrowing	–	25,005	27,343	4	4,080	4,034	46	1%	27,343
Internally generated funds	–	**7,550**	**7,530**	**657**	**3,072**	**2,603**	**469**	**18%**	**7,530**
Total sources of capital funds	**–**	**110,739**	**118,887**	**5,128**	**33,149**	**27,285**	**5,864**	**21%**	**118,887**
Financial position									
Total current assets	129,005	212,740	205,486		286,684				205,486
Total non current assets	1,544,057	1,562,309	1,561,449		1,543,566				1,561,449
Total current liabilities	285,944	271,657	267,859		240,145				267,859
Total non current liabilities	538,601	490,349	487,668		506,112				487,668
Community wealth/Equity	**1,021,149**	**1,107,577**	**1,105,937**		**997,791**				**1,105,937**
Cash flows									
Net cash from (used) operating	262,918	117,459	191,628	(2,674)	181,317	247,820	66,503	27%	191,628
Net cash from (used) investing	(83,312)	(104,105)	–	(3,562)	(36,760)	–	36,760	#DIV/0!	–
Net cash from (used) financing	(39,593)	(39,361)	(46,542)	(787)	(24,685)	–	24,685	#DIV/0!	(46,542)
Cash/cash equivalents at the month/year end	**20,358**	**24,321**	**5,901**	**(8,836)**	**16,055**	**225,336**	**209,281**	**93%**	**5,901**
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	59,333	24,792	15,651	14,387	11,483	43,070	85,071	212,434	466,221
Creditors Age Analysis									
Total Creditors	17,258	–	–	–	–	–	–	–	17,258

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

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
Revenue - Functional										
Governance and administration		305,878	343,953	361,366	21,424	261,187	264,813	(3,627)	-1%	361,366
Executive and council		5,132	5,280	5,280	–	3,561	3,670	(109)	-3%	5,280
Finance and administration		300,746	338,673	356,086	21,424	257,626	261,143	(3,517)	-1%	356,086
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		128,201	149,493	149,373	7,265	87,405	89,141	(1,736)	-2%	149,373
Community and social services		12,026	12,506	12,679	1,078	9,799	10,695	(896)	-8%	12,679
Sport and recreation		1,460	1,361	1,473	118	974	1,103	(129)	-12%	1,473
Public safety		87,818	101,891	98,806	3,809	57,662	57,435	226	0%	98,806
Housing		26,897	33,735	36,415	2,261	18,970	19,907	(937)	-5%	36,415
Health		–	–	–	–	–	–	–		–
Economic and environmental services		22,828	31,089	31,758	1,765	15,063	13,167	1,896	14%	31,758
Planning and development		10,843	10,193	5,910	1,015	7,076	4,495	2,581	57%	5,910
Road transport		11,091	20,896	25,748	751	7,887	8,572	(685)	-8%	25,748
Environmental protection		893	–	100	–	100	100	–		100
Trading services		594,890	718,242	710,247	48,725	469,756	470,178	(421)	0%	710,247
Energy sources		343,742	463,884	437,620	32,607	275,565	280,029	(4,464)	-2%	437,620
Water management		118,750	123,185	140,081	10,949	101,778	97,857	3,921	4%	140,081
Waste water management		80,796	80,172	80,145	2,858	52,033	52,067	(34)	0%	80,145
Waste management		51,601	51,001	52,402	2,312	40,380	40,225	155	0%	52,402
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1,051,795**	**1,242,778**	**1,252,744**	**79,180**	**833,410**	**837,299**	**(3,888)**	**0%**	**1,252,744**
Expenditure - Functional										
Governance and administration		165,030	212,982	226,126	10,647	119,468	121,101	(1,632)	-1%	226,126
Executive and council		17,676	31,154	31,270	1,106	9,531	9,412	119	1%	31,270
Finance and administration		143,237	176,823	189,578	9,305	106,800	108,524	(1,724)	-2%	189,578
Internal audit		4,118	5,005	5,278	236	3,137	3,165	(27)	-1%	5,278
Community and public safety		246,969	235,472	246,142	13,062	111,741	116,158	(4,417)	-4%	246,142
Community and social services		22,963	17,169	21,666	1,367	16,824	16,580	244	1%	21,666
Sport and recreation		25,023	23,962	22,214	1,773	15,362	15,237	125	1%	22,214
Public safety		149,893	146,014	152,698	7,171	50,055	49,853	202	0%	152,698
Housing		49,090	48,327	49,563	2,751	29,500	34,488	(4,988)	-14%	49,563
Health		–	–	–	–	–	–	–		–
Economic and environmental services		79,942	84,035	88,706	5,540	54,501	52,842	1,659	3%	88,706
Planning and development		36,371	40,063	40,857	2,700	23,099	23,034	64	0%	40,857
Road transport		37,088	38,827	42,645	2,406	28,344	26,701	1,642	6%	42,645
Environmental protection		6,483	5,146	5,204	434	3,059	3,106	(47)	-2%	5,204
Trading services		575,190	623,309	596,793	42,777	372,004	369,627	2,377	1%	596,793
Energy sources		313,207	389,692	365,245	26,416	226,792	226,527	266	0%	365,245
Water management		111,040	98,024	99,638	6,138	57,768	57,746	22	0%	99,638
Waste water management		90,739	89,675	84,877	6,382	56,326	53,788	2,537	5%	84,877
Waste management		60,203	45,918	47,034	3,842	31,118	31,566	(448)	-1%	47,034
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1,067,131**	**1,155,798**	**1,157,766**	**72,026**	**657,714**	**659,727**	**(2,014)**	**0%**	**1,157,766**
Surplus/ (Deficit) for the year		**(15,336)**	**86,980**	**94,978**	**7,154**	**175,697**	**177,571**	**(1,875)**	**-1%**	**94,978**

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

WC048 Knysna - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

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	–	7,874	257	2,785	4,312	(1,528)	-35.4%	7,874
Vote 4 - FINANCIAL SERVICES (34: IE)		56	(471)	–	–	–	–	–		–
Vote 5 - OPERATING SERVICES (35: IE)		5,452	–	171	5	163	160	3	1.6%	171
Vote 6 - 1. Executive AND Council (110: IE)		5,132	5,280	5,280	–	3,561	3,670	(109)	-3.0%	5,280
Vote 7 - 2. Corporate (120: IE)		6,579	6,363	6,695	306	4,238	4,854	(616)	-12.7%	6,695
Vote 8 - 3. Finance (130: IE)		278,773	318,662	334,772	21,118	242,798	245,600	(2,802)	-1.1%	334,772
Vote 9 - (140: IE)		–	–	–	–	–	–	–		–
Vote 10 - 5. Planning (150: IE)		7,031	5,112	5,910	860	4,897	4,495	401	8.9%	5,910
Vote 11 - 6. Community (160: IE)		166,346	187,192	178,323	8,001	121,442	120,377	1,064	0.9%	178,323
Vote 12 - 7. Electricity (170: IE)		343,742	463,884	437,620	32,607	275,565	280,029	(4,464)	-1.6%	437,620
Vote 13 - 6. Community (180: IE)		204,755	223,020	239,620	13,842	159,485	154,229	5,256	3.4%	239,620
Vote 14 - 8. Technical (180: IE)		26,870	33,735	35,980	2,184	18,477	19,472	(995)	-5.1%	35,980
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1,051,795**	**1,242,778**	**1,252,244**	**79,180**	**833,410**	**837,199**	**(3,788)**	**-0.5%**	**1,252,244**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		299	529	686	45	488	485	3	0.6%	686
Vote 2 - CORPORATE SERVICES (32: IE)		84	64	226	5	205	204	1	0.5%	226
Vote 3 - COMMUNITY SERVICES (33: IE)		2,064	33,344	27,257	2,247	19,199	20,463	(1,264)	-6.2%	27,257
Vote 4 - FINANCIAL SERVICES (34: IE)		41	78	232	32	179	167	12	7.2%	232
Vote 5 - OPERATING SERVICES (35: IE)		(348)	5,117	5,386	213	2,044	2,023	21	1.0%	5,386
Vote 6 - 1. Executive AND Council (110: IE)		25,856	41,061	40,080	1,556	14,730	14,632	97	0.7%	40,080
Vote 7 - 2. Corporate (120: IE)		63,338	68,196	70,225	2,729	41,995	43,106	(1,111)	-2.6%	70,225
Vote 8 - 3. Finance (130: IE)		63,741	88,622	100,479	5,048	53,874	54,540	(666)	-1.2%	100,479
Vote 9 - (140: IE)		–	3,633	2,575	131	909	1,066	(157)	-14.8%	2,575
Vote 10 - 5. Planning (150: IE)		27,161	559,086	533,505	53,859	323,804	320,319	3,485	1.1%	533,505
Vote 11 - 6. Community (160: IE)		273,432	251,011	259,145	15,894	126,228	125,366	862	0.7%	259,145
Vote 12 - 7. Electricity (170: IE)		316,808	30,835	29,182	(1,800)	18,399	18,846	(447)	-2.4%	29,182
Vote 13 - 6. Community (180: IE)		246,108	69,510	75,319	(8,182)	51,446	50,625	821	1.6%	75,319
Vote 14 - 8. Technical (180: IE)		48,545	4,711	12,969	248	4,215	7,886	(3,671)	-46.5%	12,969
Vote 15 - 9. Housing Services (190: IE)		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1,067,131**	**1,155,798**	**1,157,266**	**72,026**	**657,714**	**659,727**	**(2,014)**	**-0.3%**	**1,157,266**
Surplus/ (Deficit) for the year	2	**(15,336)**	**86,980**	**94,978**	**7,154**	**175,697**	**177,471**	**(1,775)**	**-1.0%**	**94,978**

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

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	358,550	27,099	235,671	238,297	(2,626)	-1%	358,550
Service charges - Water		77,198	84,389	89,583	9,811	68,660	63,587	5,073	8%	89,583
Service charges - Waste Water Management		29,240	30,864	32,371	1,974	23,216	23,511	(295)	-1%	32,371
Service charges - Waste management		28,466	30,029	31,413	1,840	23,507	23,643	(136)	-1%	31,413
Sale of Goods and Rendering of Services		31,369	39,359	38,602	3,019	23,736	24,410	(674)	-3%	38,602
Agency services		4,086	4,033	4,033	587	2,935	2,685	250	9%	4,033
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		22,440	14,751	21,044	2,424	17,822	17,073	749	4%	21,044
Interest from Current and Non Current Assets		2,014	1,826	1,826	88	1,504	1,580			1,826
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		6,396	6,938	7,413	437	4,762	5,559	(797)	-14%	7,413
Licence and permits		71	45	96	10	90	90	0	0%	96
Operational Revenue		7,912	6,023	6,598	590	3,470	4,072	(602)	-15%	6,598
Non-Exchange Revenue								–		
Property rates		243,364	304,254	313,943	19,772	231,122	231,403	(281)	0%	313,943
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		87,568	99,090	99,090	3,877	58,077	57,777	300		99,090
Licence and permits		1,377	1,743	1,743	134	967	1,193	(226)		1,743
Transfers and subsidies - Operational		133,960	150,239	151,321	2,120	105,613	105,791	(178)		151,321
Interest		7,795	5,733	10,605	930	7,117	7,954	(837)		10,605
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		2,815	500	500	–	39	131	(92)		500
Other Gains		3,920	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**995,370**	**1,164,594**	**1,168,729**	**74,712**	**808,308**	**808,755**	**(448)**	**0%**	**1,168,729**
Expenditure By Type										
Employee related costs		292,469	305,558	313,340	24,137	202,602	202,712	(110)	0%	313,340
Remuneration of councillors		9,787	10,082	10,454	830	6,502	6,502	(0)	0%	10,454
Bulk purchases - electricity		238,307	293,304	282,612	20,459	170,892	170,902	(10)		282,612
Inventory consumed		58,457	54,053	56,814	3,426	38,376	36,913	1,464		56,814
Debt impairment		136,599	149,730	169,615	4,871	39,191	39,941	(750)	-2%	169,615
Depreciation and amortisation		51,416	49,119	58,132	4,093	32,860	32,860	1	0%	58,132
Interest		35,276	31,848	37,565	328	21,857	22,527	(670)	-3%	37,565
Contracted services		187,171	185,406	161,163	10,879	100,080	101,352	(1,272)	-1%	161,163
Transfers and subsidies		1,934	1,457	2,147	32	497	484	13	3%	2,147
Irrecoverable debts written off		–	1,784	1,784	–	–	–	–		1,784
Operational costs		62,516	73,456	73,780	2,971	44,855	46,284	(1,429)	-3%	73,780
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		1,221	–	–	–	–	–	–		–
Total Expenditure		**1,075,153**	**1,155,798**	**1,167,404**	**72,026**	**657,714**	**660,477**	**(2,764)**	**0%**	**1,167,404**
Surplus/(Deficit)		**(79,783)**	**8,796**	**1,325**	**2,687**	**150,594**	**148,278**	**2,316**	**0**	**1,325**
Transfers and subsidies - capital (monetary allocations)		38,901	78,184	84,015	4,467	25,102	28,543	(3,441)	(0)	84,015
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**			**85,340**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**			**85,340**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**			**85,340**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(40,882)**	**86,980**	**85,340**	**7,154**	**175,697**	**176,821**			**85,340**

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

WC048 Knysna - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote 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
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	118,394	5,128	33,062	27,198	5,864	22%	118,394
Vote 17 - 1. Executive AND Council (110: CAPEX)		–	–	–	–	–	–	–		–
Vote 18 - 2. Corporate (120: CAPEX)		–	–	–	–	–	–	–		–
Vote 19 - 3. Finance (130: CAPEX)		–	–	61	–	–	–	–		61
Vote 20 - 5. Planning (150: CAPEX)		–	–	–	–	–	–	–		–
Vote 21 - 6. Community (160: CAPEX)		–	–	103	–	81	81	–		103
Vote 22 - 7. Electricity (170: CAPEX)		–	–	63	–	–	–	–		63
Vote 23 - 8. Technical (180: CAPEX)		–	–	26	–	7	7	–		26
Vote 24 - 9. Housing Services (190: CAPEX)		–	–	240	–	–	–	–		240
Total Capital single-year expenditure	4	–	110,739	118,887	5,128	33,149	27,285	5,864	21%	118,887
Total Capital Expenditure		–	110,739	118,887	5,128	33,149	27,285	5,864	21%	118,887
Capital Expenditure - Functional Classification										
Governance and administration		–	700	1,140	–	192	192	–		1,140
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	700	1,140	–	192	192	–		1,140
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	10,480	14,910	–	850	850	–		14,910
Community and social services		–	800	840	–	–	–	–		840
Sport and recreation		–	7,180	6,681	–	850	850	–		6,681
Public safety		–	2,500	3,591	–	–	–	–		3,591
Housing		–	–	3,798	–	–	–	–		3,798
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	25,291	30,871	459	10,657	10,416	241	2%	30,871
Planning and development		–	150	165	25	32	10	23	230%	165
Road transport		–	25,136	30,706	434	10,625	10,406	218	2%	30,706
Environmental protection		–	5	–	–	–	–	–		–
Trading services		–	74,267	71,965	4,669	21,451	15,827	5,623	36%	71,965
Energy sources		–	47,247	45,088	4,549	10,485	7,202	3,283	46%	45,088
Water management		–	12,107	19,045	120	4,857	4,737	120	3%	19,045
Waste water management		–	13,514	6,432	–	6,108	3,888	2,220	57%	6,432
Waste management		–	1,400	1,400	–	–	–	–		1,400
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	–	110,739	118,887	5,128	33,149	27,285	5,864	21%	118,887
Funded by:										
National Government		–	78,184	80,177	4,467	25,997	20,648	5,349	26%	80,177
Provincial Government		–	–	3,838	–	–	–	–		3,838
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	84,015	4,467	25,997	20,648	5,349	26%	84,015
Borrowing	6	–	25,005	27,343	4	4,080	4,034	46	1%	27,343
Internally generated funds		–	7,550	7,530	657	3,072	2,603	469	18%	7,530
Total Capital Funding		–	110,739	118,887	5,128	33,149	27,285	5,864	21%	118,887

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M08 February

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	5,901	16,055	5,901
Trade and other receivables from exchange transactions		59,245	71,456	77,749	113,881	77,749
Receivables from non-exchange transactions		18,705	80,145	85,017	132,313	85,017
Current portion of non-current receivables		4	4	4	4	4
Inventory		11,799	13,818	13,818	14,681	13,818
VAT		18,942	25,875	25,875	10,633	25,875
Other current assets		(49)	(2,878)	(2,878)	(884)	(2,878)
Total current assets		**129,005**	**212,740**	**205,486**	**286,684**	**205,486**
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	1,472,942	1,458,017	1,472,942
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**	**1,561,449**	**1,543,566**	**1,561,449**
TOTAL ASSETS		**1,673,062**	**1,775,049**	**1,766,935**	**1,830,250**	**1,766,935**
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	15,401	14,573
Trade and other payables from exchange transactions		206,248	174,123	174,123	124,438	174,123
Trade and other payables from non-exchange transactions		(22,267)	(5,344)	(9,142)	5,389	(9,142)
Provision		33,910	33,777	33,777	32,298	33,777
VAT		(773)	(1,082)	(1,082)	9,171	(1,082)
Other current liabilities		5,077	4,563	4,563	5,077	4,563
Total current liabilities		**285,944**	**271,657**	**267,859**	**240,145**	**267,859**
Non current liabilities						
Financial liabilities		319,072	273,206	270,524	294,839	270,524
Provision		129,828	125,357	125,357	124,871	125,357
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		89,701	91,786	91,786	86,403	91,786
Total non current liabilities		**538,601**	**490,349**	**487,668**	**506,112**	**487,668**
TOTAL LIABILITIES		**824,545**	**762,006**	**755,527**	**746,257**	**755,527**
NET ASSETS	2	**848,517**	**1,013,043**	**1,011,408**	**1,083,993**	**1,011,408**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1,021,149	1,107,577	1,105,937	997,791	1,105,937
Reserves and funds		–	–	–	–	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**1,021,149**	**1,107,577**	**1,105,937**	**997,791**	**1,105,937**

Table C7: Cash Flow

WC048 Knysna - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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	–	20,798	109,125	–	109,125	#DIV/0!	–
Service charges		311,691	495,555	1,074,659	40,697	250,364	797,004	(546,640)	-69%	1,074,659
Other revenue		24,838	38,721	–	5,518	29,519	–	29,519	#DIV/0!	–
Transfers and Subsidies - Operational		109,684	167,773	–	4,510	194,486	–	194,486	#DIV/0!	–
Transfers and Subsidies - Capital		–	78,184	(3,798)	–	58,714	–	58,714	#DIV/0!	(3,798)
Interest		493	1,826	1,826	–	–	1,580	(1,580)	-100%	1,826
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(453,604)	(922,757)	(843,495)	(74,518)	(482,718)	(528,237)	(45,519)	9%	(843,495)
Interest		32,440	(31,848)	(37,565)	322	21,828	(22,527)	(44,356)	197%	(37,565)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**262,918**	**117,459**	**191,628**	**(2,674)**	**181,317**	**247,820**	**66,503**	**27%**	**191,628**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		2,105	500	–	–	39	–	39	#DIV/0!	–
Decrease (increase) in non-current receivables		4,001	3,067	–	693	2,410	–	2,410	#DIV/0!	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(93,419)	(110,739)	–	(4,948)	(41,620)	–	41,620	#DIV/0!	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(83,312)**	**(104,105)**	**–**	**(3,562)**	**(36,760)**	**–**	**36,760**	**#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)	(46,542)	(787)	(24,685)	–	24,685	#DIV/0!	(46,542)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(39,593)**	**(39,361)**	**(46,542)**	**(787)**	**(24,685)**	**–**	**24,685**	**#DIV/0!**	**(46,542)**
NET INCREASE/ (DECREASE) IN CASH HELD		**140,013**	**(26,007)**	**145,086**	**(7,023)**	**119,873**	**247,820**			**145,086**
Cash/cash equivalents at beginning:		(119,656)	50,328	(139,185)	(1,813)	(103,818)	(139,185)			(103,818)
Cash/cash equivalents at month/year end:		20,358	24,321	5,901	(8,836)	16,055	225,336			5,901

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2023/24											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	12,655	5,383	3,938	2,599	2,650	9,000	17,946	36,662	90,835	68,858	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	19,655	7,821	4,107	4,558	3,129	3,357	12,697	35,809	91,134	59,550	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	20,624	8,117	5,042	3,927	3,397	17,578	26,124	49,294	134,102	100,319	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,668	1,577	1,271	1,574	1,152	6,884	13,605	47,451	76,182	70,666	–	–
Receivables from Exchange Transactions - Waste Management	1600	2,560	1,399	1,100	1,520	974	6,079	11,027	40,630	65,289	60,230	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	458	332	92	81	67	72	1,362	7,247	9,711	8,829	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	713	163	100	129	114	99	2,310	(4,660)	(1,032)	(2,008)	–	–
Total By Income Source	**2000**	**59,333**	**24,792**	**15,651**	**14,387**	**11,483**	**43,070**	**85,071**	**212,434**	**466,221**	**366,445**	**–**	**–**
2022/23 - totals only		46,679	18,770	10,537	9,532	8,481	41,113	75,747	170,228	381,088	305,102		
Debtors Age Analysis By Customer Group													
Organs of State	2200	5,837	1,980	2,118	1,133	1,131	3,909	2,787	2,765	21,660	11,725	–	–
Commercial	2300	19,650	8,479	5,384	6,716	4,501	7,897	33,451	60,965	147,044	113,531	–	–
Households	2400	33,846	14,333	8,149	6,538	5,851	31,264	48,833	148,704	297,517	241,189	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**59,333**	**24,792**	**15,651**	**14,387**	**11,483**	**43,070**	**85,071**	**212,434**	**466,221**	**366,445**	**–**	**–**

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	1,206	–	–	–	–	–	–	–	1,206	583
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	16,053	–	–	–	–	–	–	–	16,053	3,389
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**17,258**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**17,258**	3,972

Supporting Table SC5: Investment Portfolio

WC048 Knysna - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

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	3,072	20			3,092
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										**3,092**		–	–	**3,112**
TOTAL INVESTMENTS AND INTEREST	2									**3,092**		–	–	**3,112**

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

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	138,880	1,067	96,655	95,949	706	0.7%	138,880
Equitable Share		111,172	122,358	122,358	–	91,769	91,769	–		122,358
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	96	771	911	(139)	-15.3%	1,264
Integrated National Electrification Programme Grant		1,400	5,707	5,217	633	1,419	1,673	(253)	-15.1%	5,217
Local Government Financial Management Grant		1,721	1,771	1,771	183	516	909	(392)	-43.2%	1,771
Municipal Infrastructure Grant		4,655	5,081	4,827	154	2,179	–	2,179	#DIV/0!	4,827
Neighbourhood Development Partnership Grant		379	1,957	1,957	–	–	391	(391)	-100.0%	1,957
Water Services Infrastructure Grant		–	443	1,487	–	–	297	(297)	-100.0%	1,487
Provincial Government:		11,158	11,658	12,341	1,053	8,858	9,742	(884)	-9.1%	12,341
Grant Income - W C P A		10,795	11,019	11,115	1,021	8,826	9,497	(671)	-7.1%	11,115
Grant Income - W C P A (GIS Implementation		–	–	250	–	–	50	(50)	-100.0%	250
Grant Income - W C P A (Municipal Service Delivery and Capcity Bu		–	–	250	–	–	50	(50)	-100.0%	250
Grant Income - WCPA(FMCBG)		363	639	726	32	32	145	(113)	-77.9%	726
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	100	–	100	100	–		100
South Africa National Biodiversity Institute (SANBI)		–	–	100	–	100	100	–		100
Total Operating Transfers and Grants	5	131,529	150,239	151,321	2,120	105,613	105,791	(178)	-0.2%	151,321
Capital Transfers and Grants										
National Government:		34,996	78,184	80,177	4,467	25,102	28,543	(3,441)	-12.1%	80,177
Integrated National Electrification Programme Grant		9,330	38,047	34,783	4,220	9,462	11,150	(1,688)	-15.1%	34,783
Municipal Infrastructure Grant		23,140	24,137	22,437	218	8,378	8,515	(137)	-1.6%	22,437
Neighbourhood Development Partnership Grant		2,526	13,043	13,043	29	3,959	4,252	(294)	-6.9%	13,043
Water Services Infrastructure Grant		–	2,957	9,913	–	3,303	4,625	(1,322)	-28.6%	9,913
Provincial Government:		1,698	–	3,838	–	–	–	–		3,838
Capital Grant WCPA		1,698	–	3,838	–	–	–	–		3,838
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	36,694	78,184	84,015	4,467	25,102	28,543	(3,441)	-12.1%	84,015
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	168,223	228,423	235,335	6,587	130,715	134,334	(3,619)	-2.7%	235,335

Supporting Table SC7(1): Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description 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
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		37,542	35,278	37,374	1,600	25,255	25,629	(374)	-1.5%	37,374
Equitable Share		32,803	30,637	32,684	1,199	22,573	22,975	(402)	-1.8%	32,684
Expanded Public Works Programme Integrated Grant		1,044	1,264	1,264	96	771	771	–		1,264
Local Government Financial Management Grant		1,721	1,906	1,817	183	516	516	0	0.0%	1,817
Municipal Infrastructure Grant		1,975	1,471	1,609	122	1,395	1,367	28	2.1%	1,609
Provincial Government:		39,935	43,980	39,371	3,240	27,305	30,697	(3,391)	-11.0%	39,371
Allowance: Acting		119	14	–	–	–	–	–		–
Bonuses		150	–	4	–	4	4	–		4
Buildings		1,391	10	79	–	25	25	–		79
Fuel and Oil		128	131	131	6	88	81	6	7.9%	131
Fuel Management Rental Fee		3	4	4	0	1	1	0	17.5%	4
Grant - W C P A		12,688	18,766	18,948	1,183	14,331	14,882	(551)	-3.7%	18,948
Grant - W C P A (Ethembeni 180)		7,400	–	4,000	–	–	2,000	(2,000)	-100.0%	4,000
Grant - W C P A (GIS Implementation)		–	–	250	–	–	–	–		250
Grant - W C P A (Happy Valley 95)		4,901	6,724	3,160	636	4,066	3,160	906	28.7%	3,160
Grant - W C P A (Hlalani 273)		6,968	9,480	9,480	295	4,034	9,185	(5,150)	-56.1%	9,480
Grant - W C P A (Municipal Service Delivery and Capacity Building		–	–	250	–	–	–	–		250
Grant - W C P A (Qolweni)		7	–	2,340	–	–	1,340	(1,340)	-100.0%	2,340
Grant - WCPA(FMCBG)		316	639	726	32	32	19	13	66.8%	726
Grant - WCPA(Heidevallei Planning)		–	8,212	–	1,087	4,724	–	4,724	#DIV/0!	–
Grant - WCPA(Vision459)		5,863	–	–	–	–	–	–		–
Grant- WCPA (Flenters 23)		–	–	3,760	–	–	–	–		3,760
Greater Knysna Food Security Forum		1,000	–	–	4	43	–	43	#DIV/0!	–
Temp/Casual Staff		–	–	5	–	5	5	–		5
Temp/Casual Staff UIF		–	1	1	–	0	0	–		1
Title Deeds Restoration project		10	1,374	1,374	–	–	–	–		1,374
Other grant providers:		1,000	–	–	4	43	–	43	#DIV/0!	–
Greater Knysna Food Security Forum		1,000	–	–	4	43	–	43	#DIV/0!	–
Total operating expenditure of Transfers and Grants:		78,477	79,258	80,504	4,845	52,604	56,326	(3,722)	-6.6%	80,504
Capital expenditure of Transfers and Grants										
National Government:		–	78,184	80,177	4,467	25,997	20,648	5,349	25.9%	80,177
Integrated National Electrification Programme Grant		–	38,047	34,783	4,220	9,362	6,452	2,910	45.1%	34,783
Municipal Infrastructure Grant		–	24,137	22,437	218	10,740	8,301	2,438	29.4%	22,437
Neighbourhood Development Partnership Grant		–	13,043	13,043	28	2,964	2,964	–		13,043
Water Services Infrastructure Grant		–	2,957	9,913	–	2,931	2,931	–		9,913
Provincial Government:		–	–	3,838	–	–	–	–		3,838
Furniture and Equipment		–	–	40	–	–	–	–		40
Happy Valley		–	–	858	–	–	–	–		858
Knysna Vision(1393) UISP		–	–	1,200	–	–	–	–		1,200
Safety Fence: Qolweni		–	–	240	–	–	–	–		240
Sedgefield Infill - Informal Settlements Upgrading Partnership G		–	–	1,500	–	–	–	–		1,500
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	78,184	84,015	4,467	25,997	20,648	5,349	25.9%	84,015
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		78,477	157,442	164,519	9,311	78,601	76,974	1,627	2.1%	164,519

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

WC048 Knysna - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M08 February

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					–	
					–	
					–	
Other transfers and grants [insert description]					–	
Provincial Government:		–	–	–	–	
Grant Income - W C P A					–	
					–	
					–	
					–	
Other transfers and grants [insert description]					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
South Africa National Biodiversity Institute (SANBI)					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Integrated National Electrification Programme Grant					–	
					–	
					–	
					–	
					–	
Other capital transfers [insert description]					–	
Provincial Government:		–	–	–	–	
					–	
					–	
District Municipality:		–	–	–	–	
					–	
					–	
Other grant providers:		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

Supporting Table SC8: Councillor and Staff Benefits

WC048 Knysna - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

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		8,219	8,358	8,585	674	5,330	5,330	(0)	0%	8,585
Pension and UIF Contributions		651	663	667	59	467	467	0	0%	667
Medical Aid Contributions		108	211	211	12	96	96	(0)	0%	211
Motor Vehicle Allowance		249	239	358	34	221	221	(0)	0%	358
Cellphone Allowance		544	612	634	50	389	389	–		634
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		16	–	–	–	–	–	–		–
Sub Total - Councillors		9,787	10,082	10,454	830	6,502	6,502	(0)	0%	10,454
% increase	4		3.0%	6.8%						6.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5,076	7,212	5,205	479	3,290	3,290	–		5,205
Pension and UIF Contributions		350	522	452	43	278	253	25	10%	452
Medical Aid Contributions		60	50	63	5	42	42	–		63
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		(171)	199	214	–	30	30	–		214
Motor Vehicle Allowance		522	430	630	52	380	329	51	16%	630
Cellphone Allowance		5	5	12	1	8	8	–		12
Housing Allowances		–	–	50	8	17	17	–		50
Other benefits and allowances		39	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		5,880	8,419	6,627	588	4,044	3,968	76	2%	6,627
% increase	4		43.2%	12.7%						12.7%
Other Municipal Staff										
Basic Salaries and Wages		170,278	175,752	179,081	14,588	119,695	120,428	(733)	-1%	179,081
Pension and UIF Contributions		35,343	38,378	37,997	3,110	24,915	24,828	88	0%	37,997
Medical Aid Contributions		13,126	15,254	14,215	1,132	8,989	9,035	(46)	-1%	14,215
Overtime		24,483	18,406	21,554	2,532	16,171	16,127	45	0%	21,554
Performance Bonus		13,570	13,866	13,549	(9)	13,536	13,405	130	1%	13,549
Motor Vehicle Allowance		8,322	7,600	8,232	683	5,286	5,286	–		8,232
Cellphone Allowance		–	200	200	–	–	–	–		200
Housing Allowances		2,684	2,899	2,604	202	1,530	1,525	5	0%	2,604
Sub Total - Other Municipal Staff		267,805	272,355	277,431	22,239	190,122	190,634	(512)	0%	277,431
% increase	4		1.7%	3.6%						3.6%
Total Parent Municipality		283,472	290,855	294,512	23,657	200,669	201,105	(436)	0%	294,512
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		283,472	290,855	294,512	23,657	200,669	201,105	(436)	0%	294,512
% increase	4		2.6%	3.9%						3.9%
TOTAL MANAGERS AND STAFF		273,685	280,773	284,057	22,827	194,166	194,602	(436)	0%	284,057

Supporting Table SC9: Monthly targets for Cash Receipts and Payments

WC048 Knysna - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M08 February

Description	Ref	Budget Year 2023/24												#REF!		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	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	21,234	20,798	–	–	–	180,881	290,007	300,162	314,311
Service charges - Electricity revenue		14,636	18,247	19,196	17,725	18,058	16,428	22,731	29,701	–	–	–	207,424	364,147	417,917	437,559
Service charges - Water revenue		4,694	6,378	5,962	5,760	6,543	5,837	6,784	7,122	–	–	–	27,448	76,529	82,779	91,657
Service charges - Waste Water Management		1,506	2,798	2,250	1,950	1,991	1,690	1,866	1,828	116,632	86,547	87,406	(278,685)	27,779	29,303	30,831
Service charges - Waste Mangement		1,588	3,394	2,558	2,211	2,096	1,870	2,104	2,046	–	–	–	9,233	27,100	28,583	29,977
Rental of facilities and equipment		304	217	303	343	319	605	365	246	–	–	–	3,647	6,349	6,688	7,029
Interest earned - external investments		–	–	–	–	–	–	–	–	82	82	82	1,580	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	977	1,558	–	–	–	5,720	14,864	32,000	38,159
Licences and permits		124	139	145	142	137	91	135	2,030	–	–	–	(1,145)	1,799	1,887	1,976
Agency services		120	144	240	132	138	112	149	131	–	–	–	2,866	4,033	4,230	4,429
Transfers and Subsidies - Operational		68,238	2,088	34,823	23,283	25,114	36,429	2	4,510	–	–	–	(26,713)	167,773	179,630	175,920
Other revenue		1,340	767	671	1,107	1,687	778	1,418	1,552	–	–	–	2,356	11,677	12,249	12,824
Cash Receipts by Source		**95,027**	**72,972**	**69,355**	**55,402**	**59,200**	**87,191**	**57,765**	**71,523**	**116,714**	**86,629**	**87,488**	**134,613**	**993,881**	**1,097,343**	**1,146,676**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		23,844	–	–	8,397	18,000	–	8,473	–	(760)	(760)	(760)	21,748	78,184	71,574	78,496
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	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		–	–	–	–	–	–	0	353	–	–	–	(354)	–	–	–
Decrease (increase) in non-current receivables		711	243	166	96	328	93	81	693	–	–	–	656	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**	**66,320**	**72,569**	**115,954**	**85,870**	**86,729**	**177,630**	**1,096,136**	**1,194,226**	**1,251,776**

Cash Payments by Type													–			
Employee related costs		23,256	23,520	23,850	24,148	33,804	24,563	25,324	30,143	23,049	21,746	21,269	40,968	315,640	336,829	346,724
Remuneration of councillors		799	808	754	836	805	841	830	830	–	–	–	(6,502)	–	–	–
Interest		(415)	(586)	(394)	–	–	1,476	1,476	328	254	836	254	28,618	31,848	35,409	39,073
Bulk purchases - Electricity		29,551	34,622	34,338	20,093	21,007	18,938	20,735	20,653	20,944	20,700	20,811	30,912	293,304	332,300	348,915
Acquisitions - water & other inventory		1,324	1,347	2,897	2,352	3,796	3,121	4,632	1,102	–	–	–	32,921	53,493	55,878	58,752
Contracted services		19,509	10,683	8,834	16,570	19,144	11,883	9,511	18,394	10,958	12,928	9,931	37,060	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	8,200	4,225	7,581	7,581	7,581	(6,349)	73,456	78,154	81,731
Cash Payments by Type		**80,105**	**73,613**	**73,605**	**67,222**	**82,489**	**85,680**	**70,708**	**75,676**	**62,786**	**63,791**	**59,846**	**157,627**	**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	7,725	4,948	–	–	–	69,119	110,739	121,754	135,487
Repayment of borrowing		563	1,281	483	–	–	39,916	1,765	787	–	–	–	(5,435)	39,361	41,447	43,643
Other Cash Flows/Payments		(3,092)	17,089	(37,299)	10,352	22	(24,665)	(23,658)	(7)	148	49	679	61,841	1,457	1,316	1,333
Total Cash Payments by Type		**86,385**	**97,387**	**42,187**	**80,615**	**85,313**	**104,423**	**56,540**	**81,404**	**62,934**	**63,840**	**60,524**	**283,151**	**1,104,705**	**1,197,953**	**1,246,494**
NET INCREASE/(DECREASE) IN CASH HELD		**33,196**	**(24,172)**	**27,334**	**(16,720)**	**(7,784)**	**(17,101)**	**9,779**	**(8,836)**	**53,020**	**22,030**	**26,204**	**(105,521)**	**(8,569)**	**(3,727)**	**5,282**
Cash/cash equivalents at the month/year beginning:		20,358	53,554	29,382	56,716	39,996	32,212	15,111	24,891	16,055	69,076	91,105	117,310	–	–	–
Cash/cash equivalents at the month/year end:		53,554	29,382	56,716	39,996	32,212	15,111	24,891	16,055	69,076	91,105	117,310	11,789	(8,569)	(3,727)	5,282

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

WC048 Knysna - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M08 February

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	48,747	47,825	4,669	11,241	7,838	(3,403)	-43.4%	47,825
Roads Infrastructure		–	3,000	4,500	2	546	500	(46)	-9.2%	4,500
Roads		–	–	1,500	–	–	–	–		1,500
Capital Spares		–	3,000	3,000	2	546	500	(46)	-9.2%	3,000
Electrical Infrastructure		–	42,047	39,387	4,547	9,939	6,702	(3,237)	-48.3%	39,387
MV Switching Stations		–	2,500	2,500	–	–	–	–		2,500
MV Networks		–	1,500	1,701	327	373	47	(327)	-698.5%	1,701
LV Networks		–	38,047	35,186	4,220	9,566	6,656	(2,910)	-43.7%	35,186
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	3,450	3,419	120	755	635	(120)	-18.9%	3,419
Water Treatment Works		–	750	750	–	429	429	–		750
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	700	500	–	–	–	–		500
Distribution Points		–	250	419	120	312	192	(120)	-62.5%	419
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	1,750	1,750	–	14	14	–		1,750
Rail Infrastructure		–	250	270	–	–	–	–		270
Drainage Collection		–	250	270	–	–	–	–		270
Information and Communication Infrastructure		–	–	250	–	–	–	–		250
Data Centres		–	–	250	–	–	–	–		250
Community Assets		–	2,000	3,280	–	–	–	–		3,280
Community Facilities		–	2,000	3,280	–	–	–	–		3,280
Fire/Ambulance Stations		–	2,000	3,280	–	–	–	–		3,280
Other assets		–	–	2,298	–	–	–	–		2,298
Operational Buildings		–	–	–	–	–	–	–		–
Housing		–	–	2,298	–	–	–	–		2,298
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	2,298	–	–	–	–		2,298
Computer Equipment		–	200	200	–	104	104	–		200
Computer Equipment		–	200	200	–	104	104	–		200
Furniture and Office Equipment		–	–	127	–	7	7	–		127
Furniture and Office Equipment		–	–	127	–	7	7	–		127
Machinery and Equipment		–	650	740	25	195	172	(23)	-13.1%	740
Machinery and Equipment		–	650	740	25	195	172	(23)	-13.1%	740
Transport Assets		–	1,400	1,400	–	–	–	–		1,400
Transport Assets		–	1,400	1,400	–	–	–	–		1,400
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Immature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Total Capital Expenditure on new assets	1	–	52,997	55,870	4,695	11,546	8,121	(3,426)	-42.2%	55,870

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

WC048 Knysna - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M08

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	27,075	247	7,812	7,594	(218)	-2.9%	27,075
Roads Infrastructure		–	19,302	22,623	247	6,765	6,547	(218)	-3.3%	22,623
Roads		–	19,302	22,623	247	6,765	6,547	(218)	-3.3%	22,623
Water Supply Infrastructure		–	3,950	3,950	–	1,048	1,048	–		3,950
Water Treatment Works		–	150	150	–	50	50	–		150
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	3,800	3,800	–	997	997	–		3,800
Solid Waste Infrastructure		–	–	502	–	–	–	–		502
Capital Spares		–	–	502	–	–	–	–		502
Community Assets		–	755	750	–	167	167	–		750
Community Facilities		–	5	–	–	–	–	–		–
Nature Reserves		–	5	–	–	–	–	–		–
Sport and Recreation Facilities		–	750	750	–	167	167	–		750
Capital Spares		–	750	750	–	167	167	–		750
Total Capital Expenditure on renewal of existing ass	1	–	24,007	27,825	247	7,980	7,761	(218)	-2.8%	27,825

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

WC048 Knysna - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

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
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**52,600**	**59,922**	**40,645**	**3,456**	**27,124**	**24,493**	(2,631)	**-10.7%**	**40,645**
Roads Infrastructure		3,918	6,802	6,802	–	3,555	3,555	–		6,802
Roads		3,905	6,783	6,783	–	3,555	3,555	–		6,783
Capital Spares		13	19	19	–	–	–	–		19
Storm water Infrastructure		877	1,166	540	64	305	305	–		540
Drainage Collection		70	25	25	–	4	4	–		25
Storm water Conveyance		807	1,141	514	64	301	301	–		514
Electrical Infrastructure		20,898	27,209	19,729	939	13,410	12,929	(481)	-3.7%	19,729
HV Substations		2,171	2,580	2,224	123	2,500	2,224	(276)	-12.4%	2,224
HV Switching Station		211	659	272	0	7	7	–		272
HV Transmission Conductors		4,898	2,406	1,406	–	747	747	–		1,406
MV Networks		9,447	12,778	8,746	55	4,675	4,675	–		8,746
LV Networks		4,170	8,786	7,080	761	5,482	5,277	(205)	-3.9%	7,080
Water Supply Infrastructure		15,743	13,823	9,963	134	5,890	5,909	19	0.3%	9,963
Water Treatment Works		13,676	10,798	8,639	134	5,370	5,389	19	0.3%	8,639
Capital Spares		2,067	3,025	1,324	–	520	520	–		1,324
Sanitation Infrastructure		9,946	9,661	2,953	2,319	3,887	1,718	(2,168)	-126.2%	2,953
Waste Water Treatment Works		9,946	9,661	2,953	2,319	3,887	1,718	(2,168)	-126.2%	2,953
Solid Waste Infrastructure		1,218	1,260	660	–	77	77	–		660
Waste Transfer Stations		1,218	1,260	660	–	77	77	–		660
Community Assets		**4,816**	**4,634**	**3,294**	**214**	**2,239**	**2,232**	**(8)**	**-0.4%**	**3,294**
Community Facilities		3,465	3,165	2,096	197	1,519	1,511	(8)	-0.5%	2,096
Halls		227	255	235	25	145	139	(7)	-4.8%	235
Fire/Ambulance Stations		67	134	–	–	–	–	–		–
Museums		78	98	39	3	16	15	(1)	-5.2%	39
Libraries		500	569	325	31	230	230	–		325
Cemeteries/Crematoria		660	511	306	38	298	298	–		306
Police		29	189	50	13	15	15	–		50
Public Open Space		1,902	1,409	1,141	87	815	814	(1)	-0.1%	1,141
Sport and Recreation Facilities		1,351	1,469	1,199	17	720	721	0	0.0%	1,199
Outdoor Facilities		1,351	1,469	1,199	17	720	721	0	0.0%	1,199
Other assets		**3,251**	**3,456**	**2,491**	**181**	**768**	**768**	**–**		**2,491**
Operational Buildings		740	2,445	2,112	181	741	741	–		2,112
Municipal Offices		617	2,149	2,035	181	723	723	–		2,035
Depots		123	296	78	–	19	19	–		78
Housing		2,511	1,010	379	–	27	27	–		379
Staff Housing		1,120	1,000	300	–	2	2	–		300
Social Housing		1,391	10	79	–	25	25	–		79
Furniture and Office Equipment		**14**	**40**	**17**	**–**	**–**	**–**	**–**		**17**
Furniture and Office Equipment		14	40	17	–	–	–	–		17
Transport Assets		**6,140**	**6,215**	**6,368**	**294**	**3,200**	**3,107**	**(92)**	-3.0%	**6,368**
Transport Assets		6,140	6,215	6,368	294	3,200	3,107	(92)	-3.0%	6,368
Total Repairs and Maintenance Expenditure	1	**66,820**	**74,266**	**52,815**	**4,145**	**33,332**	**30,600**	**(2,731)**	**-8.9%**	**52,815**

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M08 February

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class										
Infrastructure		**40,379**	**31,114**	**38,499**	**2,593**	**20,744**	**20,743**	**(1)**	**0.0%**	**38,499**
Roads Infrastructure		5,818	5,186	8,269	432	3,457	3,457	–		8,269
Roads		5,818	5,186	8,269	432	3,457	3,457	–		8,269
Storm water Infrastructure		1,029	901	916	75	601	601	–		916
Drainage Collection		1,029	901	916	75	601	601	–		916
Electrical Infrastructure		8,001	7,875	10,092	656	5,252	5,251	(1)	0.0%	10,092
Power Plants		3	6	6	1	6	5	(1)	-14.6%	6
HV Substations		7,999	7,869	10,086	656	5,246	5,246	–		10,086
Water Supply Infrastructure		17,501	16,851	18,065	1,404	11,234	11,234	–		18,065
Water Treatment Works		208	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		17,293	16,851	18,065	1,404	11,234	11,234	–		18,065
Sanitation Infrastructure		6,120	152	1,007	13	101	101	–		1,007
Pump Station		1	28	28	2	19	19	–		28
Reticulation		5,909	–	–	–	–	–	–		–
Waste Water Treatment Works		166	79	934	7	53	53	–		934
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		44	44	44	4	30	30	–		44
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,818	50	50	4	33	33	–		50
Landfill Sites		1,818	50	50	4	33	33	–		50
Information and Communication Infrastructure		92	99	99	8	66	66	–		99
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		92	99	99	8	66	66	–		99
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**2,524**	**1,681**	**1,693**	**140**	**1,120**	**1,120**	**–**		**1,693**
Community Facilities		1,900	1,626	1,630	135	1,084	1,084	–		1,630
Halls		635	68	68	6	45	45	–		68
Centres		7	528	528	44	352	352	–		528
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		68	41	42	3	27	27	–		42
Testing Stations		0	0	0	0	0	0	–		0
Museums		6	6	6	0	4	4	–		6
Galleries		–	–	–	–	–	–	–		–
Theatres		–	1	1	0	1	1	–		1
Libraries		572	332	332	28	221	221	–		332
Cemeteries/Crematoria		9	23	26	2	16	16	–		26
Police		2	55	55	5	37	37	–		55
Purls		252	181	181	15	120	120	–		181
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	8	8	1	5	5	–		8
Markets		–	–	–	–	–	–	–		–
Stalls		22	71	71	6	47	47	–		71
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		327	313	313	26	209	209	–		313
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		624	55	62	5	37	37	–		62
Indoor Facilities		–	1	9	0	1	1	–		9
Outdoor Facilities		624	54	54	4	36	36	–		54

Investment properties		**137**	**145**	**145**	**12**	**97**	**97**	**–**		**145**
Revenue Generating		137	145	145	12	97	97	–		145
Improved Property		137	145	145	12	97	97	–		145
Other assets		**1,773**	**1,624**	**2,536**	**135**	**1,196**	**1,196**	**–**		**2,536**
Operational Buildings		1,773	619	631	52	413	413	–		631
Municipal Offices		1,773	619	631	52	413	413	–		631
Housing		–	1,005	1,905	84	783	783	–		1,905
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	1,005	1,905	84	783	783	–		1,905
Intangible Assets		**16**	**72**	**72**	**6**	**48**	**48**	**–**		**72**
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		16	72	72	6	48	48	–		72
Computer Software and Applications		16	72	72	6	48	48	–		72
Computer Equipment		**973**	**3,924**	**3,924**	**327**	**2,616**	**2,616**	**–**		**3,924**
Computer Equipment		973	3,924	3,924	327	2,616	2,616	–		3,924
Furniture and Office Equipment		**1,616**	**6,902**	**6,902**	**575**	**4,601**	**4,601**	**–**		**6,902**
Furniture and Office Equipment		1,616	6,902	6,902	575	4,601	4,601	–		6,902
Machinery and Equipment		**735**	**621**	**1,227**	**52**	**414**	**414**	**(0)**	0.0%	**1,227**
Machinery and Equipment		735	621	1,227	52	414	414	(0)	0.0%	1,227
Transport Assets		**3,263**	**3,036**	**3,134**	**253**	**2,024**	**2,024**	**–**		**3,134**
Transport Assets		3,263	3,036	3,134	253	2,024	2,024	–		3,134
Total Depreciation	1	**51,416**	**49,119**	**58,132**	**4,093**	**32,860**	**32,860**	**(1)**	**0.0%**	**58,132**

Supporting Table SC13(e): Upgrading of Existing Assets

WC048 Knysna - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M08

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		–	25,754	27,871	187	12,855	10,635	(2,220)	-20.9%	27,871
Roads Infrastructure		–	5,834	8,083	187	3,860	3,860	–		8,083
Roads		–	5,834	8,083	187	3,860	3,860	–		8,083
Storm water Infrastructure		–	500	500	–	80	80	–		500
Drainage Collection		–	500	500	–	80	80	–		500
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	2,700	2,700	–	–	–	–		2,700
MV Substations		–	400	400	–	–	–	–		400
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	2,300	2,300	–	–	–	–		2,300
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	4,707	11,676	–	3,054	3,054	–		11,676
Dams and Weirs		–	500	500	–	–	–	–		500
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	250	250	–	–	–	–		250
Bulk Mains		–	250	263	–	123	123	–		263
Distribution		–	3,707	10,663	–	2,931	2,931	–		10,663
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	12,014	4,912	–	5,861	3,641	(2,220)	-61.0%	4,912
Pump Station		–	750	794	–	–	–	–		794
Reticulation		–	11,014	3,868	–	5,861	3,641	(2,220)	-61.0%	3,868
Waste Water Treatment Works		–	250	250	–	–	–	–		250
Community Assets		–	7,980	7,321	–	769	769	–		7,321
Community Facilities		–	800	800	–	–	–	–		800
Cemeteries/Crematoria		–	800	800	–	–	–	–		800
Sport and Recreation Facilities		–	7,180	6,521	–	769	769	–		6,521
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	7,180	6,521	–	769	769	–		6,521
Total Capital Expenditure on upgrading of existing	1	–	33,734	35,192	187	13,624	11,404	(2,220)	-19.5%	35,192