



Nama Khoi Municipality

15 December 2020

The Mayor

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING
30 November 2020 (MONTHLY BUDGET STATEMENT) – 2019/2020 FINANCIAL YEAR**

1. PURPOSE

To comply with section 71 of the MFMA, by providing a monthly statement on the implementation of the budget and financial state of affairs of the municipality to the Council, as legislated.

2. STRATEGIC OBJECTIVE

The strategic objective of this report is to ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate.

For the reporting period ended 30 November 2020.

3. QUERIES AND SUGGESTIONS

***The financial services division will appreciate if all queries and suggestions can be address to the Chief Financial Officer in writing.**

4. REPORT FOR THE PERIOD ENDING 30 November 2020

This report is based upon financial information, as at 30 November 2020 and available at the time of preparation.

The financial results for the period ended 30 November 2020 are summarised as follows:

Statement of Financial Performance (SFP) (Annexure B – TABLE C4)

The summary report indicates the following:

Table of Contents

Page 3	Table C4-Financial Performance
Page 4	CHART 1- Revenue by source
Page 5	CHART 2 – Expenditure by type
Page 6	Table C3 – Revenue and expenditure by vote
Page 8	CHART 3 – Revenue by vote& Variances
Page 9	CHART 4 – Expenditure by vote& Variances
Page 9	Capital Expenditure
Page 10	Cash Flow Statement
Page 11	Debtors Age Analysis
Page 13	Creditors age analysis
Page 14	Employee Related Cost
Page 15	Financial Implications/Recommendations
Page 16	Interdepartmental and Cluster Impact
Page 17	Quality Certificate
Page 18	Annexure A
Page 20	C-Schedule Table of contents

NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November							
Description	Budget Year 2020/21						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue By Source							
Property rates	43 233 960	43 233 960	-1 062 264	49 948 279	18 014 155	31 934 124	177%
Service charges - electricity revenue	100 055 713	100 055 713	7 097 060	37 212 725	41 689 880	-4 477 155	-11%
Service charges - water revenue	39 061 978	39 061 978	2 586 373	12 439 748	16 275 820	-3 836 072	-24%
Service charges - sanitation revenue	12 711 912	12 711 912	983 851	4 920 260	5 296 620	-376 360	-7%
Service charges - refuse revenue	15 303 808	15 303 808	1 138 624	5 701 606	6 376 585	-674 979	-11%
Rental of facilities and equipment	1 403 880	1 403 880	173 958	879 277	584 970	294 307	50%
Interest earned - external investments	1 374 605	1 374 605	125 663	670 825	572 755	98 070	17%
Interest earned - outstanding debtors	7 735 662	7 735 662	876 078	4 390 319	3 223 195	1 167 124	36%
Dividends received	0	0	0	0	0	0	
Fines, penalties and forfeits	223 033	223 033	32 817	78 014	92 930	-14 916	-16%
Licences and permits	1 525 292	1 525 292	119 508	647 070	635 540	11 530	2%
Agency services	1 280 643	1 280 643	54 344	117 405	533 600	-416 195	-78%
Transfers and subsidies	58 663 696	66 634 696	0	24 081 326	27 764 455	-3 683 129	-13%
Other revenue	2 239 165	2 239 165	131 713	756 956	932 990	-176 034	-19%
Gains	0	0	0	0	0	0	
Total Revenue (excluding capital transfers and contributions)	284 813 347	292 784 347	12 257 725	141 843 810	121 993 495	19 850 315	16%
Expenditure By Type							
Employee related costs	99 403 274	100 210 891	8 078 861	39 160 833	41 754 595	-2 593 762	-6%
Remuneration of councillors	6 954 328	6 954 328	547 092	2 742 087	2 897 645	-155 558	-5%
Debt impairment	20 483 238	20 483 238	0	0	8 534 685	-8 534 685	-100%
Depreciation & asset impairment	37 802 754	37 802 754	0	0	15 751 145	-15 751 145	-100%
Finance charges	312 817	312 817	335 535	1 557 651	130 340	1 427 311	1095%
Bulk purchases	108 146 838	108 146 838	5 861 101	48 780 469	45 061 185	3 719 284	8%
Other materials	7 750 104	8 604 479	212 008	1 436 540	3 585 050	-2 148 510	-60%
Contracted services	26 647 028	26 147 028	2 211 422	7 070 611	10 894 660	-3 824 049	-35%
Transfers and subsidies	0	0	0	0	0	0	
Other expenditure	26 521 220	26 777 497	2 710 560	9 339 031	11 157 305	-1 818 274	-16%
Losses	0	0	0	0	0	0	
Total Expenditure	334 021 601	335 439 870	19 956 579	110 087 222	139 766 610	-29 679 388	-21%
Surplus/(Deficit)	-49 208 254	-42 655 523	-7 698 854	31 756 588	-17 773 115	49 529 703	(0)

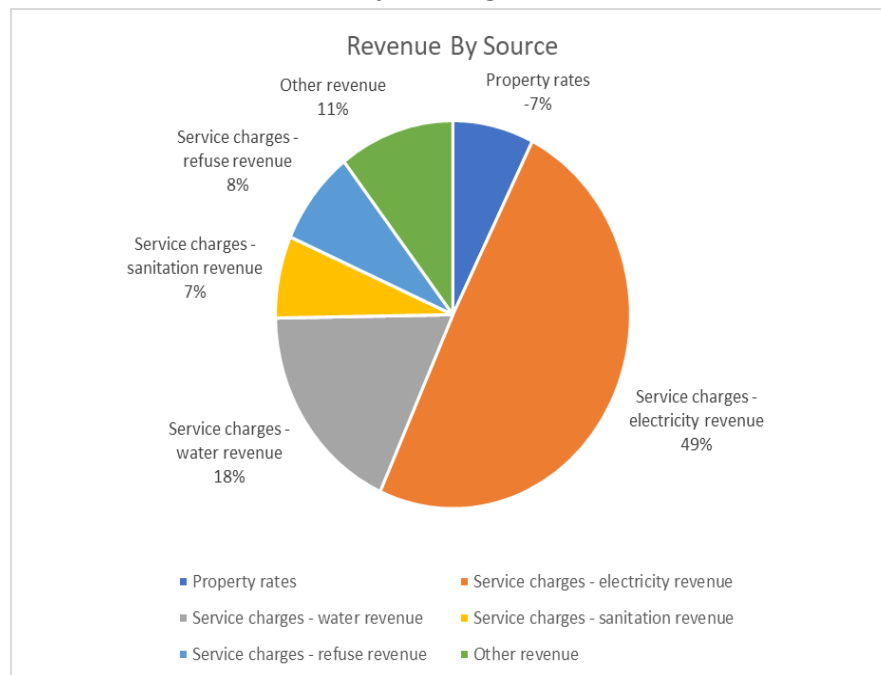
NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November							
Description	Budget Year 2020/21						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue By Source							
Property rates	43 233 960	43 233 960	-1 062 264	49 948 279	18 014 155	31 934 124	177%
Service charges - electricity revenue	100 055 713	100 055 713	7 097 060	37 212 725	41 689 880	-4 477 155	-11%
Service charges - water revenue	39 061 978	39 061 978	2 586 373	12 439 748	16 275 820	-3 836 072	-24%
Service charges - sanitation revenue	12 711 912	12 711 912	983 851	4 920 260	5 296 620	-376 360	-7%
Service charges - refuse revenue	15 303 808	15 303 808	1 138 624	5 701 606	6 376 585	-674 979	-11%
Rental of facilities and equipment	1 403 880	1 403 880	173 958	879 277	584 970	294 307	50%
Interest earned - external investments	1 374 605	1 374 605	125 663	670 825	572 755	98 070	17%
Interest earned - outstanding debtors	7 735 662	7 735 662	876 078	4 390 319	3 223 195	1 167 124	36%
Dividends received	0	0	0	0	0	0	
Fines, penalties and forfeits	223 033	223 033	32 817	78 014	92 930	-14 916	-16%
Licences and permits	1 525 292	1 525 292	119 508	647 070	635 540	11 530	2%
Agency services	1 280 643	1 280 643	54 344	117 405	533 600	-416 195	-78%
Transfers and subsidies	58 663 696	66 634 696	0	24 081 326	27 764 455	-3 683 129	-13%
Other revenue	2 239 165	2 239 165	131 713	756 956	932 990	-176 034	-19%
Gains	0	0	0	0	0	0	
Total Revenue (excluding capital transfers and contributions)	284 813 347	292 784 347	12 257 725	141 843 810	121 993 495	19 850 315	16%

Explanation on YTD variance % - e.g. 151% means that the municipality billed 51% more than what was budget and 90% means the municipality billed 10% less than what was budgeted.

Variations to be discussed in Institutional and Finance Committee

CHART 1

The following chart shows the revenue by source for the month of 30 November 2020 in terms of revenue as a percentage of total revenue.



NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November							
Description	Budget Year 2020/21						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Expenditure By Type							
Employee related costs	99 403 274	100 210 891	8 078 861	39 160 833	41 754 595	-2 593 762	-6%
Remuneration of councillors	6 954 328	6 954 328	547 092	2 742 087	2 897 645	-155 558	-5%
Debt impairment	20 483 238	20 483 238	0	0	8 534 685	-8 534 685	-100%
Depreciation & asset impairment	37 802 754	37 802 754	0	0	15 751 145	-15 751 145	-100%
Finance charges	312 817	312 817	335 535	1 557 651	130 340	1 427 311	1095%
Bulk purchases	108 146 838	108 146 838	5 861 101	48 780 469	45 061 185	3 719 284	8%
Other materials	7 750 104	8 604 479	212 008	1 436 540	3 585 050	-2 148 510	-60%
Contracted services	26 647 028	26 147 028	2 211 422	7 070 611	10 894 660	-3 824 049	-35%
Transfers and subsidies	0	0	0	0	0	0	
Other expenditure	26 521 220	26 777 497	2 710 560	9 339 031	11 157 305	-1 818 274	-16%
Losses	0	0	0	0	0	0	
Total Expenditure	334 021 601	335 439 870	19 956 579	110 087 222	139 766 610	-29 679 388	-21%

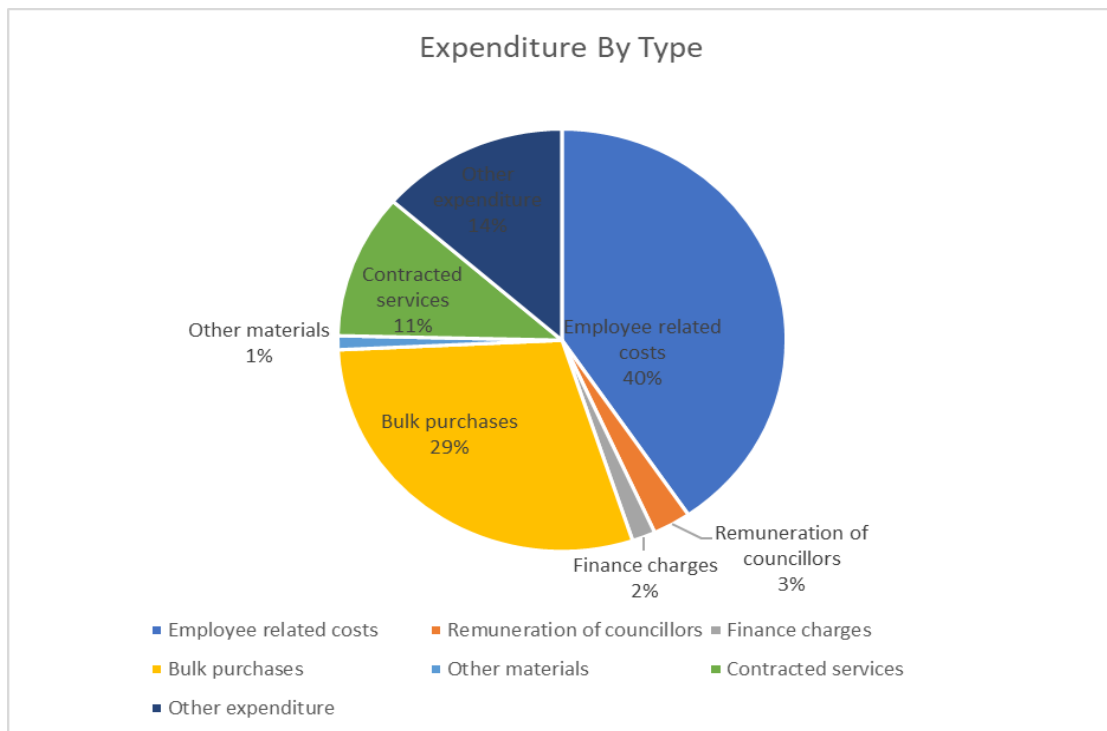
Notes on variances above/under 10%

Variances to be discussed in Institutional and Finance Committee

CHART 2

The following chart shows the expenditure by type in terms of expenditure at a percentage of total expenditure, Chart as per information above

Expenditure by Type



The table below indicates revenue and expenditure by vote

Annexure B – Table C2

NC062 Nama Khoi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November									
Description	Ref	2019/20	Budget Year						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Revenue - Functional									
Executive and council		1 590 327	1 817 556	1 817 556	25 435	424 302	757 315	-333 013	(0)
Finance and administration		116 883 746	106 908 828	114 079 828	21 808	79 315 060	47 533 280	31 781 780	0
Community and social services		2 439 959	1 372 945	2 672 945	87 569	615 579	1 113 740	-498 161	(0)
Sport and recreation		69 242	7 539 886	6 561 625	308	3 731	2 734 005	-2 730 274	(0)
Road transport		1 538 972	8 493 011	6 567 385	168 626	614 865	2 736 415	-2 121 550	(0)
Energy sources		84 962 968	101 539 214	100 825 599	7 152 347	37 435 434	42 010 665	-4 575 231	(0)
Water management		36 631 629	49 504 127	47 547 254	2 685 638	12 842 505	19 811 350	-6 968 845	(0)
Waste water management		20 743 078	35 129 754	33 204 128	970 486	9 307 411	13 835 055	-4 527 644	(0)
Waste management		13 532 458	15 314 243	15 314 243	1 139 317	5 705 071	6 380 930	-675 859	(0)
Other		110 852	45 087	45 087	6 191	14 765	18 785	-4 020	(0)
Total Revenue - Functional	2	278 503 231	327 664 651	328 635 650	12 257 725	146 278 723	136 931 540	9 347 183	0
Expenditure - Functional									
Executive and council		20 183 719	19 937 704	20 114 212	1 728 259	8 027 790	8 380 915	-353 125	(0)
Finance and administration		130 551 804	92 901 323	94 003 295	6 822 099	28 511 404	39 167 925	-10 656 521	(0)
Internal audit		1 179 430	1 492 849	1 492 849	98 626	503 504	622 020	-118 516	(0)
Community and social services		5 348 156	7 803 363	8 254 770	384 305	1 929 609	3 439 505	-1 509 896	(0)
Sport and recreation		4 039 534	4 456 504	4 456 504	157 309	844 253	1 856 875	-1 012 622	(0)
Public safety		2 985 489	5 050 370	5 050 370	225 225	1 042 732	2 104 335	-1 061 603	(0)
Planning and development		2 018 020	2 368 471	2 368 471	113 641	548 161	986 865	-438 704	(0)
Road transport		20 625 171	23 643 649	23 778 602	1 166 466	5 469 928	9 907 815	-4 437 887	(0)
Energy sources		100 519 110	104 203 665	104 203 665	7 052 389	45 576 312	43 418 185	2 158 127	0
Water management		58 845 402	42 663 732	42 217 161	604 264	10 552 987	17 590 485	-7 037 498	(0)
Waste water management		15 249 601	17 345 235	17 345 235	1 026 779	3 963 524	7 227 210	-3 263 686	(0)
Waste management		12 207 988	12 154 736	12 154 736	577 217	3 117 018	5 064 475	-1 947 457	(0)
Total Expenditure - Functional	3	373 753 424	334 021 601	335 439 870	19 956 579	110 087 222	139 766 610	-29 679 388	(0)
Surplus/ (Deficit) for the year		-95 250 193	-6 356 950	-6 804 220	-7 698 854	36 191 501	-2 835 070	39 026 571	(0)

Reasons for variances above/under 10%

Variances to be discussed in Institutional and Finance Committee

CHART 3

The following chart shows the revenue by vote for 30 November 2020

NC062 Nama Khoi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November									
Description	Ref	2019/20	Budget Year 2020/21		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
		Audited Outcome	Original Budget	Adjusted Budget					
R thousands									
Revenue - Functional									
Executive and council		1 590 327	1 817 556	1 817 556	25 435	424 302	757 315	-333 013	(0)
Finance and administration		116 883 746	106 908 828	114 079 828	21 808	79 315 060	47 533 280	31 781 780	0
Community and social services		2 439 959	1 372 945	2 672 945	87 569	615 579	1 113 740	-498 161	(0)
Sport and recreation		69 242	7 539 886	6 561 625	308	3 731	2 734 005	-2 730 274	(0)
Road transport		1 538 972	8 493 011	6 567 385	168 626	614 865	2 736 415	-2 121 550	(0)
Energy sources		84 962 968	101 539 214	100 825 599	7 152 347	37 435 434	42 010 665	-4 575 231	(0)
Water management		36 631 629	49 504 127	47 547 254	2 685 638	12 842 505	19 811 350	-6 968 845	(0)
Waste water management		20 743 078	35 129 754	33 204 128	970 486	9 307 411	13 835 055	-4 527 644	(0)
Waste management		13 532 458	15 314 243	15 314 243	1 139 317	5 705 071	6 380 930	-675 859	(0)
Other		110 852	45 087	45 087	6 191	14 765	18 785	-4 020	(0)
Total Revenue - Functional	2	278 503 231	327 664 651	328 635 650	12 257 725	146 278 723	136 931 540	9 347 183	0

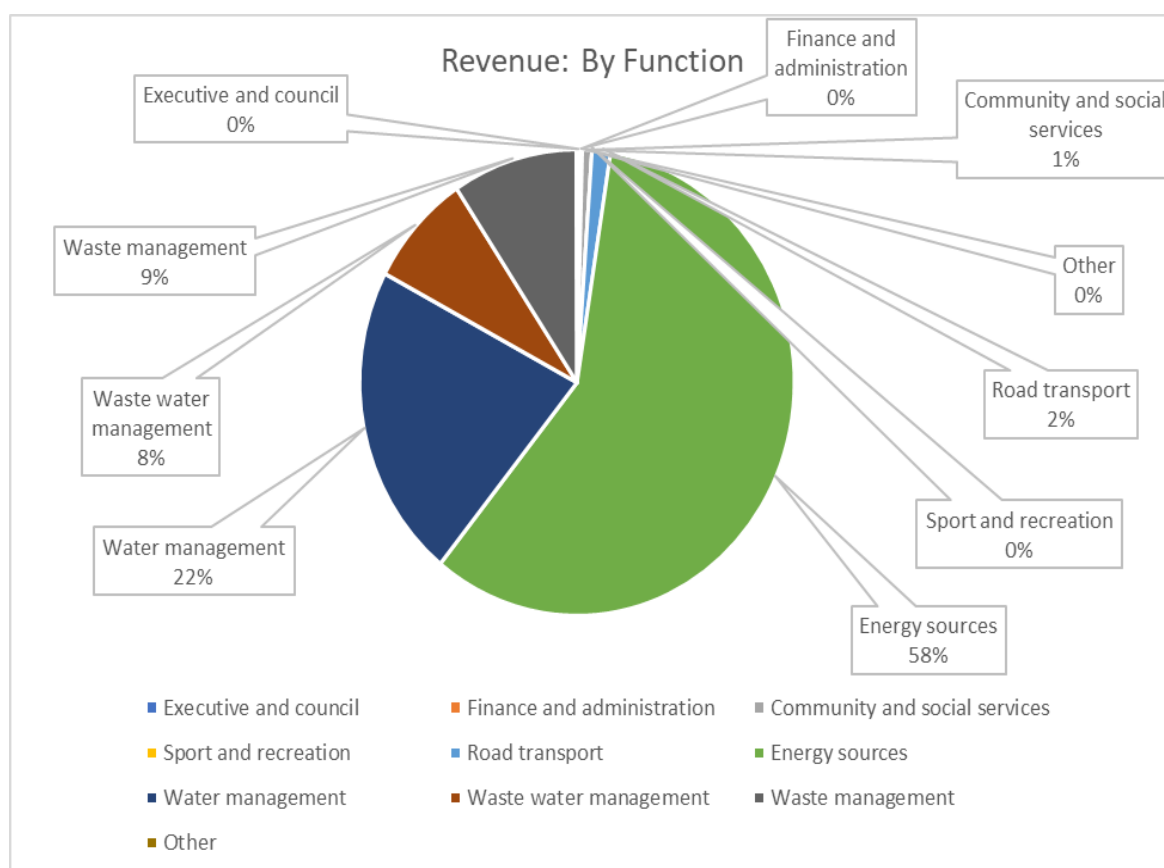
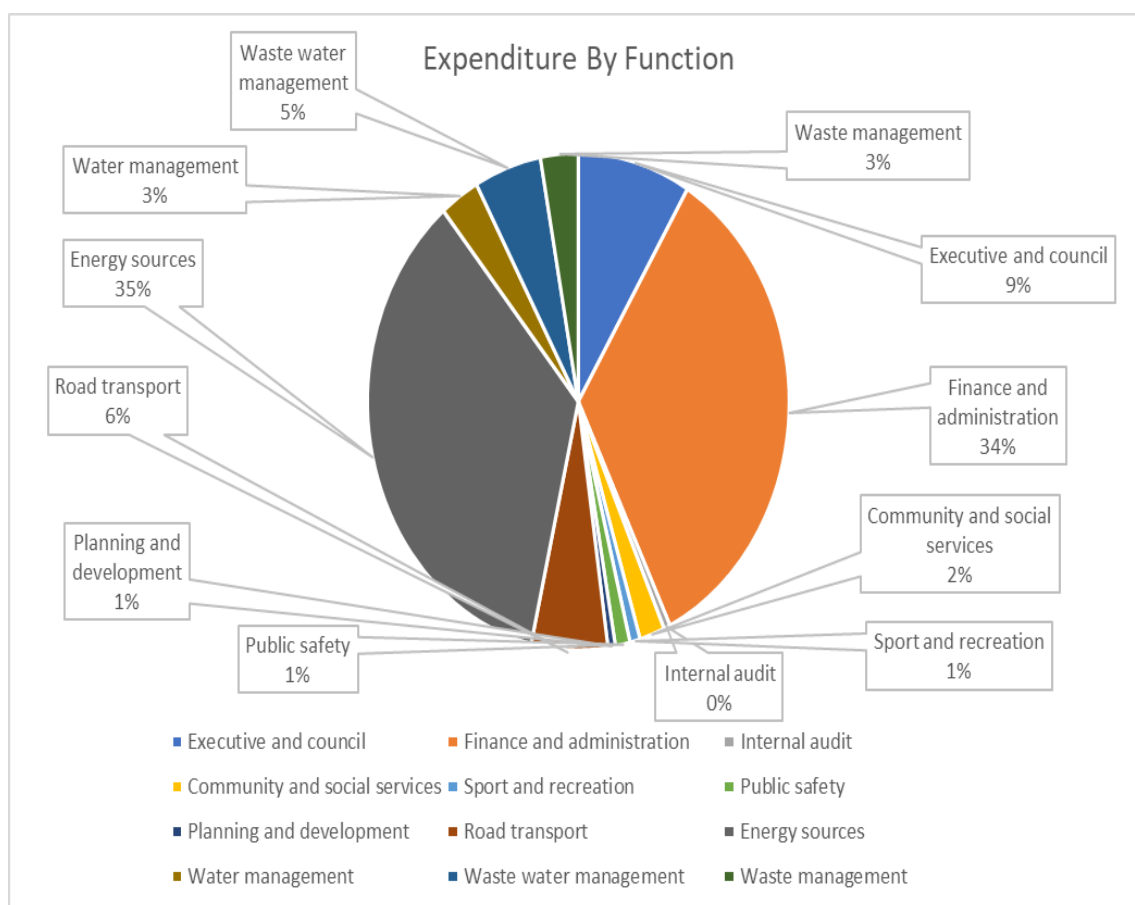


CHART 4

NC062 Nama Khoi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November									
Description	Ref	2019/20	Budget Year 2020/21		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
		Audited Outcome	Original Budget	Adjusted Budget					
R thousands									
Expenditure - Functional									
Executive and council		20 183 719	19 937 704	20 114 212	1 728 259	8 027 790	8 380 915	-353 125	(0)
Finance and administration		130 551 804	92 901 323	94 003 295	6 822 099	28 511 404	39 167 925	-10 656 521	(0)
Internal audit		1 179 430	1 492 849	1 492 849	98 626	503 504	622 020	-118 516	(0)
Community and social services		5 348 156	7 803 363	8 254 770	384 305	1 929 609	3 439 505	-1 509 896	(0)
Sport and recreation		4 039 534	4 456 504	4 456 504	157 309	844 253	1 856 875	-1 012 622	(0)
Public safety		2 985 489	5 050 370	5 050 370	225 225	1 042 732	2 104 335	-1 061 603	(0)
Planning and development		2 018 020	2 368 471	2 368 471	113 641	548 161	986 865	-438 704	(0)
Road transport		20 625 171	23 643 649	23 778 602	1 166 466	5 469 928	9 907 815	-4 437 887	(0)
Energy sources		100 519 110	104 203 665	104 203 665	7 052 389	45 576 312	43 418 185	2 158 127	0
Water management		58 845 402	42 663 732	42 217 161	604 264	10 552 987	17 590 485	-7 037 498	(0)
Waste water management		15 249 601	17 345 235	17 345 235	1 026 779	3 963 524	7 227 210	-3 263 686	(0)
Waste management		12 207 988	12 154 736	12 154 736	577 217	3 117 018	5 064 475	-1 947 457	(0)
Total Expenditure - Functional	3	373 753 424	334 021 601	335 439 870	19 956 579	110 087 222	139 766 610	-29 679 388	(0)

The following chart shows the expenditure by vote for 30 November 2020



Reasons for variances above/under 10%

Variations to be discussed in Institutional and Finance Committee

Capital expenditure report (Annexure B – Table C5)

The Capital expenditure report shown in Annexure B has been prepared on the basis of the format required by the National Treasury.

Please note Capital Expenditure subject to correction

NC062 Nama Khoi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05

Vote Description	Ref	2019/20	Budget Year 2020/21								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
Multi-Year expenditure appropriation	2										
11.2 - 0		0	0	0	0	0	0	0	0		-
12.2 - 0		0	0	0	0	0	0	0	0		-
12.6 - 0		0	0	0	0	0	0	0	0		-
12.3 - 0		0	0	0	0	0	0	0	0		-
Vote 12 - 0		0	0	0	0	0	0	0	0		-
Total Capital Multi-year expenditure	4,7	0	0	0	0	0	0	0	0		-
Single Year expenditure appropriation	2										
11.2 - 0		0	1 400 000	1 400 000	0	0	583 335	-583 335	-100%		1 400
12.2 - 0		-61 981	0	0	12 263	-27 502	0	-27 502	0%		-
12.6 - 0		140 359	0	0	0	140 359	0	140 359	0%		-
12.3 - 0		121 845	7 500 000	6 521 739	0	121 845	2 717 390	-2 595 545	-96%		6 522
Vote 12 - 0		10 481 502	35 351 304	29 329 564	4 050 275	21 158 010	12 220 655	8 937 355	73%		29 330
Total Capital single-year expenditure	4	10 681 725	44 251 304	37 251 303	4 062 538	21 392 712	15 521 380	5 871 332	38%		37 251
Total Capital Expenditure		10 681 725	44 251 304	37 251 303	4 062 538	21 392 712	15 521 380	5 871 332	38%		37 251
Capital Expenditure - Functional Classification											
Governance and administration		2 071 299	1 400 000	1 400 000	0	126 728 425	583 335	126 145 090	21625%		1 400
Executive and council		0	1 400 000	1 400 000	0	0	583 335	-583 335	-100%		1 400
Finance and administration		2 071 299	0	0	0	126 728 425	0	126 728 425	0%		-
Internal audit		0	0	0	0	0	0	0			-
Community and public safety		121 845	7 500 000	6 521 739	0	121 845	2 717 390	-2 595 545	-96%		6 522
Community and social services		0	0	0	0	0	0	0			-
Sport and recreation		0	7 500 000	6 521 739	0	0	2 717 390	-2 717 390	-100%		6 522
Public safety		0	0	0	0	0	0	0			-
Housing		121 845	0	0	0	121 845	0	121 845	0%		-
Health		0	0	0	0	0	0	0			-
Economic and environmental services		4 308 159	5 838 669	3 913 043	1 028 259	7 195 519	1 630 435	5 565 084	341%		3 913
Planning and development		-61 981	0	0	12 263	-27 502	0	-27 502	0%		-
Road transport		4 370 140	5 838 669	3 913 043	1 015 996	7 223 021	1 630 435	5 592 586	343%		3 913
Environmental protection		0	0	0	0	0	0	0			-
Trading services		6 049 381	29 512 635	25 416 521	3 034 279	13 873 008	10 590 220	3 282 788	31%		25 417
Energy sources		5 364 501	713 615	0	0	5 364 501	0	5 364 501	0%		-
Water management		7 146 333	6 260 351	4 803 478	369 150	7 651 523	2 001 450	5 650 073	282%		4 803
Waste water management		-6 461 453	22 538 669	20 613 043	2 665 129	856 984	8 588 770	-7 731 786	-90%		20 613
Waste management		0	0	0	0	0	0	0			-
Other		0	0	0	0	0	0	0			-
Total Capital Expenditure - Functional Classification	3	12 550 684	44 251 304	37 251 303	4 062 538	147 918 797	15 521 380	132 397 417	853%		37 251
Funded by:											
National Government		10 385 714	42 851 304	35 851 303	4 050 275	21 217 874	14 938 045	6 279 829	42%		35 851
Provincial Government		0	0	0	0	0	0	0			-
District Municipality		0	0	0	0	0	0	0			-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational		0	0	0	0	0	0	0			-
Transfers recognised - capital		10 385 714	42 851 304	35 851 303	4 050 275	21 217 874	14 938 045	6 279 829	42%		35 851
Borrowing	6	0	0	0	0	0	0	0			-
Internally generated funds		155 652	1 400 000	1 400 000	12 263	34 479	583 335	-548 856	-94%		1 400
Total Capital Funding		10 541 366	44 251 304	37 251 303	4 062 538	21 252 353	15 521 380	5 730 973	37%		37 251

Variations to be discussed in Institutional and Finance Committee

Please note R127 million expenditure in the Finance and administration relates to an error which will be communicated to the Service Provider for correction and further explanation.

CASH FLOW STATEMENT AT 30 November 2020

NC062 Nama Khoi - Table C7 Monthly Budget Statement - Cash Flow - M05 November										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	40 460	40 460	3 414	21 038	16 858	4 180	25%	-
Service charges		-	157 664	157 664	11 947	60 397	65 693	(5 297)	-8%	-
Other revenue		-	5 268	5 268	7 463	25 357	2 195	23 162	1055%	-
Transfers and Subsidies - Operational		-	58 664	66 635	482	29 329	27 764	1 564	6%	-
Transfers and Subsidies - Capital		-	42 851	35 851	5 010	16 184	14 938	1 246	8%	-
Interest		-	1 375	1 375	879	1 758	573	1 186	207%	-
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		-	(268 740)	(276 711)	(32 584)	(151 014)	(115 296)	35 718	-31%	-
Finance charges		-	(313)	(313)	-	-	(130)	(130)	100%	-
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	37 229	30 229	(3 389)	3 049	12 595	9 546	76%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		-	(44 251)	(37 251)	(4 026)	(11 428)	(15 521)	(4 094)	26%	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(44 251)	(37 251)	(4 026)	(11 428)	(15 521)	(4 094)	26%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	63	63	-	-	26	(26)	-100%	-
Payments										
Repayment of borrowing		-	389	389	-	-	162	162	100%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	451	451	-	-	188	188	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	(6 571)	(6 571)	(7 414)	(8 379)	(2 738)			-
Cash/cash equivalents at beginning:		-	6 870	6 870		14 586	6 870			14 586
Cash/cash equivalents at month/year end:		-	298	298		6 208	4 132			14 586

Debtors Age Analysis - Annexure B -Table SC3

The debtor's age analysis report shown in Annexure B has been prepared on the basis of the format required by the National Treasury. The following report shows the debtors outstanding at 30 November 2020

NC062 Nama Khoi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November						
Description	Budget Year 2020/21					
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	Total
Debtors Age Analysis By Income Source						
Water	3 092 590	1 526 684	953 237	901 163	52 271 241	58 744 915
Electricity	4 462 267	1 876 055	1 421 520	1 007 734	56 468 433	65 236 009
Property Rates	3 285 181	1 403 154	3 086 426	900 337	43 577 693	52 252 791
Waste Water Management	950 207	464 527	357 703	316 540	14 288 831	16 377 808
Waste Management	1 313 684	715 569	579 879	538 697	30 547 597	33 695 426
Property Rental Debtors	346 208	262 312	206 920	210 575	10 989 077	12 015 092
Total By Income Source	13 450 137	6 248 301	6 605 685	3 875 046	208 142 872	238 322 041
Debtors Age Analysis By Customer Group						
Organs of State	968 758	637 097	2 151 418	259 688	2 705 953	6 722 914
Commercial	5 556 911	2 312 049	1 906 346	1 306 555	69 283 493	80 365 354
Households	6 924 468	3 299 155	2 547 921	2 308 803	136 153 426	151 233 773
Other	0	0	0	0	0	0
Total By Customer Group	13 450 137	6 248 301	6 605 685	3 875 046	208 142 872	238 322 041

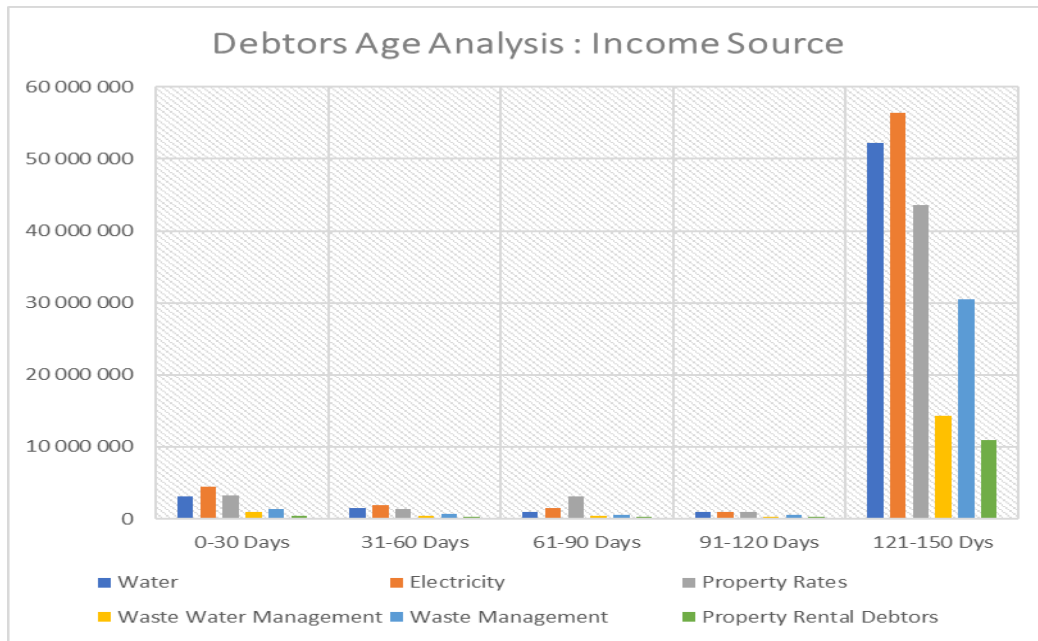
Debtors outstanding for a period more than 121 days amounts to R208 142 872

It must be noted the Municipal Council has amended its policies in an attempt to be more accommodating to consumers, if one takes a look at the rate debtors are increasing it is clear that there is a constant increase in both commercial and households on a monthly basis. The municipality in the past financial year has undergone various agreements with households and has implemented the credit control policy.

Chart 8 – Debtors per revenue source

NC062 Nama Khoi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November						
Description	Budget Year 2020/21					
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	Total
Debtors Age Analysis By Income Source						
Water	3 092 590	1 526 684	953 237	901 163	52 271 241	58 744 915
Electricity	4 462 267	1 876 055	1 421 520	1 007 734	56 468 433	65 236 009
Property Rates	3 285 181	1 403 154	3 086 426	900 337	43 577 693	52 252 791
Waste Water Management	950 207	464 527	357 703	316 540	14 288 831	16 377 808
Waste Management	1 313 684	715 569	579 879	538 697	30 547 597	33 695 426
Property Rental Debtors	346 208	262 312	206 920	210 575	10 989 077	12 015 092
Total By Income Source	13 450	6 248	6 606	3 875	208 143	238 322

The following chart shows the debtors outstanding per revenue source, Chart as per information above

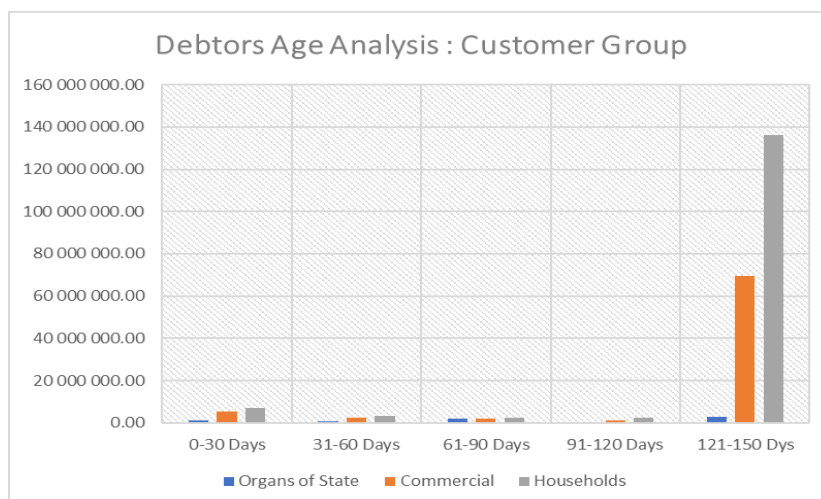


Debtor Age Analysis by Category

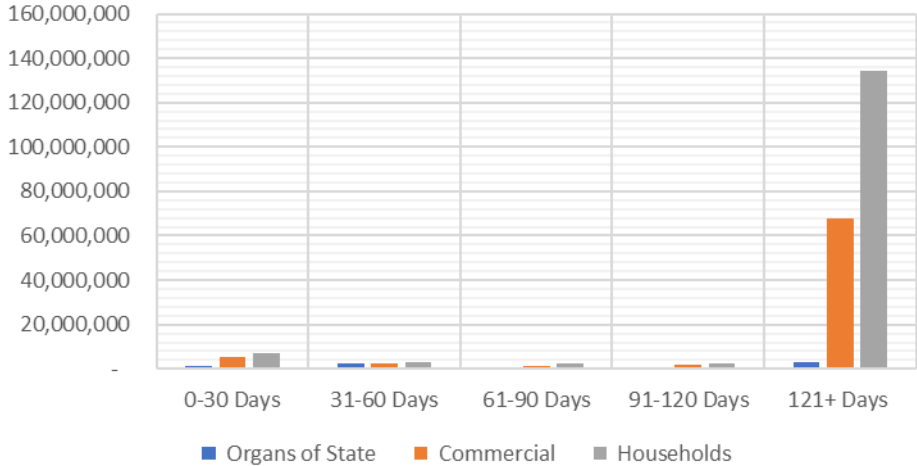
NC062 Nama Khoi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November						
Description	Budget Year 2020/21					Total
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	
Debtors Age Analysis By Customer Group						-
Organs of State	968 758.00	637 097.00	2 151 418.00	259 688.00	2 705 953.00	6 722 914.00
Commercial	5 556 911.00	2 312 049.00	1 906 346.00	1 306 555.00	69 283 493.00	80 365 354.00
Households	6 924 468.00	3 299 155.00	2 547 921.00	2 308 803.00	136 153 426.00	151 233 773.00
Other	0.00	0.00	0.00	0.00	0.00	0.00
Total By Customer Group	13 450 137.00	6 248 301.00	6 605 685.00	3 875 046.00	208 142 872.00	238 322 041.00

CHART 9

The following chart shows the debtors outstanding per category, Chart as per information above.



Debtors Age Analysis by Group



CREDITORS Age Analysis - Annexure B -Table SC4

The creditor's age analysis report shown in Annexure B has been prepared on the basis of the format required by the National Treasury.

The following report shows the creditors outstanding at 30 November 2020

NC062 Nama Khoi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November						
Description	Budget Year 2020/21					Total
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	
R thousands						
Creditors Age Analysis By Customer Type						
Bulk Electricity	879 338	1 138 967	10 163 326	12 125 162	120 631 527	144 938 320
Bulk Water	0	-4 000 000	-2 000 000	1 606 922	188 481 677	184 088 599
Trade Creditors	-212 305	627 259	-93 690	-107 009	1 826 274	2 040 529
Auditor General	679 675	330 233	0	0	0	1 009 908
Total By Customer Type	1 346 708	-1 903 541	8 069 636	13 625 075	310 939 478	332 077 356

Creditors Analysis

Please note that the municipality are currently in litigation cases with Eskom, the municipality has also approached the Office of the Premier for assistance on the Sedibeng Water outstanding balance and other relating matters. Once formal acknowledgements of agreements are received it will be added to the Section 71.

NC062 Nama Khoi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November								
Budget Year 2020/21								
Summary of Employee and Councillor remuneration	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	4 077 073	4 077 073	358 699	1 816 416	1 698 785	117 631	7%	4 077 073
Pension and UIF Contributions	533 988	533 988	22 054	110 270	222 495	-112 225	-50%	533 988
Medical Aid Contributions	52 598	52 598	3 317	16 585	21 915	-5 330	-24%	52 598
Motor Vehicle Allowance	0	0	0	0	0	0		0
Cellphone Allowance	804 309	804 309	58 100	294 524	335 130	-40 606	-12%	804 309
Housing Allowances	0	0	0	0	0	0		0
Other benefits and allowances	1 486 360	1 486 360	104 922	504 292	619 320	-115 028	-19%	1 486 360
Sub Total - Councillors	6 954 328	6 954 328	547 092	2 742 087	2 897 645	-155 558	-5%	6 954 328
Senior Managers of the Municipality								
Basic Salaries and Wages	3 814 866	3 814 866	317 498	1 405 785	1 589 530	-183 745	-12%	3 814 866
Pension and UIF Contributions	370 706	370 706	30 313	151 121	154 475	-3 354	-2%	370 706
Medical Aid Contributions	154 086	154 086	13 088	65 440	64 205	1 235	2%	154 086
Overtime	0	0	0	0	0	0		0
Performance Bonus	191 515	191 515	0	94 939	79 800	15 139	19%	191 515
Motor Vehicle Allowance	487 444	487 444	69 802	290 078	203 105	86 973	43%	487 444
Cellphone Allowance	41 899	41 899	3 320	16 600	17 460	-860	-5%	41 899
Housing Allowances	23 678	23 678	6 969	19 728	9 870	9 858	100%	23 678
Other benefits and allowances	38 948	38 948	1 127	5 541	16 225	-10 684	-66%	38 948
Payments in lieu of leave	0	0	0	0	0	0		0
Long service awards	57 645	57 645	0	0	24 015	-24 015	-100%	57 645
Post-retirement benefit obligations	0	0	0	0	0	0		0
Sub Total - Senior Managers of Municipality	5 180 787	5 180 787	442 117	2 049 232	2 158 685	-109 453	-5%	5 180 787
Other Municipal Staff								
Basic Salaries and Wages	63 749 038	64 556 655	4 914 402	24 225 365	26 898 610	-2 673 245	-10%	64 556 655
Pension and UIF Contributions	9 660 332	9 660 332	757 665	3 852 051	4 025 140	-173 089	-4%	9 660 332
Medical Aid Contributions	2 930 791	2 930 791	245 060	1 267 485	1 221 160	46 325	4%	2 930 791
Overtime	5 933 784	5 933 784	517 188	2 683 084	2 472 420	210 664	9%	5 933 784
Performance Bonus	5 023 080	5 023 080	401 253	2 185 430	2 092 955	92 475	4%	5 023 080
Motor Vehicle Allowance	0	0	0	0	0	0		0
Cellphone Allowance	226 299	226 299	17 940	90 636	94 290	-3 654	-4%	226 299
Housing Allowances	4 540 375	4 540 375	344 077	1 728 243	1 891 825	-163 582	-9%	4 540 375
Other benefits and allowances	996 101	996 101	56 573	373 317	415 050	-41 733	-10%	996 101
Payments in lieu of leave	816 884	816 884	358 001	640 290	340 375	299 915	88%	816 884
Long service awards	345 803	345 803	24 585	65 700	144 085	-78 385	-54%	345 803
Post-retirement benefit obligations	0	0	0	0	0	0		0
Sub Total - Other Municipal Staff	94 222 487	95 030 104	7 636 744	37 111 601	39 595 910	-2 484 309	-6%	95 030 104
Total Employee Cost	99 403 274	100 210 891	8 078 861	39 160 833	41 754 595	-2 593 762	0	100 210 891
Total Revenue	284 813 347	292 784 347	12 257 725	141 843 810	121 993 495	19 850 315	16%	292 784 347
Total Expenditure	334 021 601	335 439 870	19 956 579	110 087 222	139 766 610	-29 679 388	-21%	335 439 870
% Total Employee Cost / Total Expenditure	30%	30%	40%	36%	30%			
% Total Employee Cost / Total Revenue	35%	34%	66%	28%	34%			

MFMA 66. The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely:

- (a) salaries and wages;
- (b) contributions for pensions and medical aid;
- (c) travel, motor car, accommodation, subsistence and other allowances;
- (d) housing benefits and allowances;
- (e) overtime payments;
- (f) loans and advances; and
- (g) any other type of benefit or allowance related to staff.

Employee related cost to total expenditure % of an organisation should be at 25-40% of total expenditure, the ratio for the month of November 40 % and against Total Revenue it escalates to 66%

5. Financial Implications /Recommendations

Revenue by Type:

Nama Khoi Municipality's budget is in a deficit, this is primarily because service departments are not sustainable, to increase tariffs is not a favourable solution as it only adds to the outstanding debt as the Nama Khoi area are plague by unemployment. The municipality must explore system driven solution such as 100% alignment between services billed and services use. Water and electricity services have losses each year and the core reasons must be identified. The sewerage tanks cost must be way-in versus the long-term solution of a sewage line. Cost of secondary services such as Libraries, Sports & Community Halls must be submitted to the relevant departments for assistances.

Expenditure by type:

Cost containment regulations should be adhered to. Expenditures relating to repairs & maintenance must be carefully monitored. Better understanding of departmental budgets is vital as well as departmental meetings. Payment structures of the municipality must change, payments must be structured to be made on certain days and specific days of the month. Monthly monitoring of activities outlined in the Reviewed Financial Recovery Plan. Adhering to SCM regulations.

Capital Expenditure:

Capital expenditure should be aligned to the approved DORA payment schedule. Department should re-assess on projects to determine if they are still in line for 100% expenditure by the end of the Financial Year. All necessary processes should be fast track in line with all the required legislation and with the guidance of the respective department.

Cash Flow Statement:

Expenditure should be link to the cash flow budget, once cash is less than budget corrections must be done to avoid the municipality running into cash flow problems. Municipality should strive to use cash received wisely and for the intended purpose as planned. Municipality should

strive to spend less cash than it has received to avoid going into a negative cash balance. Revenue/Cash recovery must be structured in a manner that the old outstanding funds received will be used to either settle outstanding creditors or to fund projects that can enhance revenue recovery.

Debtors Analysis

100% billing of correct accounts for all debtors in the Nama Khoi area should be prioritised. Constant debt collecting and implementation of the credit control should be communicated to the community. Interdepartmental communication needs to be improved. Constant notifications to the community must improve. Community members should be invited to resolve old outstanding issues.

Creditors Analysis

The municipality must adhere to pay monthly creditors on time, old outstanding debt must be prioritised and link to the Reviewed Financial Recovery Plan. Intervention is needed with regards to outstanding debt of bulk services. Municipality should strive to receive accounts that can be service on a monthly basis and therefore communication between all relevant parties is vital.

General Note

The municipality should strive to have month end procedures to ensure accurate reporting to the relevant parties. The Municipal Council has adopted the Reviewed Financial Recovery Plan, this plan will be updated on a monthly basis and will be submitted to Council.

6. Interdepartmental and cluster impact

This report is prepared to achieve MFMA compliance.

7. Comments of the Head: Legal Services

The above mentioned report as such does not call for legal clarification

8. Conclusion

This report was compiled in accordance compliance of section 71 of the MFMA, by providing a statement to the Council containing certain financial particulars

Prepared By:

Heinri Cloete

Chief Financial Officer

heinri.cloete@namakhoi.gov.za

NAMAKHOI MUNICIPALITY QUALITY CERTIFICATE

I,, the Municipal Manager of Nama Khoi Municipality, hereby certify that
—

- The monthly report on the implementation of the budget and financial state affairs of the municipality for the month ending 30 November 2020 has been prepared in accordance with the Municipal Finance Management Act 71 and regulations made under that Act.

Print name: SAMANTHA TATAS

Municipal Manager of Nama Khoi Municipality

Signature:.....

Date:

Annexure A

Reports and reportable matters

Monthly reports statements – Section 71 MFMA

- (1) The accounting officer of a municipality must 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 municipalities 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 to the municipality in terms of section 87 (10)
- (3) The amounts reflected in the statement must in each case be compared with 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 the 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 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' budget 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 end of each quarter.

NAMA KHOI MUNICIPALITY SCHEDULE C MONTHLY BUDGET STATEMENT	
General information and contact information	
Main tables	Consolidated Monthly Statements
Table C1-SUM	Summary
Table C2-FinPer SC	Financial Performance (standard classification)
Table C2C	Financial Performance (standard classification)
Table C3-Fin Per V	Financial Performance (revenue and expenditure by municipal vote)
Table C3C	Financial Performance (revenue and expenditure by municipal vote)
Table C4-FinPerRE	Financial Performance (revenue and expenditure)
Table C5-CAPEX	Capital Expenditure (municipal vote, standard classification)
Table C5C	Capital Expenditure (municipal vote, standard classification)
Table C6-FinPos	Financial Position
Table C7-Cflow	Cash Flow
Supporting Tables	
Table SC1	Material variance explanations
Table SC2	Monthly Budget Statement – Performance Indicators
Table SC3	Monthly Budget Statement – Aged debtors
Table SC4	Monthly Budget Statement – Aged creditors
Table S5	Monthly Budget Statement – Investment portfolio
Table SC6	Monthly Budget Statement – Transfer and grant receipts
Table SC7	Monthly Budget Statement – Transfer and grant expenditure
Table SC8	Monthly Budget Statement – Councillor and staff benefits
Table SC9	Monthly Budget Statement – Actual and revised targets for cash receipts
Table SC10	Monthly Budget Statement – Parent Municipality Financial Performance
Table SC11	Monthly Budget Statement – Summary of municipal entities
Table SC 12	Consolidated Monthly Budget Statement – Capital expenditure trend
Table SC13 a	Consolidated Monthly Budget Statement – Capital expenditure on new assets by asset class
Table SC b	Consolidated Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
Table SC c	Consolidated Monthly Budget Statement – Expenditure on repairs and maintenance by asset class
Table SC d	Consolidated Monthly Budget Statement – depreciation by asset class
Table SC71	Charts