



**Nama Khoi Municipality**

**13 December 2024**

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING 30 November 2024 (MONTHLY BUDGET STATEMENT) – 2024/2025 FINANCIAL YEAR.**

## **1. PURPOSE**

71. (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to Mr R Kritzinger 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 financial affairs for that month and the financial year up to the end of that month:

## **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 ended 30 November 2024

## **3. QUERIES AND SUGGESTIONS**

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

**Please note that the municipality wishes to notify the reader that information is subject to correction.**

## **4. REPORT FOR THE PERIOD ENDING 30 November 2024**

**This report is based on financial information, as of 30 November 2024, and is available during preparation.**

The financial results for the period ended 30 November 2024 are summarised as follows:

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

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NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November							
Description	Budget Year 2024/25						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>Revenue</b>							
Service charges - Electricity	120,610,505	120,610,505	21,539,877	78,072,254	50,254,375	27,817,879	155
Service charges - Water	57,879,354	57,879,354	5,669,997	18,662,084	24,116,395	- 5,454,311	77
Service charges - Waste Water Management	21,428,961	21,428,961	1,439,902	6,664,210	8,928,735	- 2,264,525	75
Service charges - Waste management	25,847,033	25,847,033	1,660,580	7,659,934	10,769,595	- 3,109,661	71
Sale of Goods and Rendering of Services	3,922,066	3,922,066	18,256	186,961	1,634,195	- 1,447,234	11
Agency services	93,786	93,786	-	-	39,080	- 39,080	-
Interest earned from Receivables	22,299,427	22,299,427	1,966,743	9,712,251	9,291,425	420,826	105
Interest from Current and Non Current Assets	4,425,355	4,425,355	126,440	407,206	1,843,905	- 1,436,699	22
Rent on Land	1,252,978	1,252,978	99,184	497,300	522,075	- 24,775	95
Rental from Fixed Assets	3,399,035	3,399,035	163,779	799,757	1,416,275	- 616,518	56
Licence and permits	1,664,099	1,664,099	314,681	1,264,611	693,380	571,231	182
Operational Revenue	408,205	408,205	54,033	265,647	170,085	95,562	156
Property rates	57,426,530	57,426,530	3,155,595	27,408,761	23,927,710	3,481,051	115
Fines, penalties and forfeits	603,022	603,022	177	3,498	251,260	- 247,762	1
Transfers and subsidies - Operational	73,321,000	73,321,000	449,398	32,000,600	30,550,410	1,450,190	105
Interest	4,391,925	4,391,925	117,247	505,228	1,829,970	- 1,324,742	28
Operational Revenue	-	-	133,384	750,483	-	750,483	-
Other Gains	60,588,000	60,588,000	-	-	25,245,000	- 25,245,000	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>459,561,281</b>	<b>459,561,281</b>	<b>36,909,273</b>	<b>184,860,785</b>	<b>191,483,870</b>	<b>- 6,623,085</b>	<b>97</b>
<b>Expenditure By Type</b>							
Employee related costs	105,612,784	105,612,849	8,280,286	40,589,165	44,005,520	- 3,416,355	92
Remuneration of councillors	7,282,094	7,282,102	589,258	2,913,377	3,034,213	- 120,836	96
Bulk purchases - electricity	125,880,000	125,880,000	10,100,372	66,832,847	52,450,000	14,382,847	127
Inventory consumed	50,096,000	50,096,000	4,868,246	12,870,616	20,873,335	- 8,002,719	62
Debt impairment	22,200,000	22,200,000	-	-	9,249,995	- 9,249,995	-
Depreciation and amortisation	72,391,567	72,391,567	-	-	30,163,155	- 30,163,155	-
Interest	17,225,338	17,225,338	7,915	2,009,376	7,177,225	- 5,167,849	28
Contracted services	22,215,720	22,215,730	1,105,249	10,181,463	9,256,550	924,913	110
Irrecoverable debts written off	1,000,000	1,000,000	-	-	416,660	- 416,660	-
Operational costs	27,434,094	27,434,103	1,038,771	8,267,675	11,430,889	- 3,163,214	72
Other Losses	3,420,552	3,420,552	-	-	1,425,230	- 1,425,230	-
<b>Total Expenditure</b>	<b>454,758,149</b>	<b>454,758,241</b>	<b>25,990,097</b>	<b>143,664,518</b>	<b>189,482,772</b>	<b>- 45,818,254</b>	<b>76</b>
<b>Surplus/(Deficit)</b>	<b>4,803,132</b>	<b>4,803,040</b>	<b>10,919,176</b>	<b>41,196,267</b>	<b>2,001,098</b>	<b>39,195,169</b>	

NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November							
Description	Budget Year 2024/25						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>Revenue</b>							
Service charges - Electricity	120,610,505	120,610,505	21,539,877	78,072,254	50,254,375	27,817,879	155
Service charges - Water	57,879,354	57,879,354	5,669,997	18,662,084	24,116,395	- 5,454,311	77
Service charges - Waste Water Management	21,428,961	21,428,961	1,439,902	6,664,210	8,928,735	- 2,264,525	75
Service charges - Waste management	25,847,033	25,847,033	1,660,580	7,659,934	10,769,595	- 3,109,661	71
Sale of Goods and Rendering of Services	3,922,066	3,922,066	18,256	186,961	1,634,195	- 1,447,234	11
Agency services	93,786	93,786	-	-	39,080	- 39,080	-
Interest earned from Receivables	22,299,427	22,299,427	1,966,743	9,712,251	9,291,425	420,826	105
Interest from Current and Non Current Assets	4,425,355	4,425,355	126,440	407,206	1,843,905	- 1,436,699	22
Rent on Land	1,252,978	1,252,978	99,184	497,300	522,075	- 24,775	95
Rental from Fixed Assets	3,399,035	3,399,035	163,779	799,757	1,416,275	- 616,518	56
Licence and permits	1,664,099	1,664,099	314,681	1,264,611	693,380	571,231	182
Operational Revenue	408,205	408,205	54,033	265,647	170,085	95,562	156
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Fines, penalties and forfeits	603,022	603,022	177	3,498	251,260	- 247,762	1
Transfers and subsidies - Operational	73,321,000	73,321,000	449,398	32,000,600	30,550,410	1,450,190	105
Interest	4,391,925	4,391,925	117,247	505,228	1,829,970	- 1,324,742	28
Operational Revenue	-	-	133,384	750,483	-	750,483	-
Other Gains	60,588,000	60,588,000	-	-	25,245,000	- 25,245,000	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>459,561,281</b>	<b>459,561,281</b>	<b>36,909,273</b>	<b>184,860,785</b>	<b>191,483,870</b>	<b>- 6,623,085</b>	<b>97</b>

**Explanation on YTD variance % - e.g. 104% means that the municipality billed 4% more than what was budgeted and 98% means the municipality billed 2% less than what was budgeted.**

Variances to be discussed in the Institutional and Finance Committee

### Matters of Concern

Revenue billed should not be seen as actual cash received, The Statement of Financial Performance sometimes gives the reader the idea that the municipality already collected the billed revenue; additionally, it should not be confused with the collection rate as variances relate to the expected budgeted versus the actual billing.

The underperformance of Service Charges is of concern, especially refuse removal and sanitation where the municipality does not have initiatives to limit the over-time incurred to deliver these services.

The municipality needs to do an analysis of the electricity billing as it is much higher than the budgeted amount, it also has an impact on the collection rate of the municipality and ultimately impacting on the compliance of the Eskom Debt Relief.

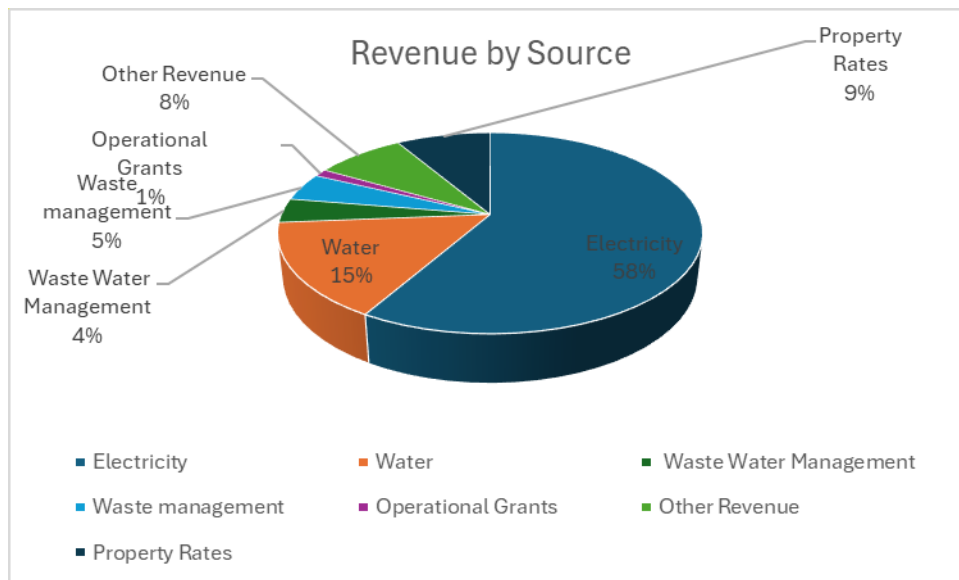
It must be noted that property rate rebates will continue on a monthly basis with the municipality adjusted rates downwards with an average of 19%.

The system allows only for the projected budgeted figures to be divided equally this results in unfavorable variances on a month-to-month basis.

It must be noted that the municipality is in the process of taking over the Town of Kleinzee and the revenue will increase, the necessary adjustments towards revenue must be done with the Adjustment Budget.

#### CHART 1

The following chart shows the revenue by source for the month of 30 November 2024 in terms of revenue as a percentage of total revenue.



Expenditure By Type	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Employee related costs	105,612,784	105,612,849	8,280,286	40,589,165	44,005,520	- 3,416,355	92
Remuneration of councillors	7,282,094	7,282,102	589,258	2,913,377	3,034,213	- 120,836	96
Bulk purchases - electricity	125,880,000	125,880,000	10,100,372	66,832,847	52,450,000	14,382,847	127
Inventory consumed	50,096,000	50,096,000	4,868,246	12,870,616	20,873,335	- 8,002,719	62
Debt impairment	22,200,000	22,200,000	-	-	9,249,995	- 9,249,995	-
Depreciation and amortisation	72,391,567	72,391,567	-	-	30,163,155	- 30,163,155	-
Interest	17,225,338	17,225,338	7,915	2,009,376	7,177,225	- 5,167,849	28
Contracted services	22,215,720	22,215,730	1,105,249	10,181,463	9,256,550	924,913	110
Irrecoverable debts written off	1,000,000	1,000,000	-	-	416,660	- 416,660	-
Operational costs	27,434,094	27,434,103	1,038,771	8,267,675	11,430,889	- 3,163,214	72
Other Losses	3,420,552	3,420,552	-	-	1,425,230	- 1,425,230	-
<b>Total Expenditure</b>	<b>454,758,149</b>	<b>454,758,241</b>	<b>25,990,097</b>	<b>143,664,518</b>	<b>189,482,772</b>	<b>- 45,818,254</b>	<b>76</b>

## Notes on variances above/under 10%

Variances to be discussed in the Institutional and Finance Committee

### Matter of Concern

**Debt impairment and Depreciation:** The municipality's asset register is not linked to the financial systems, and journals are only passed at year-end.

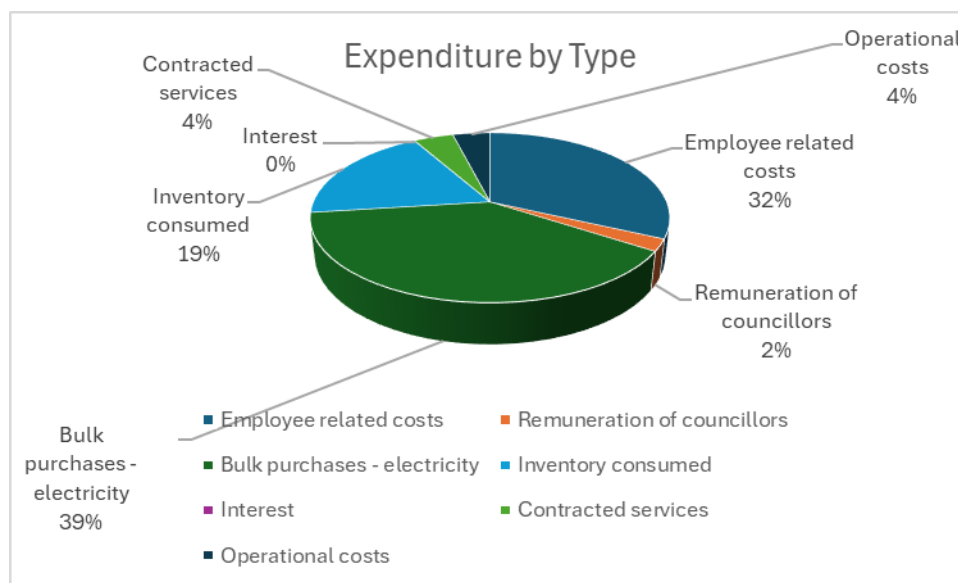
Low expenditure is due to the cash flow situation of the municipality, the low spending has a direct impact on service delivery initiatives.

Contract services are linked to consultants the municipality uses for various services, including performance management, accounting assistance towards the AFS, asset register, and other service delivery items.

Bulk electricity billing for winter months is higher than the summer months, however, the system only allowed for budgeted amounts to be equal, and it resulted in the municipality exceeding the budgeted amount.

## CHART 2

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



The table below indicates revenue and expenditure by vote.

Annexure B – Table C3

NC062 Nama Khoi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November							
Vote Description	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
	Original Budget	Adjusted Budget					
<b>Revenue by Vote</b>							
<b>Vote 1 - EXECUTIVE MAYOR COUNCIL</b>	<b>388,156</b>	<b>388,156</b>	<b>30,746</b>	<b>153,732</b>	<b>161,730</b>	<b>- 7,998</b>	<b>95</b>
Vote 2 - MUNICIPAL MANAGER	1,707,595	1,707,595	290,561	982,548	711,500	271,048	138
Vote 3 - CORPORATE SERVICES	3,230,501	3,230,501	139,407	782,837	1,346,040	- 563,203	58
Vote 4 - FINANCIAL SERVICES	94,696,445	94,696,445	8,812,259	84,629,776	39,456,845	45,172,931	214
Vote 5 - COMMUNITY SERVICES: COMM DEV	46,372,341	46,372,341	- 457,234	- 2,609,531	19,321,815	- 21,931,346	- 14
Vote 6 - COMMUNITY SERVICES: PUBL SAFETY	1,851,555	1,851,555	309,562	1,252,624	771,495	481,129	162
Vote 7 - INFRASTRUCTURE; ENG TECHNICAL	337,636,688	362,079,688	30,773,828	103,479,866	146,113,729	- 42,633,863	71
<b>Total Revenue by Vote</b>	<b>485,883,281</b>	<b>510,326,281</b>	<b>39,899,129</b>	<b>188,671,852</b>	<b>207,883,154</b>	<b>- 19,211,302</b>	<b>91</b>
<b>Expenditure by Vote</b>							
Vote 1 - EXECUTIVE MAYOR COUNCIL	12,914,388	12,914,408	999,776	4,931,651	5,381,036	- 449,385	92
Vote 2 - MUNICIPAL MANAGER	11,596,959	11,596,971	1,086,731	4,670,575	4,832,082	- 161,507	97
Vote 3 - CORPORATE SERVICES	30,030,344	30,030,353	1,100,685	7,102,349	12,512,659	- 5,410,310	57
Vote 4 - FINANCIAL SERVICES	50,595,496	50,595,500	1,942,270	16,700,873	21,081,464	- 4,380,591	79
Vote 5 - COMMUNITY SERVICES: COMM DEV	63,968,799	63,968,818	1,606,457	7,604,399	26,653,714	- 19,049,315	29
Vote 6 - COMMUNITY SERVICES: PUBL SAFETY	11,489,116	11,489,121	770,486	4,000,471	4,787,158	- 786,687	84
Vote 7 - INFRASTRUCTURE; ENG TECHNICAL	274,163,047	274,163,070	18,483,692	98,654,201	114,234,659	- 15,580,458	86
<b>Total Expenditure by Vote</b>	<b>454,758,149</b>	<b>454,758,241</b>	<b>25,990,097</b>	<b>143,664,519</b>	<b>189,482,772</b>	<b>- 45,818,253</b>	<b>76</b>
<b>Surplus/ (Deficit) for the year</b>	<b>31,125,132</b>	<b>55,568,040</b>	<b>13,909,032</b>	<b>45,007,333</b>	<b>18,400,382</b>	<b>26,606,951</b>	

## Reasons for variances above/under 10%

Variances to be discussed in the Institutional and Finance Committee

### CHART 3

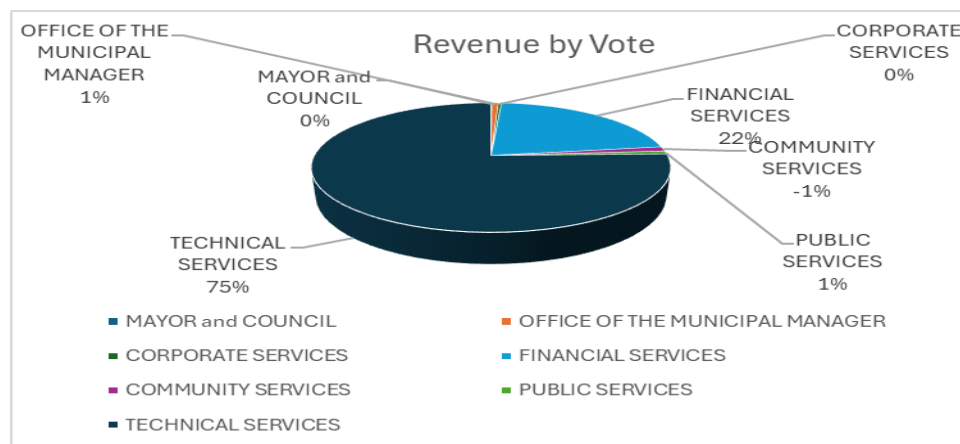
The following chart shows the revenue by vote for 30 November 2024

NC062 Nama Khoi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November							
Vote Description	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
	Original Budget	Adjusted Budget					
<b>Revenue by Vote</b>							
Vote 1 - EXECUTIVE MAYOR/COUNCIL	388,156	388,156	30,746	153,732	161,730	- 7,998	95
Vote 2 - MUNICIPAL MANAGER	1,707,595	1,707,595	290,561	982,548	711,500	271,048	138
Vote 3 - CORPORATE SERVICES	3,230,501	3,230,501	139,407	782,837	1,346,040	- 563,203	58
Vote 4 - FINANCIAL SERVICES	94,696,445	94,696,445	8,812,259	84,629,776	39,456,845	45,172,931	214
Vote 5 - COMMUNITY SERVICES: COMMDEV	46,372,341	46,372,341	- 457,234	- 2,609,531	19,321,815	- 21,931,346	- 14
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY	1,851,555	1,851,555	309,562	1,252,624	771,495	481,129	162
Vote 7 - INFRASTRUCTURE: ENG TECHNICAL	337,636,688	362,079,688	30,773,828	103,479,866	146,113,729	- 42,633,863	71
<b>Total Revenue by Vote</b>	<b>485,883,281</b>	<b>510,326,281</b>	<b>39,899,129</b>	<b>188,671,852</b>	<b>207,883,154</b>	<b>- 19,211,302</b>	<b>91</b>

### Notes on Table Above

Revenue billed does not necessarily mean the monies have collected the actual cash

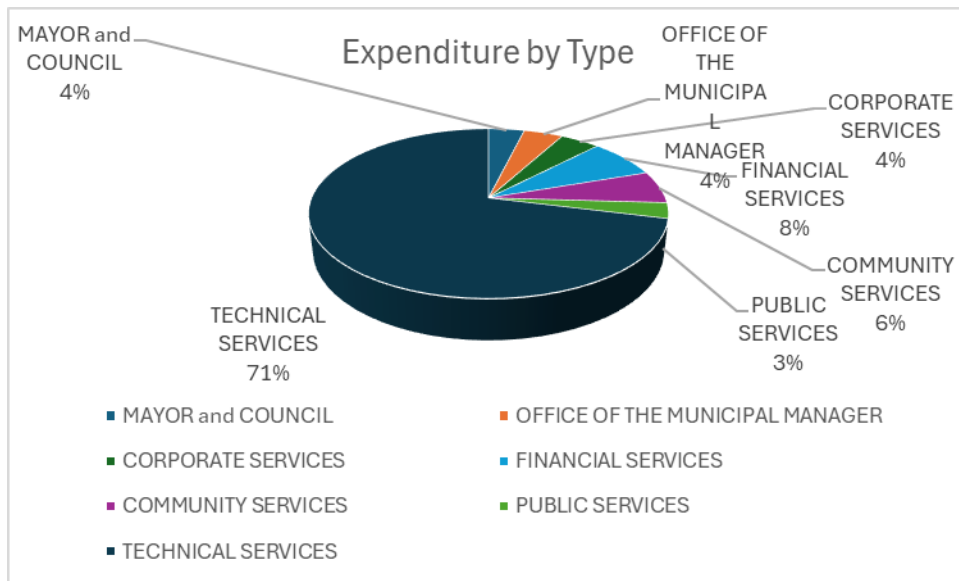
It must be noted Revenue by function includes capital revenue recognized resulting in the difference when compared to revenue by source.



### CHART 4

Expenditure by Vote	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Vote 1 - EXECUTIVE MAYOR/COUNCIL	12,914,388	12,914,408	999,776	4,931,651	5,381,036	- 449,385	92
Vote 2 - MUNICIPAL MANAGER	11,596,959	11,596,971	1,086,731	4,670,575	4,832,082	- 161,507	97
Vote 3 - CORPORATE SERVICES	30,030,344	30,030,353	1,100,685	7,102,349	12,512,659	- 5,410,310	57
Vote 4 - FINANCIAL SERVICES	50,595,496	50,595,500	1,942,270	16,700,873	21,081,464	- 4,380,591	79
Vote 5 - COMMUNITY SERVICES: COMMDEV	63,968,799	63,968,818	1,606,457	7,604,399	26,653,714	- 19,049,315	29
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY	11,489,116	11,489,121	770,486	4,000,471	4,787,158	- 786,687	84
Vote 7 - INFRASTRUCTURE: ENG TECHNICAL	274,163,047	274,163,070	18,483,692	98,654,201	114,234,659	- 15,580,458	86
<b>Total Expenditure by Vote</b>	<b>454,758,149</b>	<b>454,758,241</b>	<b>25,990,097</b>	<b>143,664,519</b>	<b>189,482,772</b>	<b>- 45,818,253</b>	<b>76</b>

The following chart shows the expenditure by vote for 30 November 2024



**Reasons for variances above/under 10%**

Variances to be discussed in the Institutional and Finance Committee



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

Please note Capital Expenditure is subject to correction. Errors have been submitted to the Service Provider

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

Vote Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE MAYOR COUNCIL		78	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		329	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES		(1,048)	1,800	1,800	1,333	1,333	750	583	78%	1,800
Vote 5 - COMMUNITY SERVICES: COMM DEV		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY		-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE:ENG TECHNICAL		10,997	16,322	45,589	1,311	3,132	13,305	(10,173)	-76%	45,589
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>10,356</b>	<b>18,122</b>	<b>47,389</b>	<b>2,643</b>	<b>4,464</b>	<b>14,055</b>	<b>(9,590)</b>	<b>-68%</b>	<b>47,389</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE MAYOR COUNCIL		(342)	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES: COMM DEV		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY		-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE:ENG TECHNICAL		786	10,000	10,000	1,022	1,960	4,167	(2,207)	-53%	10,000
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>444</b>	<b>10,000</b>	<b>10,000</b>	<b>1,022</b>	<b>1,960</b>	<b>4,167</b>	<b>(2,207)</b>	<b>-53%</b>	<b>10,000</b>
<b>Total Capital Expenditure</b>		<b>10,800</b>	<b>28,122</b>	<b>57,389</b>	<b>3,665</b>	<b>6,424</b>	<b>18,221</b>	<b>(11,797)</b>	<b>-65%</b>	<b>57,389</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		(264)	1,800	1,800	-	-	750	(750)	-100%	1,800
Executive and council		(264)	-	-	-	-	-	-	-	-
Finance and administration		-	1,800	1,800	-	-	750	(750)	-100%	1,800
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		329	-	-	-	-	-	-	-	-
Planning and development		329	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		10,735	26,322	55,589	3,665	6,424	17,471	(11,047)	-63%	55,589
Energy sources		-	-	-	-	-	-	-	-	-
Water management		1,294	-	-	-	-	-	-	-	-
Waste water management		9,441	26,322	55,589	3,665	6,424	17,471	(11,047)	-63%	55,589
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>10,800</b>	<b>28,122</b>	<b>57,389</b>	<b>3,665</b>	<b>6,424</b>	<b>18,221</b>	<b>(11,797)</b>	<b>-65%</b>	<b>57,389</b>
<b>Funded by:</b>										
National Government		10,735	26,322	50,765	2,600	3,538	16,399	(12,861)	-78%	50,765
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons,		-	-	-	-	-	-	-	-	-
Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>10,735</b>	<b>26,322</b>	<b>50,765</b>	<b>2,600</b>	<b>3,538</b>	<b>16,399</b>	<b>(12,861)</b>	<b>-78%</b>	<b>50,765</b>
<b>Borrowing</b>	6	78	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		(13)	1,800	6,624	1,065	2,886	1,822	1,064	58%	6,624
<b>Total Capital Funding</b>		<b>10,800</b>	<b>28,122</b>	<b>57,389</b>	<b>3,665</b>	<b>6,424</b>	<b>18,221</b>	<b>(11,797)</b>	<b>-65%</b>	<b>57,389</b>

## CASH FLOW STATEMENT ON 30 November 2024

NC062 Nama Khoi - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		48,287	55,018	55,018	3,954	23,641	22,924	716	3%	55,018
Service charges		189,578	205,264	205,264	24,886	102,122	85,526	16,596	19%	205,264
Other revenue		10,832	4,096	4,096	4,648	2,011	1,707	305	18%	4,096
Transfers and Subsidies - Operational		69,379	79,315	79,315	553	56,412	33,048	23,364	71%	79,315
Transfers and Subsidies - Capital		20,272	26,322	50,765	-	9,610	16,399	(6,789)	-41%	50,765
Interest		30,885	4,425	4,425	1,558	7,528	1,844	5,685	308%	4,425
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(570,506)	(330,744)	(332,306)	(15,293)	(71,909)	(85,829)	(13,920)	16%	(332,306)
Interest		(3,384)	(17,225)	(17,225)	-	-	(7,177)	(7,177)	100%	(17,225)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(204,657)</b>	<b>26,472</b>	<b>49,352</b>	<b>20,307</b>	<b>129,416</b>	<b>68,443</b>	<b>(60,973)</b>	<b>-89%</b>	<b>49,352</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		1,710	-	-	-	(1,710)	(621)	(1,089)	175%	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(6,141)	(28,122)	(52,565)	(4,368)	(7,541)	(17,149)	(9,608)	56%	(52,565)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(4,431)</b>	<b>(28,122)</b>	<b>(52,565)</b>	<b>(4,368)</b>	<b>(9,251)</b>	<b>(17,770)</b>	<b>(8,519)</b>	<b>48%</b>	<b>(52,565)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		20,972	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		(1,274)	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	(8,280)	(40,589)	-	(40,589)	#DIV/0!	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>19,698</b>	<b>-</b>	<b>-</b>	<b>(8,280)</b>	<b>(40,589)</b>	<b>-</b>	<b>40,589</b>	<b>#DIV/0!</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(189,391)</b>	<b>(1,650)</b>	<b>(3,213)</b>	<b>7,658</b>	<b>79,576</b>	<b>50,673</b>			<b>(3,213)</b>
Cash/cash equivalents at beginning:		46,846	4,242	52,336		44,220	52,336			44,220
Cash/cash equivalents at month/year end:		(142,545)	2,592	49,122	7,658	123,796	103,008			41,007

### Notes on the Cash Flow Statement

Please note that opening and closing balances are subject to correction and include conditional grants.

Please see the letter from the Service Provider on the errors on the Balance Sheet and the Cash Flow Statement

It must also be noted that the cash/cash equivalents balance includes unspent grants.

It must be noted that the R123 million does not reflect the correct corresponding bank status with the call accounts included, as there are some errors in the financial systems. Bank reconciliation and grant reports will reflect the correct status.

### 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 debtor's outstanding on 30 November 2024.

Debtors are subject to correction, the municipality experienced challenges while converting to the new system.

Debtors Age Analysis 30 November 2024						
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
<b>Debtors Age Analysis By Income Source</b>						
Water	10,012,341	2,563,862	2,388,590	1,990,347	115,847,431	132,802,571
Electricity	19,627,228	3,662,952	4,210,154	1,152,979	89,754,929	118,408,242
Property Rates	7,022,261	1,652,533	1,380,685	3,265,192	75,094,216	88,414,887
Waste Water Management	2,609,934	711,538	648,838	609,315	27,444,746	32,024,371
Waste Management	3,551,024	1,106,361	1,040,148	996,574	55,703,449	62,397,556
Property Rental Debtors	46,253	12,493	10,767	10,284	404,452	484,249
Other	546,822	211,195	198,897	193,903	17,278,580	18,429,397
<b>Total By Income Source</b>	<b>43,415,863</b>	<b>9,920,934</b>	<b>9,878,079</b>	<b>8,218,594</b>	<b>381,527,803</b>	<b>452,961,273</b>
<b>Debtors Age Analysis By Customer Group</b>					-	
Organs of State	4,248,570	533,830	530,875	1,969,523	6,621,564	13,904,362
Commercial	18,243,310	4,197,397	4,610,648	1,779,506	108,814,680	137,645,541
Households	20,923,983	5,189,707	4,736,556	4,469,565	266,091,559	301,411,370
<b>Total By Customer Group</b>	<b>43,415,863</b>	<b>9,920,934</b>	<b>9,878,079</b>	<b>8,218,594</b>	<b>381,527,803</b>	<b>452,961,273</b>

The debtor's outstanding for more than 121 days amounts to R381 527 803

The municipality through the TID rollover process has started to replace faulty and by-passed meters, the results of these actions can be found in the monthly progress reports. Additionally, the municipality has started to write off debt for customers if they are prepared to take prepaid meters to control the municipal outstanding accounts and collect monies before the service is delivered.

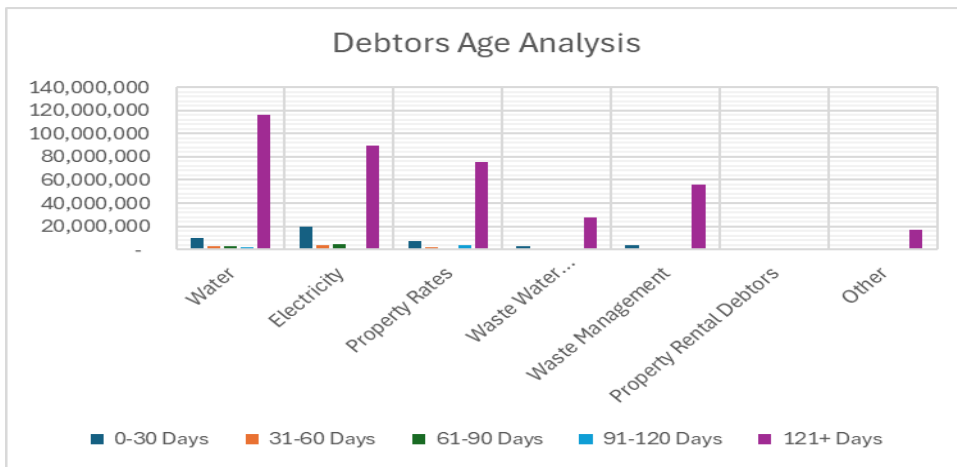
It's clear that a certain portion of billed revenue results in debtors, this can be a result of long outstanding disputes that have accumulated interest, and the interest is accumulated interest on interest every month, the municipality is in the process of considering the write-off of these outstanding debts.

It must be noted that the municipality had discussions with Vaal Central Water to offsetting of accounts, the proposal from the municipality will be sent in due course if agreed there will be a positive impact on both the outstanding debtors and creditors.

### Chart 8 – Debtors per revenue source

Debtors Age Analysis 30 November 2024						
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
<b>Debtors Age Analysis By Income Source</b>						
Water	10,012,341	2,563,862	2,388,590	1,990,347	115,847,431	132,802,571
Electricity	19,627,228	3,662,952	4,210,154	1,152,979	89,754,929	118,408,242
Property Rates	7,022,261	1,652,533	1,380,685	3,265,192	75,094,216	88,414,887
Waste Water Management	2,609,934	711,538	648,838	609,315	27,444,746	32,024,371
Waste Management	3,551,024	1,106,361	1,040,148	996,574	55,703,449	62,397,556
Property Rental Debtors	46,253	12,493	10,767	10,284	404,452	484,249
Other	546,822	211,195	198,897	193,903	17,278,580	18,429,397
<b>Total By Income Source</b>	<b>43,415,863</b>	<b>9,920,934</b>	<b>9,878,079</b>	<b>8,218,594</b>	<b>381,527,803</b>	<b>452,961,273</b>

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

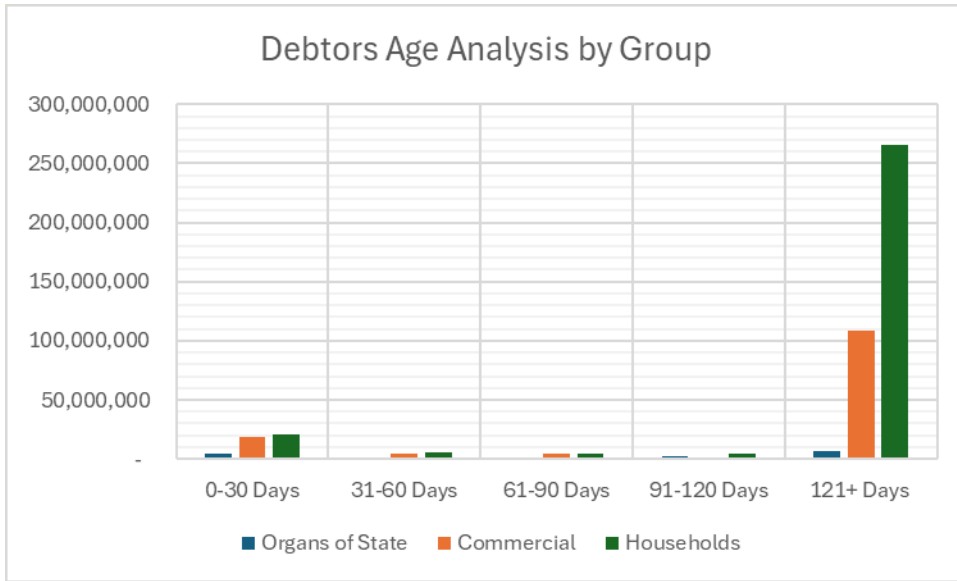


### Debtor Age Analysis by Category

Debtors Age Analysis By Customer Group	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
Organs of State	4,248,570	533,830	530,875	1,969,523	6,621,564	13,904,362
Commercial	18,243,310	4,197,397	4,610,648	1,779,506	108,814,680	137,645,541
Households	20,923,983	5,189,707	4,736,556	4,469,565	266,091,559	301,411,370
<b>Total By Customer Group</b>	<b>43,415,863</b>	<b>9,920,934</b>	<b>9,878,079</b>	<b>8,218,594</b>	<b>381,527,803</b>	<b>452,961,273</b>

### CHART 9

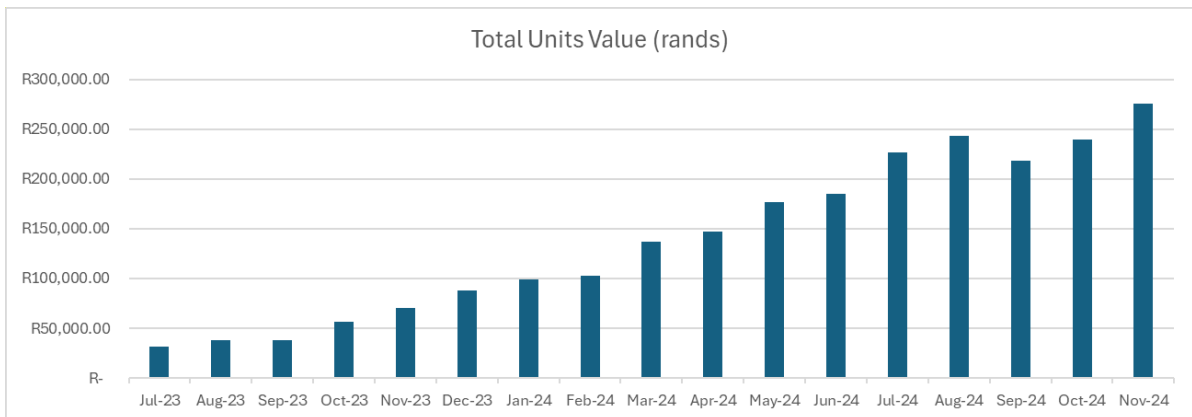
The following chart shows the outstanding debtors per category, as per the information above.



## Revenue Enhancement Initiatives/Progress

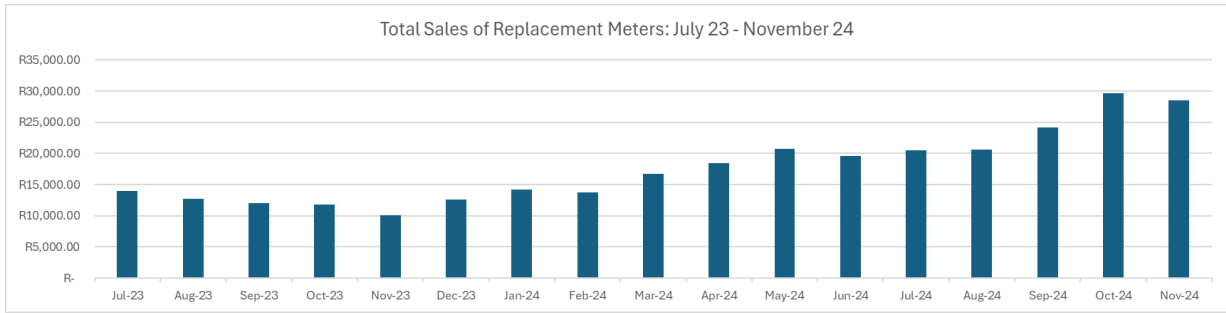
### New Meters Installed

Transaction Month	Jul-23	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Total
Total Units Value (rands)	R31,707.00	R226,810.00	R242,738.00	R217,765.50	R239,370.00	R275,093.30	<b>R2,373,213.20</b>



### Old Replacement -

Transaction Month	Jul-23	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Total
Total Value (Vat. Incl)	R13,995.00	R20,538.00	R20,666.00	R24,155.00	R29,717.00	R28,471.87	<b>R300,139.87</b>



### Notes on the Above tables

The tables above show the impact the municipality made by installing and replacing faulty electricity meters, progress has been hampered by finances available to purchase prepaid meters, as well as the capacity issues at the municipality, and lastly the availability of a cherry picker to replace meters outside the houses of consumers.

The municipality has also identified through field audit and the TID rollover process that there are still by-passes taking place with consumers not purchasing electricity after the TID rollover.

### TID Rollover Status

**Meter Base Summary**

There are currently 13040 meters in the Nama Khoi database. The table below illustrates a breakdown of the meters per meter type.

Meter Type	QTY
PTSElectricity	964
STSElectricity	11988
STSWater	88

The Nama Khoi meter base consist of meters that are Actively buying, Never purchased and meters with Old purchase dates

Buying State	Purchasing Summary Per Meter Type			Grand Total
	PTS	STSElectricity	STSWater	
Actively Purchasing	272	7886	79	8237
Never Purchased	608	3682	9	4299
Old Purchase Date	84	420	0	504
<b>Grand Total</b>	<b>964</b>	<b>11988</b>	<b>88</b>	<b>13040</b>

The Total number of PTS meters has gone down to 964 meters compared to previous week's report, there seems to be good progress on PTS meter replacements.

**TID Rollover Summary**

Overall, 5194 active STSElectricity meters were successfully TID Rollover during field inspections, while 2486 actively buying electricity meters were set up on the system for conversion during phase 2-customer approach which started in September 2024. Later in mid October 2024, a total of 4080 meters made up of electricity meters with old or no last purchase dates as well as STSWater meters were set up for conversion in the vending system.

1894 meters have had purchases after the TID, 3911 meters have not yet purchased electricity and 761 meters have been disconnected.

STIS TID Summary	
TID completed during Field Approach	5194
Meters Issued with TID via customer Approach	6566
Meters with purchases after TID	1894
Meters without purchases after TID	3911
Meters disconnected after TID	761

**Next Steps**

The Syntell Team continues monitoring the sales and reporting on progress weekly to the municipality for visibility. Nama Khoi should consider cleaning the database by removing meters that have no last purchase dates or last purchase dates older than two years.

## CREDITORS Age Analysis - Annexure B -Table SC4

The creditor'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 creditor's outstanding on 30 November 2024.

NC062 Nama Khoi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	NT Code	Budget Year 2024/25								Total
		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	
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	11,623	112	3	15	-	198	223,948	-	235,900
Bulk Water	0200	-	-	-	-	-	-	225,737	-	225,737
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	2,884	947	1,545	866	582	8,075	670	2,874	18,442
Auditor General	0800	-	-	-	364	-	-	889	-	1,253
Other	0900	41	4	-	1	-	1	0	-	47
Medical Aid deductions										-
<b>Total By Customer Type</b>	<b>1000</b>	<b>14,548</b>	<b>1,063</b>	<b>1,548</b>	<b>1,247</b>	<b>582</b>	<b>8,274</b>	<b>451,244</b>	<b>2,874</b>	<b>481,379</b>

### Creditors Analysis

Please note creditors' report is subject to correction

From the creditors' age analysis, the municipality has two main creditors: ESKOM and Vaal Central Water.

The municipality applied for the Debt Relief Program and was successful in the application, furthermore, payments thus have been made in consultation with ESKOM.

The municipality has payment agreements with other creditors.

It must be noted that the municipality had discussions with Vaal Central Water to offsetting of accounts, the proposal from the municipality will be sent in due course if agreed there will be a positive impact on both the outstanding debtors and creditors.

It must be noted that the municipality has been having issues making payments to the Department of Safety and Liaison since moving to Promun 3, the municipality is in constant communication with the Service Provider to resolve the issue and payments will be made as soon as the problem on the financial system is resolved.

Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October							
Summary of Employee and Councillor remuneration	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
	Original Budget	Adjusted Budget					
<b>Councillors (Political Office Bearers plus Other)</b>							
Basic Salaries and Wages	6,058,142	6,058,145	501,361	1,915,379	2,019,383	- 104,004	95
Medical Aid Contributions	-	1	7,916	31,662	1	31,661	3,166,200
Motor Vehicle Allowance	-	1	8,068	32,272	1	32,271	3,227,200
Cellphone Allowance	734,400	734,402	61,800	235,286	244,802	- 9,516	96
Other benefits and allowances	489,552	489,553	27,091	109,519	163,185	- 53,666	67
<b>Sub Total - Councillors</b>	<b>7,282,094</b>	<b>7,282,102</b>	<b>606,236</b>	<b>2,324,118</b>	<b>2,427,372</b>	<b>- 103,254</b>	<b>96</b>
<b>Senior Managers of the Municipality</b>							
Basic Salaries and Wages	4,855,922	4,855,922	130,114	520,456	1,618,644	- 1,098,188	32
Pension and UIF Contributions	12,751	12,751	354	1,417	4,248	- 2,831	33
Performance Bonus	855,697	855,697	-	-	285,236	- 285,236	-
Motor Vehicle Allowance	558,451	558,451	26,615	106,459	186,152	- 79,693	57
Cellphone Allowance	94,943	94,943	2,638	10,551	31,652	- 21,101	33
Housing Allowances	141,713	141,713	12,199	48,796	47,236	1,560	103
Other benefits and allowances	859	859	24	96	288	- 192	33
Scarcity	556,034	556,034	16,893	67,571	185,344	- 117,773	36
<b>Sub Total - Senior Managers of Municipality</b>	<b>7,076,370</b>	<b>7,076,370</b>	<b>188,837</b>	<b>755,346</b>	<b>2,358,800</b>	<b>- 1,603,454</b>	<b>32</b>
<b>Other Municipal Staff</b>							
Basic Salaries and Wages	61,967,477	61,809,232	4,056,562	19,498,022	20,612,671	- 1,114,649	95
Pension and UIF Contributions	9,225,567	9,225,575	643,435	2,750,922	3,075,204	- 324,282	89
Medical Aid Contributions	4,073,120	4,073,123	310,639	1,306,757	1,357,712	- 50,955	96
Overtime	8,386,437	8,386,443	830,598	2,989,491	2,795,494	193,997	107
Performance Bonus	4,797,550	4,836,642	252,782	1,558,377	1,609,880	- 51,503	97
Motor Vehicle Allowance	2,994,790	2,994,795	256,709	1,355,393	998,285	357,108	136
Cellphone Allowance	229,896	229,898	15,437	62,465	76,626	- 14,161	82
Housing Allowances	687,240	687,243	53,991	221,441	229,094	- 7,653	97
Other benefits and allowances	2,608,030	2,608,046	237,586	945,724	869,394	76,330	109
Payments in lieu of leave	1,500,000	1,619,167	21,025	431,560	532,515	- 100,955	81
Long service awards	150,000	150,003	10,570	192,855	50,003	142,852	386
Post-retirement benefit obligations	1,380,750	1,380,750	-	-	460,252	- 460,252	-
Acting and post related allowance	535,557	535,561	63,354	240,525	178,524	62,001	135
<b>Sub Total - Other Municipal Staff</b>	<b>98,536,414</b>	<b>98,536,478</b>	<b>6,752,688</b>	<b>31,553,532</b>	<b>32,845,654</b>	<b>- 1,292,122</b>	<b>96</b>
<b>Total Parent Municipality</b>	<b>112,894,878</b>	<b>112,894,950</b>	<b>7,547,761</b>	<b>34,632,996</b>	<b>37,631,826</b>	<b>- 2,998,830</b>	<b>92</b>
<b>Total Employee Cost</b>	<b>105,612,784</b>	<b>105,612,848</b>	<b>6,941,525</b>	<b>32,308,878</b>	<b>35,204,454</b>		
<b>Revenue</b>	<b>459,561,281</b>	<b>459,561,281</b>	<b>31,944,434</b>	<b>147,992,795</b>	<b>153,187,096</b>		
<b>Expenditure</b>	<b>454,758,149</b>	<b>454,758,240</b>	<b>43,106,681</b>	<b>117,674,421</b>	<b>151,586,259</b>		
<b>%Employee Cost to Revenue</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>22</b>	<b>23</b>		
<b>%Employee cost to Expenditure</b>	<b>23</b>	<b>23</b>	<b>16</b>	<b>27</b>	<b>23</b>		

**Employee-related cost to total expenditure** – Please note employee cost against expenditure amounts to 16%

It must be noted that the Performance Bonus for other municipal staff relates to the 13<sup>th</sup> cheque/birthday bonus.



**National Treasury**  
**Municipal Debt Relief**  
**MFMA Circular No. 124**  
**Municipal Finance Management Act No. 56 of 2003**

Aggregate Collection	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	65,101,565	52,919,079	12,182,486	81%	81%	50,206,181	33,710,740	16,495,441	67%	67%
2.Collection <u>excl Eskom supplied areas</u>	56,945,379	51,056,321	5,889,059	90%	90%	40,344,125	30,837,360	9,506,765	76%	76%
3.Collection: <b>Property Rates</b>	16,665,158	11,853,286	4,811,872	71%	71%	11,970,131	12,329,964	(359,833)	103%	103%
4.Total average collection: <b>Electricity</b> (Municipal supplied areas)	23,767,203	26,012,913	(2,245,710)	109%	109%	17,710,546	12,817,816	4,892,729	72%	72%
5.Total average collection: <b>Water</b>	12,463,850	8,707,242	3,756,608	70%	70%	11,959,952	4,802,393	7,157,559	40%	40%
6.Total average collection: <b>Wastewater</b>	5,356,544	2,805,310	2,551,234	52%	52%	3,800,858	1,715,713	2,085,145	45%	45%
7.Total average collection: <b>Refuse</b>	6,848,810	3,540,328	3,308,482	52%	52%	4,764,694	2,044,853	2,719,841	43%	43%

**Notes on table above**

From the comparison above there is a sharp decline in the collection rate of the municipality, it was identified that some of the debtors were billed incorrectly and the correction will be made in the December report, it must also be noted that it was the first month the municipality issued account for the town of Kleinsee and quite a lot of complains was received as the consumers are not familiar with municipal accounts and was used to the flat rates that was charged by De Beers.



**National Treasury**  
**Municipal Debt Relief**  
**MFMA Circular No. 124**  
**Municipal Finance Management Act No. 56 of 2003**

Province		
NC		
Code	District	Code Description
NC062	Namakwa	Nama Khoi

Monthly Performance Report																																															
Municipal Details			Part A						Part B					Part C			Part D				Part C						Maximization of Revenue Base			Part E										Part F							
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRP/BFP & Tariff Assessment			Electricity and water as collection tools				Quarterly collection of property rates and services charges									Oversight										Compliance Status							
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score			
1.July	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance
2.August	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance	
3.September	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance		
4.October	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance		
5.November	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance		
6.December	Nama Khoi	NC062																																											0%	Non Compliance	
7.January	Nama Khoi	NC062																																											0%	Non Compliance	
8.February	Nama Khoi	NC062																																											0%	Non Compliance	
9.March	Nama Khoi	NC062																																											0%	Non Compliance	
10.April	Nama Khoi	NC062																																											0%	Non Compliance	
11.May	Nama Khoi	NC062																																											0%	Non Compliance	
12.June	Nama Khoi	NC062																																											0%	Non Compliance	

**Notes on the table above**

The municipality is still compliant with the debt relief with a few exceptions like the unfunded budget status, however, the municipality does have a funded budget plan that is monitored on a monthly basis and progress is submitted to the various departments. The municipality is also having challenges with the Water Board, however the offset of accounts is in progress.

NAMA KHOI MUNICIPALITY											
VAT 201											
VAT REG. 4890198585											
VAT CATEGORY: C											
ACCOUNTING BASE : PAYMENT BASE											
VAT RECONCILIATION											
Financial Year : 2024/2025											
PERIOD : OCTOBER 2024											
Output											
Date Submit		Description		Standard rate (Excluding capital goods and/or services and accomodation)	Standard rate (Excluding capital goods and/or services and accomodation)	Zero rate (excluding goods exported)	Exempt & non supplies		Other and imported services	VAT Value	Control
	12	VAT JUNE		14,503,581.04	1,891,771.44	4,079,811.71	1,601,127.28		2,012,647.20	3,904,418.64	
	1	VAT JUL		23,073,279.76	3,009,558.23	36,572,677.85	84,869.58			3,009,558.23	
	2	VAT AUGUST		13,589,064.78	1,772,486.71	3,308,000.00	209,474.33			1,772,486.71	
	3	VAT SEPTEMBER		19,628,923.35	2,560,294.35	28,298,839.81	193,164.74			2,560,294.35	
	4	VAT OCT		14,801,950.69	1,930,689.22	7,970,586.04	233,262.13			1,930,689.22	
<b>Total Amount</b>			<b>R -</b>	<b>R 85,596,799.62</b>	<b>R 11,164,799.95</b>	<b>R 80,229,915.41</b>	<b>R 2,321,898.06</b>	<b>R -</b>		<b>R 13,177,447.15</b>	
Input Tax											
Date Submit	Period	Description	Capital goods and/ or service supplied to you	VAT Value	Other Goods and/ or service supplied to you (not capital goods)	VAT Value	Other	VAT Value		VAT Value	Paid (+) Refund (-)
	12	VAT JUNE	5,479,462.04	714,712.44	12,369,199.06	1,613,373.79			13,547.45	2,341,633.68	1,562,784.96
	1	VAT JUL	257,582.21	33,597.68	27,784,403.96	3,624,052.69				3,657,650.37	-648,092.14
	2	VAT AUGUST	0.00		17,381,009.00	2,267,088.13				2,267,088.13	-494,601.42
	3	VAT SEPTEMBER	0.00		15,824,576.15	2,064,075.15				2,064,075.15	496,219.20
	4	VAT OCT	2,915,300.60	380,256.60	23,094,577.76	3,012,336.23				3,392,592.83	-1,461,903.61
<b>Total Amount</b>			<b>R 8,652,344.85</b>	<b>R 1,128,566.72</b>	<b>R 96,453,765.92</b>	<b>R 12,580,925.99</b>	<b>R -</b>	<b>R -</b>	<b>R 13,547.45</b>	<b>R 13,723,040.16</b>	<b>-R 545,593.01</b>
VAT Reconciliation											
OPENING BALANCE 01/07/24										572,051.45	
TOTAL OUTPUT TAX										-13,177,447.15	
TOTAL INPUT TAX										13,723,040.16	
REFUNDS :DURING THE YEAR										-3,176,648.62	
PAYMENTS DURING THE YEAR										2,059,004.16	
VAT PAYABLE/ REFUNDABLE										0.00	
CLOSING BALANCE 30/11/24										-0.00	

NAMA KHOI LOCAL MUNICIPALITY					
Financial Year: 2024/2025					
Consolidated Report on Various Deposits					
Period: YTD ended 30 Nov 2024					
Nedbank: Various Own Funding Accounts					
Description	Loan (Fleet)	Equitable Share	Car Allowance	Interest	Total
<u>Opening Balance 01 July 2024</u>	14,963,123.84	0.00	2,000.72	5,679,764.75	20,644,889.31
Security Against Loan Balance : 01 July 2024	14,963,123.84			5,000,000.00 679,764.75	5,000,000.00 15,642,888.59
<u>Receipts</u>	0.00	0.00	0.00	24,745,438.78	24,745,438.78
Deposits				23,412,804.32	23,412,804.32
Deposits				412,029.60	412,029.60
Deposits				368,674.55	368,674.55
Deposits				299,233.19	299,233.19
Deposits				252,697.12	252,697.12
<u>Withdrawal</u>	Withdrawa	-8,000,000.00	0.00	0.00	-24,600,000.00
Monthly operational needs	Jul			-7,000,000.00	- 7,000,000.00
Monthly operational needs	August			-5,500,000.00	- 5,500,000.00
Monthly operational needs	September			-10,000,000.00	- 10,000,000.00
Monthly operational needs	October	-8,000,000.00		-2,100,000.00	- 10,100,000.00
Monthly operational needs	November				-
<u>Closing Balance: 31 Oct 2024</u>	6,963,123.84	0.00	2,000.72	5,825,203.53	12,790,328.09

<b>NAMA KHOI LOCAL MUNICIPALITY</b>						
<b>GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 NOVEMBER 2024</b>						
	<b>OPENING BALANCE R</b>	<b>GRANTS RECEIVED R</b>	<b>GRANTS REPAID R</b>	<b>TRANSFERRED TO REVENUE (OPERATING) R</b>	<b>TRANSFERRED TO REVENUE (CAPITAL) R</b>	<b>CLOSING BALANCE R</b>
<b>NATIONAL GOVERNMENT</b>						
Finance Management Grant (FMG)	-	3,000,000	-	(2,090,008)	-	909,992
Municipal Infrastructure Grant (MIG)	11,856	4,610,000	-	(1,532,521)	-	3,089,335
Expanded Public Works Programme (EPWP)	-	861,000	-	(982,548)	-	(121,548)
Integrated National Electrification Programme (INEP)	-	-	-	-	-	-
Water Service Infrastructure Grant (WSIG)	15,484,283	5,000,000	-	(2,278,548)	-	18,205,735
<b>Total</b>	<b>15,191,575</b>	<b>13,471,000</b>	<b>-</b>	<b>(6,883,625)</b>	<b>-</b>	<b>22,083,514</b>
<b>PROVINCIAL GOVERNMENT</b>						
Libraries, Archives and Museums	512,697	-	-	(580,561)	-	(67,864)
LG SETA	228,576	-	-	-	-	228,576
Swimming Pool	450,000	-	-	-	-	450,000
Municipal Disaster Recovery Grant	817,356	-	-	-	(817,356)	-
Municipal Disaster Response Grant	-	24,444,000	-	-	-	-
Housing	1,465,273	-	-	-	-	1,465,273
<b>Total</b>	<b>3,473,902</b>	<b>24,444,000</b>	<b>-</b>	<b>(580,561)</b>	<b>(817,356)</b>	<b>2,075,985</b>
<b>OTHER GRANT PROVIDERS</b>						
Donations	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ALL SPHERES OF GOVERNMENT</b>	<b>18,665,477</b>	<b>37,915,000</b>	<b>-</b>	<b>(7,464,186)</b>	<b>(817,356)</b>	<b>24,159,499</b>

### Notes on the above tables

VAT reports show the municipality either has tax obligations or tax refunds on a monthly basis, the more payments the municipality the likelihood of a refund is more, however, it also means that the municipality received less cash from consumers meaning a decline in collection rate.

Interest report shows the various call accounts the municipality has where interest from grants is transferred and used for operational needs

Grant reports show the movement of grants for the financial year

## **Financial Implications /Recommendations**

### **Revenue by Type:**

The municipality must apply section 64 of the MFMA to adhere to all the revenue requirements, additionally, the following must be introduced or must be improved on:

Credit control and debt collection using pre-paid water meters not only in Eskom areas but also defaulters all over the municipal jurisdiction.

Distribution of correct consumer accounts and also the timely correction of errors should they occur.

Updated and verified indigent register.

Replacement of faulty meters needs to be fast-tracked.

Implementation of green energy initiatives should be carefully monitored to ensure the municipality does not make a loss.

### **Expenditure by type:**

The municipality must apply section 65 of the MFMA to adhere to all the expenditure requirements, additionally, the following must be introduced or must be improved on:

Cost containment measures and controls must be adhered to.

Repairs and maintenance must be done in a manner that ensures the same asset does not keep being repaired.

Should get a balance between technology and manual labour.

Must ensure that bulk accounts are verified and correct.

Get a balance on the overtime and standby hours.

### **Capital Expenditure:**

The municipality must apply section 19 of the MFMA to adhere to all the expenditure requirements, additionally the following must be introduced or must be improve on:

Must ensure that Procurement Plans aligns to the IDP, Budget and SDBIP.

Business plans are submitted on time

SCM processes start before the start of the financial year

Implementation plans are carefully monitored

**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, and old outstanding debt must be prioritized and linked to the Funded Budget Plan. Intervention is needed regarding the outstanding debt of bulk services. The municipality should strive to receive accounts that can be serviced every month; therefore, communication between all relevant parties is vital. The municipality needs to finalize the action plans against the two biggest creditors.

**General Note**

Central Vaal Water has not been paid as required.

Strict adherence to Credit Control Measures is required.

The municipality has upgraded to Promun 3 and some challenges have been experienced more specifically in the income department, the municipality did have problems with the distribution of accounts with consumers complaining that their accounts were incorrect.

Some challenges are also being experienced during the audit with some reports that differ from the reports in Promun 2.

The takeover of Kleinzee town was not budgeted and will cause unauthorized expenditure in certain expenditure items, especially in the salaries and the bulk purchases.

It is important that the Council take note of the differences in tariff between Nama Khoi Municipality and De Beers tariff structures, and also take note of the income received for the services in Kleinsee versus the expenditure incurred.

#### **Circular 124 Debt Relief**

Monthly monitoring tool to be submitted.

Must be noted that the municipality has not managed to make full payment to Vaal Central Water.

The municipality did design an app that aligns with the debt relief monitoring report.

#### **Funded Budget Plan and Cost Containment Report**

Progress on the Funded Budget completed as required, report will be submitted as required. It must be noted that updates from other departments are not submitted.

The National Treasury has re-assess the budget and has found it to be unfunded

The municipality has several votes that are overspent and were required to open the parameters that block transactions once a vote has reached the budgeted amount, the finances are keeping track of these transactions and will table them at the Mid-Year Assessment.

### **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 with section 71 of the MFMA, by providing a statement to the Council containing certain financial particulars.

#### **Prepared By:**

Henri Cloete

Chief Financial Officer

## **NAMAKHOI MUNICIPALITY QUALITY CERTIFICATE**

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

- The monthly report on the implementation of the municipal budget and financial state affairs for the month ending 30 November 2024 has been prepared by the Municipal Finance Management Act 71 and regulations made under that Act.

**Print Name: J I Swartz**

Municipal Manager of Nama Khoi Municipality

A signed Quality Certificate is a separate document due to the document signed by the CFO, Municipal Manager and Mayor Manually



## **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 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 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 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 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 the electronic format.
- (5) The accounting officer of a municipality that 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 31days after the end of each quarter, make public as prescribed, a consolidated statement in the prescribed format on the state of municipalities' budget per municipality and municipal entity. The MEC for finance must submit such consolidated statements to the provincial legislature no later than 45 days after the end of each quarter.

<b>NAMA KHOI MUNICIPALITY SCHEDULE C MONTHLY BUDGET STATEMENT</b>	
<b>General information and contact information</b>	
<b>Main tables</b>	<b>Consolidated Monthly Statements</b>
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
<b>Supporting Tables</b>	
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