



Nama Khoi Municipality

25 April 2023

The Mayor

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): QUARTERLY REPORT FOR THE PERIOD ENDING 30 March 2023 (QUARTERLY BUDGET STATEMENT) – 2023-23 FINANCIAL YEAR

1. PURPOSE

To comply with section 52 of the MFMA, by providing a quarterly 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 the capacity to execute its mandate.

For the reporting period ending March 2023 30 days reporting limit expires on 30 April 2023

3. REPORT FOR THE PERIOD ENDING March 2023

This report is based on financial information, as on March 2023, and available at the time of preparation. The C-Schedule is based on information from January to March 2023.

The financial results for the period ended March 2023 are summarised as follows:

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STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 3RD QUARTER ENDED 31 MARCH 2023												
Part1: Operating Revenue and Expenditure												
	2022/23										2021/22	
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter	
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget
Operating Revenue and Expenditure												
Operating Revenue	365 476 650	373 199 643	139 695 682	38	55 517 166	15	81 214 215	22	276 427 063	74	64 004 161	80
Service charges - Electricity	129 504 984	129 492 984	31 623 220	24	24 909 489	19	21 995 338	17	78 528 047	61	25 661 555	66
Service charges - Water	49 718 036	49 718 036	14 278 218	29	9 835 235	20	11 670 757	24	35 784 210	72	10 046 305	67
Service charges - Waste Water Management	21 098 479	21 158 480	3 627 436	17	3 634 419	17	3 506 883	17	10 768 738	51	3 089 669	75
Service charges - Waste Management	25 062 282	25 131 782	4 189 415	17	4 070 336	16	4 021 208	16	12 280 959	49	3 539 870	73
Sale of Goods and Rendering of Services	642 453	751 808	150 695	24	125 817	20	318 312	42	594 824	79	150 885	81
Agency services	174 003	379 703	-	-	58 824	34	35 207	9	94 031	25	68 369	75
Interest earned from Receivables	9 565 092	14 570 092	3 745 598	39	4 210 776	44	4 521 793	31	12 478 167	86	2 730 033	86
Interest earned from Current and Non Current Assets	1 362 992	1 979 767	456 419	34	437 205	32	812 879	41	1 706 503	86	293 351	77
Rent on Land	1 134 331	1 134 331	262 627	23	265 449	23	262 233	23	790 309	70	250 756	71
Rental from Fixed Assets	3 013 982	3 077 172	660 484	22	419 264	14	727 156	24	1 806 904	59	687 242	87
Licence and permits	1 135 020	1 506 520	460 450	41	281 922	25	279 371	19	1 021 743	68	319 863	97
Operational Revenue	303 889	322 789	3 327 904	1 095	82 938	27	121 756	- 38	3 289 086	1 019	68 048	68
Property rates	55 529 192	55 048 611	51 249 071	92	22 396	-	114 672	0	51 386 139	93	104 555	99
Fines, penalties and forfeits	333 872	529 525	141 948	43	7 646	2	6 063	1	155 657	29	16 713	41
Transfer and subsidies - Operational	64 422 000	64 422 000	24 654 447	38	6 195 521	10	32 043 509	50	62 893 477	98	16 322 921	99
Interest	2 476 043	3 976 043	867 750	35	959 929	39	1 020 590	26	2 848 269	72	654 026	80
Operating Expenditure	416 138 267	447 854 874	88 952 540	21	78 098 651	19	71 894 515	16	238 945 706	53	77 780 217	55
Employee related costs	110 696 742	100 808 695	25 237 330	23	25 024 718	23	24 442 496	24	74 704 544	74	23 817 827	70
Remuneration of councillors	6 758 975	7 945 598	1 551 873	23	3 015 859	45	501 493	6	5 069 225	64	1 551 873	74
Bulk purchases - electricity	90 000 000	90 000 000	39 516 128	44	21 397 940	24	19 029 513	21	79 943 581	89	20 694 697	73
Inventory consumed	58 199 558	59 632 762	11 587 670	20	12 606 695	22	14 746 847	25	38 941 212	65	13 550 787	67
Depreciation and amortisation	41 400 782	77 774 686	-	-	-	-	-	-	-	-	-	0
Interest	1 964 233	81 000	1 744 970	89	3 528 871	180	1 922 140	2 373	7 195 981	8 884	2 031 150	-
Contracted services	42 297 557	42 861 265	3 496 557	8	3 923 932	9	3 910 173	9	11 330 662	26	8 301 640	37
Irrecoverable debts written off	20 879 058	20 879 058	-	-	-	-	-	-	-	-	-	-
Operational costs	31 144 555	40 075 003	5 818 012	19	8 600 636	28	7 341 853	18	21 760 501	54	7 832 243	52
Other Losses	12 796 807	7 796 807	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	- 50 661 617	- 74 655 231	50 743 142	-	22 581 485	-	9 319 700	-	37 481 357	-	13 776 056	-
Transfers and subsidies - capital (monetary allocations)	41 070 000	41 070 000	-	-	5 953 776	15	3 242 885	8	9 196 661	22	3 436 373	15
Surplus/(Deficit) after capital transfers and contributions	- 9 591 617	- 33 585 231	50 743 142	-	16 627 709	-	12 562 585	-	46 678 018	-	10 339 683	-

CHART 1

The following chart shows the revenue by source differences between the actual year-to-date figures, CHART as per the information above

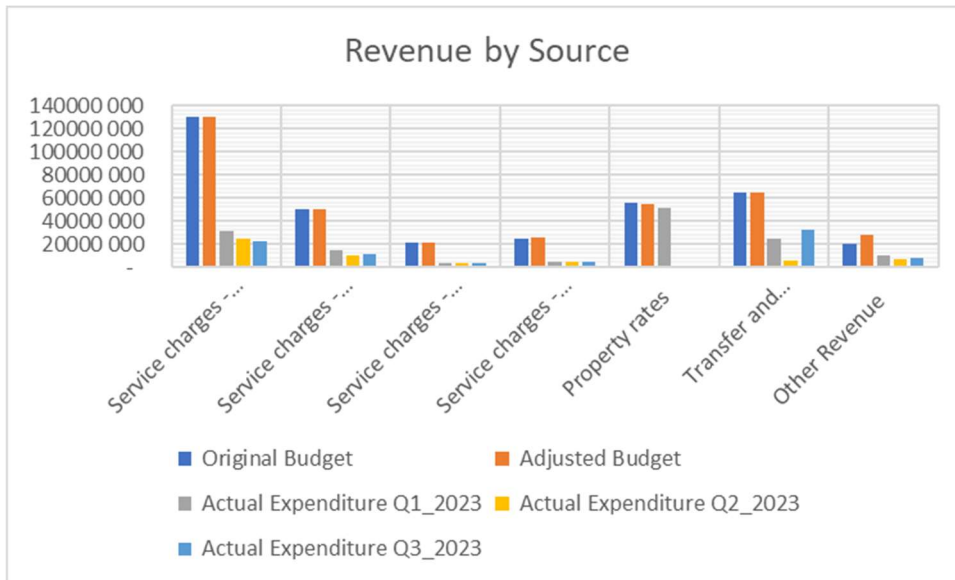
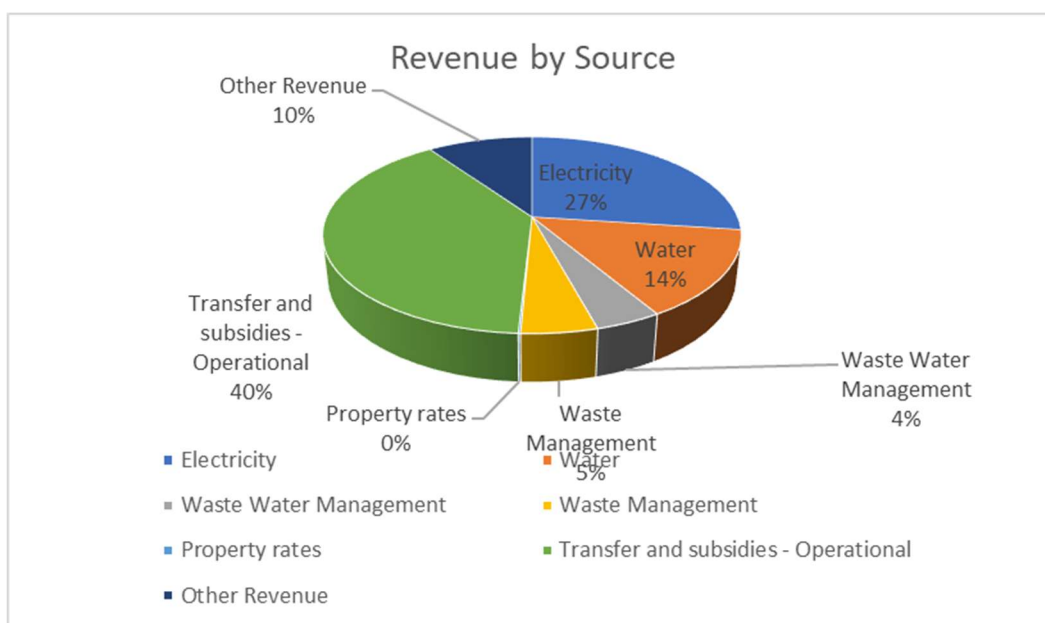


Chart 2

The following chart shows the revenue per source as a percentage of total revenue



Notes on Revenue

The municipality revenue increase for the periods 3rd Quarter of 2021-22 and the 3rd Quarter of 2023-23 by R17.2 million, this is a result of the Rollovers not approved by the National Treasury being offset against Equitable Share, the necessary transfers from call accounts to the Primary accounts was done in January 2023, meaning the amount offset against Equitable Share was moved from the grants account to the Primary account.

Municipality year-to-date billing amounts to 74.1% of the total budget in the third quarter compared to the previous year of 79.6% which is 5.5 % less.

Service Charges should be closer to 25% which at this stage is lower than budgeted, it shows that the municipality is incurring losses.

Expenditure by Type

CHART 3 The following chart shows the expenditure by type differences between the actual year-to-date figures, Chart as per the information above

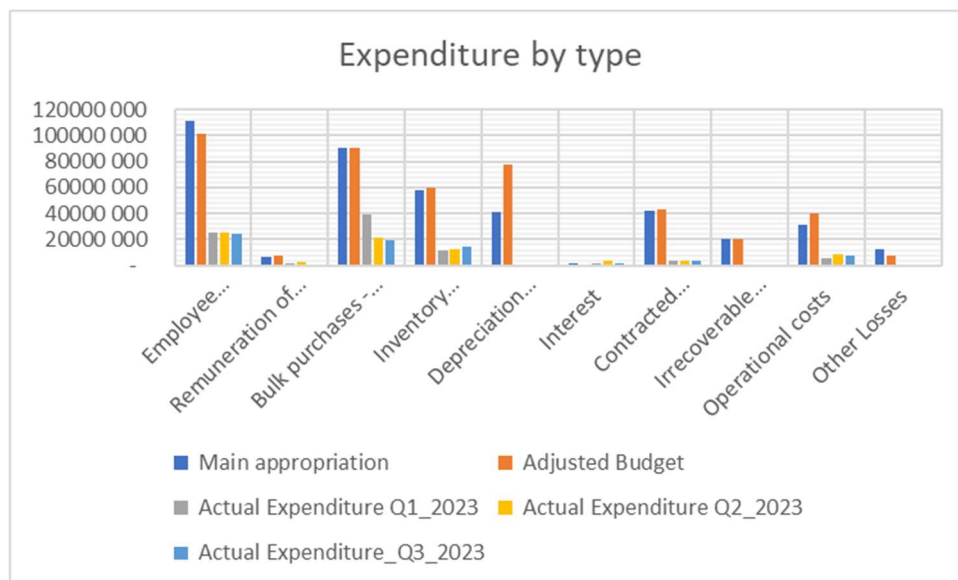
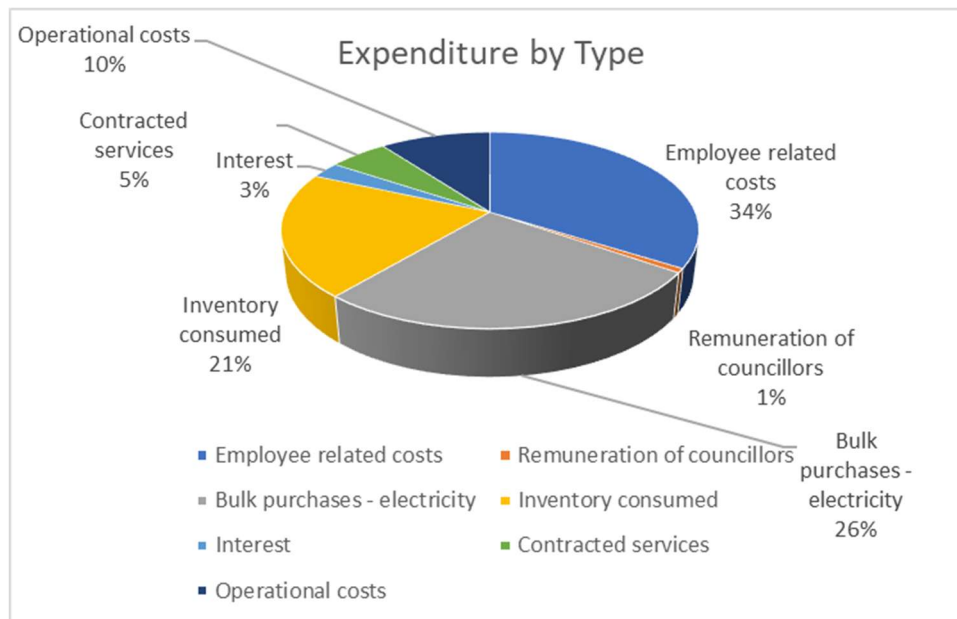


Chart 4

The following chart shows the expenditure per type percentage to total expenditure



Notes on variances above or below 10%

Depreciation and debt impairment – The asset Register is not linked to Financial System; therefore, no monthly depreciation is done.

The municipality paid 53% of the total budget in the 3rd quarter of the current year compared to 55.4% in the previous quarter, with bulk purchases and salaries being the highest contributors.

The municipality spent 34% the of total expenditure on salaries, 26% on bulk purchases and 21% on inventory consumed (water largest contributor)

Part 2: Capital Revenue and Expenditure

	2022/23								2021/22				Q3 of 2021/22 to Q3 of 2022/23
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	
R thousands													
Capital Revenue and Expenditure													
Source of Finance	84 525	71 812	-	-	5 185	6,1%	2 820	3,9%	8 005	11,1%	4 946	161,5%	(43,0%)
National Government	41 070	41 070	-	-	5 177	12,6%	2 820	6,9%	7 997	19,5%	4 909	183,3%	(42,6%)
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary alloc)(Departm Agencies, F	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	41 070	41 070	-	-	5 177	12,6%	2 820	6,9%	7 997	19,5%	4 909	183,3%	(42,6%)
Borrowing	25 000	25 000	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	18 455	5 742	-	-	8	-	-	-	8	,1%	37	7,3%	(100,0%)
Capital Expenditure Functional	71 420	71 812	-	-	5 185	7,3%	2 820	3,9%	8 005	11,1%	4 946	167,8%	(43,0%)
Municipal governance and administration	25 000	25 000	-	-	-	-	-	-	-	-	-	-	-
Executive and Council	25 000	25 000	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport And Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and Environmental Services	350	1 392	-	-	8	2,1%	-	-	8	,5%	46	501,2%	(100,0%)
Planning and Development	270	1 312	-	-	8	2,8%	-	-	8	6%	37	14,4%	(100,0%)
Road Transport	80	80	-	-	-	-	-	-	-	-	9	1 046,6%	(100,0%)
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading Services	46 070	45 420	-	-	5 177	11,2%	2 820	6,2%	7 997	17,6%	4 900	124,5%	(42,4%)
Energy sources	7 000	7 350	-	-	-	-	963	13,1%	963	13,1%	-	141,9%	(100,0%)
Water Management	6 070	7 161	-	-	4 661	76,8%	-	-	4 661	65,1%	2 666	171,8%	(100,0%)
Waste Water Management	32 000	30 909	-	-	516	1,6%	1 857	6,0%	2 373	7,7%	2 233	85,1%	(16,9%)
Waste Management	1 000	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-

Important Notification

Capital Expenditure is drafted in the Technical monthly/quarterly reports to the Infrastructure Committee

Cash Flow Statement

Part 3: Cash Receipts and Payments

	2022/23										2021/22		Q3 of 2021/22 to Q3 of 2022/23
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	
R thousands													
Cash Flow from Operating Activities													
Receipts	359 356	365 613	96 900	27,0%	70 759	19,7%	77 986	21,3%	245 645	67,2%	67 006	283,0%	16,4%
Property rates	49 893	49 460	13 740	27,5%	10 175	20,4%	10 032	20,3%	33 948	68,6%	5 055	10,8%	98,5%
Service charges	237 268	242 379	44 448	18,7%	42 012	17,7%	43 807	18,1%	130 266	53,7%	47 250	467,1%	(7,3%)
Other revenue	7 113	8 074	4 376	61,5%	4 393	61,8%	5 196	64,3%	13 964	173,0%	1 449	20,7%	258,5%
Transfers and Subsidies - Operational	22 650	22 650	34 336	151,6%	5 837	25,8%	17 973	79,4%	58 146	256,7%	13 252	83,9%	35,6%
Transfers and Subsidies - Capital	41 070	41 070	-	-	8 342	20,3%	979	2,4%	9 321	22,7%	-	-	(100,0%)
Interest	1 363	1 980	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(340 823)	(341 166)	(78 284)	23,0%	(64 074)	18,8%	(100 291)	29,4%	(242 649)	71,1%	(51 166)	15,5%	96,0%
Suppliers and employees	(338 859)	(341 085)	(78 284)	23,1%	(64 066)	18,9%	(98 034)	28,7%	(240 383)	70,5%	(51 092)	15,5%	91,9%
Finance charges	(1 964)	(81)	-	-	(8)	,4%	(2 258)	2 787,2%	(2 265)	2 796,7%	(74)	-	2 956,0%
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Operating Activities	18 533	24 448	18 616	100,4%	6 685	36,1%	(22 305)	(91,2%)	2 997	12,3%	15 840	(2 235,0%)	(240,8%)
Cash Flow from Investing Activities													
Receipts	281	1 192	(16)	(5,6%)	-	-	202	16,9%	186	15,6%	550	12,7%	(63,3%)
Proceeds on disposal of PPE	-	-	11	-	-	-	-	-	11	-	552	-	(100,0%)
Decrease (Increase) in non-current debtors (not used)	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	281	1 192	(27)	(9,5%)	-	-	202	16,9%	175	14,7%	(2)	(4,%)	(8 312,1%)
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(71 420)	(71 812)	-	-	434	(,6%)	495	(,7%)	929	(1,3%)	185	(,7%)	166,9%
Capital assets	(71 420)	(71 812)	-	-	434	(,6%)	495	(,7%)	929	(1,3%)	185	(,7%)	166,9%
Net Cash from/(used) Investing Activities	(71 139)	(70 619)	(16)	-	434	(,6%)	697	(1,0%)	1 115	(1,6%)	735	(4,0%)	(5,3%)
Cash Flow from Financing Activities													
Receipts	25 000	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	25 000	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(4 191)	-	(3 212)	76,6%	-	-	-	-	(3 212)	-	-	-	-
Repayment of borrowing	(4 191)	-	(3 212)	76,6%	-	-	-	-	(3 212)	-	-	-	-
Net Cash from/(used) Financing Activities	20 809	-	(3 212)	(15,4%)	-	-	-	-	(3 212)	-	-	-	-
Net Increase/(Decrease) in cash held	(31 796)	(46 172)	15 389	(48,4%)	7 120	(22,4%)	(21 608)	46,8%	900	(1,9%)	16 575	(1 428,2%)	(230,4%)
Cash/cash equivalents at the year begin:	32 480	24 517	24 517	75,5%	39 928	122,9%	47 067	192,0%	24 517	100,0%	841 017	170,6%	(94,4%)
Cash/cash equivalents at the year end:	684	(21 655)	39 928	5 836,3%	47 058	6 878,4%	25 478	(117,7%)	25 478	(117,7%)	857 603	(2 561,7%)	(97,0%)

Important Notification

It must be noted that the municipality suffered some difficulties with the financial system in the previous financial year; therefore, the comparison to the previous year's quarter is incorrect.

Total receipts amount to R77.9 million which is about 21.3% of the budgeted cash flow.

It must be stated that the municipality could not adhere to all creditor payments within the second quarter and that the cash and cash equivalents end balance includes conditional grants.

Debtors Age Analysis - Annexure B -Table SC3

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

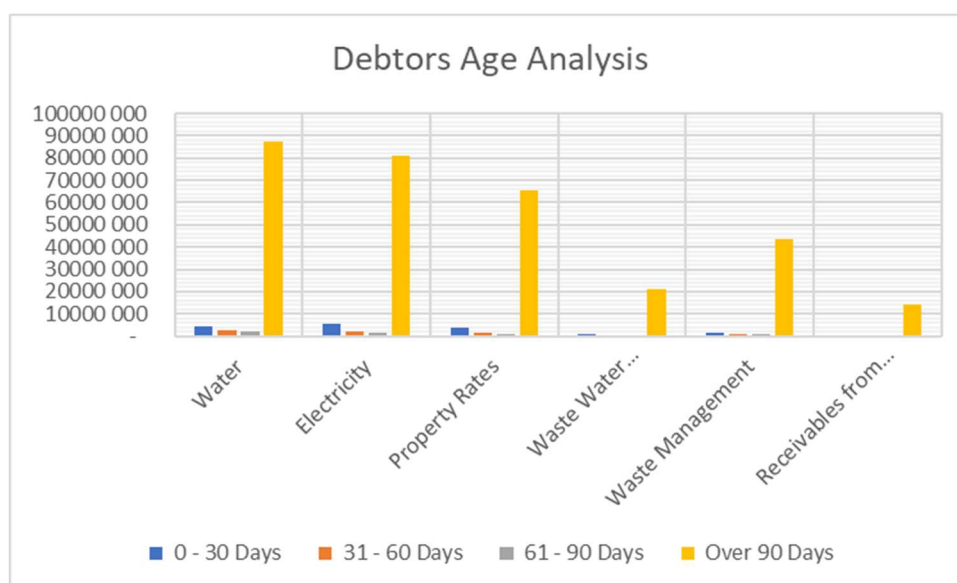
The following report shows the debtors outstanding on 31 March 2023

Part 4: Debtor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	4 131	4,3%	2 646	2,7%	2 231	2,3%	87 427	90,7%	96 434	28,0%
Trade and Other Receivables from Exchange Transactions - Electricity	5 483	6,1%	2 167	2,4%	1 657	1,8%	80 853	89,7%	90 160	26,1%
Receivables from Non-exchange Transactions - Property Rates	3 674	5,1%	1 605	2,2%	1 165	1,6%	65 667	91,1%	72 111	20,9%
Receivables from Exchange Transactions - Waste Water Management	1 232	5,2%	635	2,7%	508	2,2%	21 228	89,9%	23 603	6,8%
Receivables from Exchange Transactions - Waste Management	1 697	3,6%	998	2,1%	814	1,7%	43 790	92,6%	47 299	13,7%
Receivables from Exchange Transactions - Property Rental Debtors	359	2,4%	267	1,8%	229	1,5%	14 339	94,4%	15 194	4,4%
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Income Source	16 577	4,8%	8 317	2,4%	6 604	1,9%	313 304	90,9%	344 801	100,0%
Debtors Age Analysis By Customer Group										
Organs of State	1 159	11,0%	627	6,0%	322	3,1%	8 386	79,9%	10 494	3,0%
Commercial	7 190	6,4%	2 838	2,5%	2 204	2,0%	99 701	89,1%	111 933	32,5%
Households	8 228	3,7%	4 853	2,2%	4 077	1,8%	205 217	92,3%	222 374	64,5%
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	16 577	4,8%	8 317	2,4%	6 604	1,9%	313 304	90,9%	344 801	100,0%

Chart 9 – Debtors per revenue source

The following chart shows the debtors outstanding per revenue source, Chart as per information above_Q3_2023-23



The following chart shows the different services outstanding by debtors_Q3_2023-2023

CHART 10

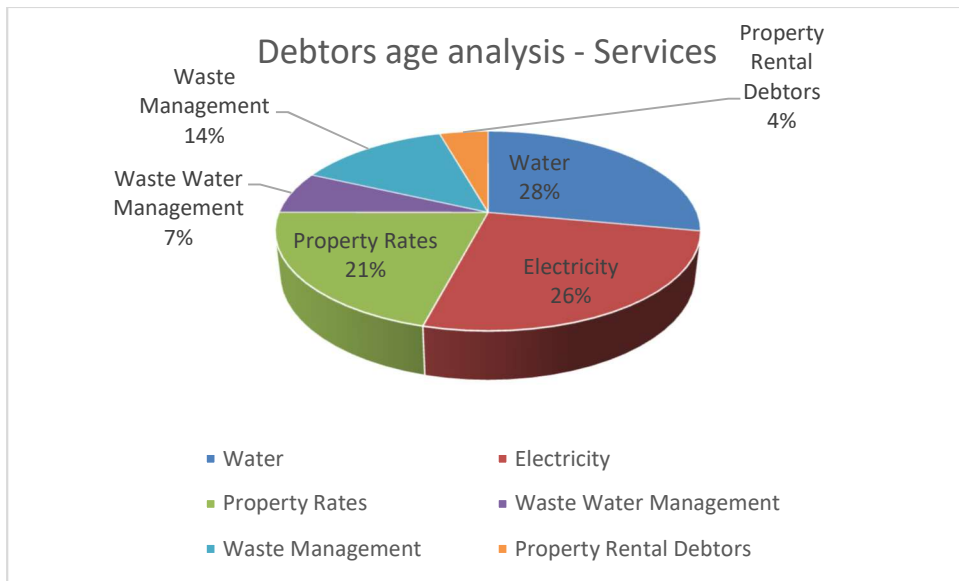
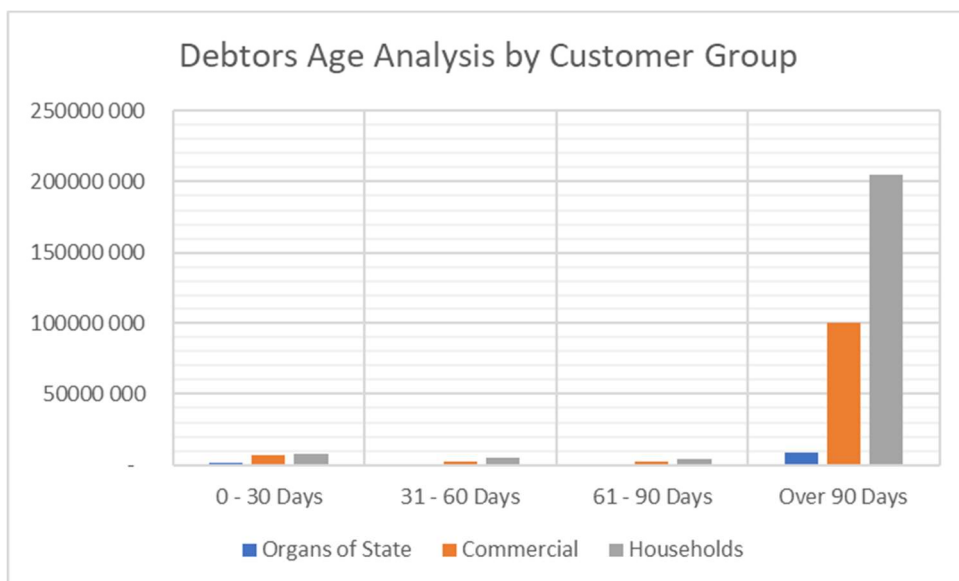


CHART 11

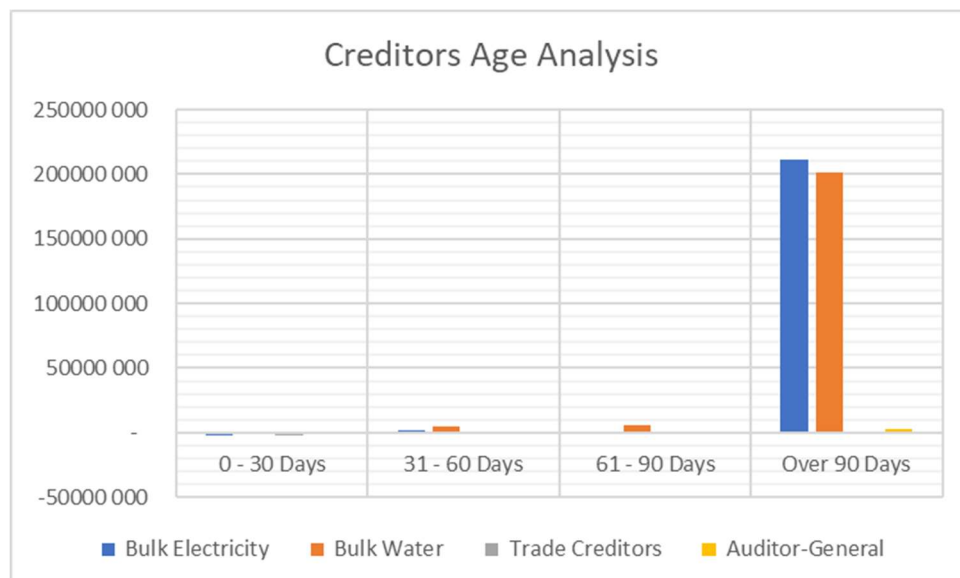
The following chart shows the debtors outstanding per category, Chart as per information above_Q3_2023-2023



Creditors age analysis – Annexure B SC4

Part 5: Creditor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	(2 001)	(,9%)	1 856	,9%	145	,1%	210 885	100,0%	210 885	49,8%
Bulk Water	(191)	(,1%)	4 312	2,0%	5 403	2,6%	201 597	95,5%	211 121	49,9%
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	(1 741)	(286,0%)	1 212	199,1%	181	29,7%	957	157,2%	609	,1%
Auditor-General	(900)	(111,0%)	(450)	(55,5%)	(432)	(53,3%)	2 593	319,8%	811	,2%
Other	-	-	-	-	4	14,0%	24	86,0%	28	-
Total	(4 833)	(1,1%)	6 930	1,6%	5 301	1,3%	416 056	98,3%	423 453	100,0%



4. Financial Implications/Recommendations

Revenue by Type:

64. (1) The accounting officer of a municipality is responsible for the management of the revenue of the municipality. (2) The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure— (a) that the municipality has effective revenue collection systems consistent with section 95 of the Municipal Systems Act and the municipality’s credit control and debt collection policy; (b) that revenue due to the municipality is calculated on a monthly basis; (c) that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical; (d) that all money received is promptly deposited in accordance with this Act into the municipality’s primary and other bank accounts; (e) that the municipality has and maintains a management, accounting and information system which— (i) recognises revenue when it is earned; (ii) accounts for debtors; and (iii) accounts for receipts of revenue; (f) that the municipality has and maintains a system of internal control in respect of debtors and revenue, as may be prescribed; (g) that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget-related policies and within a prescribed framework; and (h) that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled at least on a weekly basis. (3) The accounting officer must immediately inform the National Treasury of any payments due by an organ of state to the municipality in respect of municipal tax or for municipal services if such payments are regularly in arrears for periods of more than 30 days. (4) The accounting officer must take all reasonable steps to ensure— (a) that any funds collected by the municipality on behalf of another organ of state is transferred to that organ of state at least on a weekly basis; and

(b) that such funds are not used for purposes of the municipality

Expenditure by type:

65. (1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality. (2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure— (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds; (b) that the municipality has and maintains a management, accounting and information system which— (i) recognises expenditure when it is incurred; (ii) accounts for creditors of the municipality; and (iii) accounts for payments made by the municipality; (c) that the municipality has and maintains a system of internal control in respect of creditors and payments; (d) that payments by the municipality are made— (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit; (e) that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure; (f) that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments; (g) that any dispute concerning payments due by the municipality to another organ of state is disposed of in terms of legislation regulating disputes between organs

of state; (h) that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework; (i) that the municipality's supply chain management policy referred to in section 111 is implemented in a way that is fair, equitable, transparent, competitive and cost-effective; and (j) that all financial accounts of the municipality are closed at the end of each month and reconciled with its records.

Capital Expenditure:

19. (1) A municipality may spend money on a capital project only if— (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2); (b) the project, including the total cost, has been approved by the council; (c) section 33 has been complied with, to the extent that that section may be applicable to the project; and (d) the sources of funding have been considered, are available and have not been committed for other purposes. (2) Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider— (a) the projected cost covering all financial years until the project is operational; and (b) the future operational costs and revenue on the project, including municipal tax and tariff implications. (3) A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.

Cash Flow Statement:

Expenditure should be linked to the cash flow budget, once cash is less than budget corrections must be done to avoid the municipality running into cash flow problems. The municipality should strive to use the cash received wisely and for the intended purpose as planned. The 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 so that the old outstanding funds received will be used to either settle outstanding creditors or fund projects that can enhance revenue recovery.

Debtors Analysis

The municipality needs to ensure better distribution of information to the community as well as Councillors. The distribution of monthly accounts should be 100% correct and all methods of distributing accounts should be explored with the best methods being introduced for the different wards. The municipality must also establish a better workflow between departments to ensure the community won't end up with unnecessary accounts.

Creditors Analysis

The municipality must adhere to paying monthly creditors on time, old outstanding debt must be prioritized and linked to the Funded Budget Plan. Intervention is needed with regard to outstanding debt of bulk services. The municipality should strive to receive accounts that can be serviced every

month and therefore communication between all relevant parties is vital. The municipality needs to finalize the action plans against the two biggest creditors.

General Note

Municipality adopted the Funded Budget Plan as indicated as part of the Funded Budget Plan there are several activities which include the Cost Containment, on the cost containment several expenditure items are monitored and reported to Council.

Communication and workflow between the different departments need to be prioritized, information needs to align between the different departments. Repairs and maintenance of infrastructure should be carefully planned to avoid unnecessary overtime. Departmental Action/Operational plans must agree with the monthly budgets.

5. Interdepartmental and cluster impact

This report is prepared to achieve MFMA compliance.

6. Comments of the Head: Legal Services

The abovementioned report as such does not call for legal clarification

7. Conclusion

This report is in accordance compliance with section 52 of the MFMA, by providing a statement to the Council containing certain financial particulars

PREPARED BY:

Heinri Cloete

Chief Financial Officer

Budget & Treasury

DATE: 25 April 2023

NAMA KHOI MUNICIPALITY QUALITY CERTIFICATE

I Jan I Swartz the Municipal Manager of Nama Khoi Municipality, hereby certify that –

- Quarterly report on the implementation of the municipality's budget and financial state affairs for the quarter ending 30 March 2023 has been prepared by Section 52 of the Municipal Finance Management Act and regulations made under that Act.

Print Name: JI Swartz

Municipal Manager of Nama Khoi Municipality

Signature:.....

Date: 25 April 2023

Annexure A

Reports and reportable matters

The Mayor of a municipality–

- (a) must provide general political guidance, over the fiscal and financial affairs of the municipality.
- (b) In providing such general political guidance, may monitor and to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- (c) Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget
- (d) Must, within 30 days report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
- (e) Must exercise the other powers and perform the other duties assigned to the Mayor in terms of this Act or delegated by the council to the Mayor

NAMA KHOI MUNICIPALITY SCHEDULE C MONTHLY BUDGET STATEMENT

General information and contact information

Please note that the information on the C Schedule is for the period October to December 2021

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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
	Monthly Budget Statement – Actual and revised targets for cash receipts
	Monthly Budget Statement – Parent Municipality Financial Performance
Table SC11	Monthly Budget Statement – Summary of municipal entities
	Consolidated Monthly Budget Statement – Capital expenditure trend
	Consolidated Monthly Budget Statement – Capital expenditure on new assets by asset class

Consolidated Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class

Consolidated Monthly Budget Statement – Expenditure on repairs and maintenance by asset class

Consolidated Monthly Budget Statement – depreciation by asset class

Table SC71

Charts

Attachments:

C – SCHEDULE