



Nama Khoi Municipality

17 August 2020

The Mayor

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING
30 July 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 31 July 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 31 July 2020

This report is based upon financial information, as at 31 July 2020 and available at the time of preparation.

The financial results for the period ended 31 July 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) - M01 July								
Description	2019/20	Budget Year 2020/21						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands								%
Revenue By Source								
Property rates	51 321 994	43 233 960	43 233 960	51 045 871	51 045 871	3 602 831	47 443 040	1 416.8
Service charges - electricity revenue	85 153 277	100 055 713	100 055 713	7 743 224	7 743 224	8 337 976	- 594 752	92.9
Service charges - water revenue	31 393 816	39 061 978	39 061 978	2 366 716	2 366 716	3 255 164	- 888 448	72.7
Service charges - sanitation revenue	11 529 285	12 711 912	12 711 912	958 912	958 912	1 059 324	- 100 412	90.5
Service charges - refuse revenue	13 532 634	15 303 808	15 303 808	1 140 629	1 140 629	1 275 317	- 134 688	89.4
Rental of facilities and equipment	3 322 516	1 403 880	1 403 880	283 626	283 626	116 994	166 632	242.4
Interest earned - external investments	1 170 763	1 374 605	1 374 605	11 157	11 157	114 551	- 103 394	9.7
Interest earned - outstanding debtors	11 853 864	7 735 662	7 735 662	867 176	867 176	644 639	222 537	134.5
Dividends received	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	140 956	223 033	223 033	-	-	18 586	- 18 586	-
Licences and permits	1 122 856	1 525 292	1 525 292	205 930	205 930	127 108	78 822	162.0
Agency services	14 706	1 280 643	1 280 643	-	-	106 720	- 106 720	-
Transfers and subsidies	54 519 888	58 663 696	58 663 696	23 049 000	23 049 000	4 888 642	18 160 358	471.5
Other revenue	1 827 354	2 239 165	2 239 165	166 085	166 085	186 598	- 20 513	89.0
Gains	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	266 903 909	284 813 347	284 813 347	87 838 326	87 838 326	23 734 450	64 103 876	370.1
Expenditure By Type								
Employee related costs	92 668 977	99 403 274	99 403 274	7 851 675	7 851 675	8 283 618	- 431 943	94.8
Remuneration of councillors	6 765 306	6 954 328	6 954 328	549 208	549 208	579 529	- 30 321	94.8
Debt impairment	- 46 347	20 483 238	20 483 238	-	-	1 706 937	- 1 706 937	-
Depreciation & asset impairment	-	37 802 754	37 802 754	-	-	3 150 229	- 3 150 229	-
Finance charges	11 674 615	312 817	312 817	317 989	317 989	26 068	291 921	1 219.8
Bulk purchases	92 949 934	108 146 838	108 146 838	14 357 839	14 357 839	9 012 237	5 345 602	159.3
Other materials	5 178 872	7 750 104	7 750 104	-	-	645 845	- 645 845	-
Contracted services	14 684 270	26 647 028	26 647 028	288 346	288 346	2 220 599	- 1 932 253	13.0
Transfers and subsidies	-	-	-	-	-	-	-	-
Other expenditure	26 480 981	26 521 220	26 521 220	19 704	19 704	2 210 104	- 2 190 400	0.9
Losses	-	-	-	-	-	-	-	-
Total Expenditure	250 356 608	334 021 601	334 021 601	23 384 761	23 384 761	27 835 166	- 4 450 405	84.0
Surplus/(Deficit)	16 547 301	- 49 208 254	- 49 208 254	64 453 565	64 453 565	- 4 100 716	68 554 281	- 1 571.8

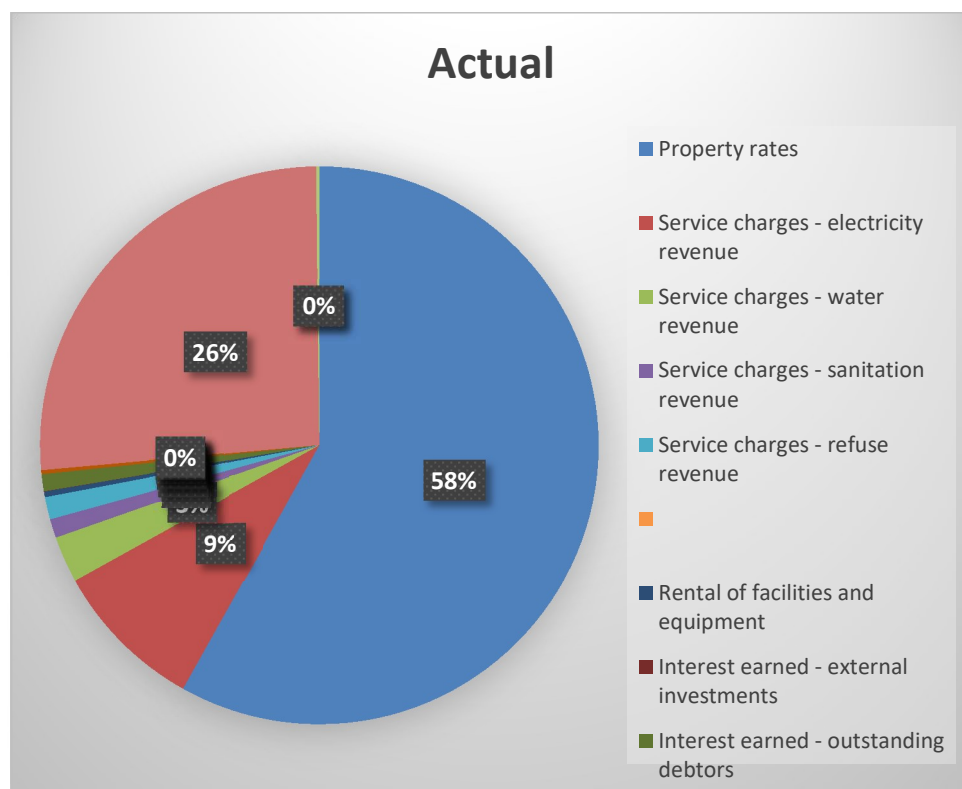
NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July									
Description	Ref	2019/20	Budget Year 2020/21						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands									%
Revenue By Source									
Property rates		51 321 994.00	43 233 960.00	43 233 960.00	51 045 871.00	51 045 871.00	3 602 831.00	47 443 040.00	13.17
Service charges - electricity revenue		85 153 277.00	100 055 713.00	100 055 713.00	7 743 224.00	7 743 224.00	8 337 976.00	- 594 752.00	- 0.07
Service charges - water revenue		31 393 816.00	39 061 978.00	39 061 978.00	2 366 716.00	2 366 716.00	3 255 164.00	- 888 448.00	- 0.27
Service charges - sanitation revenue		11 529 285.00	12 711 912.00	12 711 912.00	958 912.00	958 912.00	1 059 324.00	- 100 412.00	- 0.09
Service charges - refuse revenue		13 532 634.00	15 303 808.00	15 303 808.00	1 140 629.00	1 140 629.00	1 275 317.00	- 134 688.00	- 0.11
Rental of facilities and equipment		3 322 516.00	1 403 880.00	1 403 880.00	283 626.00	283 626.00	116 994.00	166 632.00	1.42
Interest earned - external investments		1 170 763.00	1 374 605.00	1 374 605.00	11 157.00	11 157.00	114 551.00	- 103 394.00	- 0.90
Interest earned - outstanding debtors		11 853 864.00	7 735 662.00	7 735 662.00	867 176.00	867 176.00	644 639.00	222 537.00	0.35
Dividends received		-	-	-	-	-	-	-	-
Fines, penalties and forfeits		140 956.00	223 033.00	223 033.00	-	-	18 586.00	- 18 586.00	- 1.00
Licences and permits		1 122 856.00	1 525 292.00	1 525 292.00	205 930.00	205 930.00	127 108.00	78 822.00	0.62
Agency services		14 706.00	1 280 643.00	1 280 643.00	-	-	106 720.00	- 106 720.00	- 1.00
Transfers and subsidies		54 519 888.00	58 663 696.00	58 663 696.00	23 049 000.00	23 049 000.00	4 888 642.00	18 160 358.00	3.71
Other revenue		1 827 354.00	2 239 165.00	2 239 165.00	166 085.00	166 085.00	186 598.00	- 20 513.00	- 0.11
Gains		-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		266 903 909.00	284 813 347.00	284 813 347.00	87 838 326.00	87 838 326.00	23 734 450.00	64 103 876.00	2.70

Explanation on YTD variance % - e.g. 160% means that the municipality billed 60% more than what was budget and 92% means the municipality billed 8% less than what was budgeted.

Variances to be discussed in Institutional and Finance Committee

CHART 1

The following chart shows the revenue by source for the month of 31 July 2020 in terms of revenue as a percentage of total revenue.



Expenditure By Type										
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Employee related costs		92 668 977.00	99 403 274.00	99 403 274.00	7 851 675.00	7 851 675.00	8 283 618.00	- 431 943.00	- 0.05	94.79
Remuneration of councillors		6 765 306.00	6 954 328.00	6 954 328.00	549 208.00	549 208.00	579 529.00	- 30 321.00	- 0.05	94.77
Debt impairment	-	46 347.00	20 483 238.00	20 483 238.00	-	-	1 706 937.00	- 1 706 937.00	- 1.00	-
Depreciation & asset impairment		-	37 802 754.00	37 802 754.00	-	-	3 150 229.00	- 3 150 229.00	- 1.00	-
Finance charges		11 674 615.00	312 817.00	312 817.00	317 989.00	317 989.00	26 068.00	291 921.00	11.20	1 219.84
Bulk purchases		92 949 934.00	108 146 838.00	108 146 838.00	14 357 839.00	14 357 839.00	9 012 237.00	5 345 602.00	0.59	159.31
Other materials		5 178 872.00	7 750 104.00	7 750 104.00	-	-	645 845.00	- 645 845.00	- 1.00	-
Contracted services		14 684 270.00	26 647 028.00	26 647 028.00	288 346.00	288 346.00	2 220 599.00	- 1 932 253.00	- 0.87	12.99
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		26 480 981.00	26 521 220.00	26 521 220.00	19 704.00	19 704.00	2 210 104.00	- 2 190 400.00	- 0.99	0.89
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		250 356 608.00	334 021 601.00	334 021 601.00	23 384 761.00	23 384 761.00	27 835 166.00	- 4 450 405.00	- 0.16	84.01

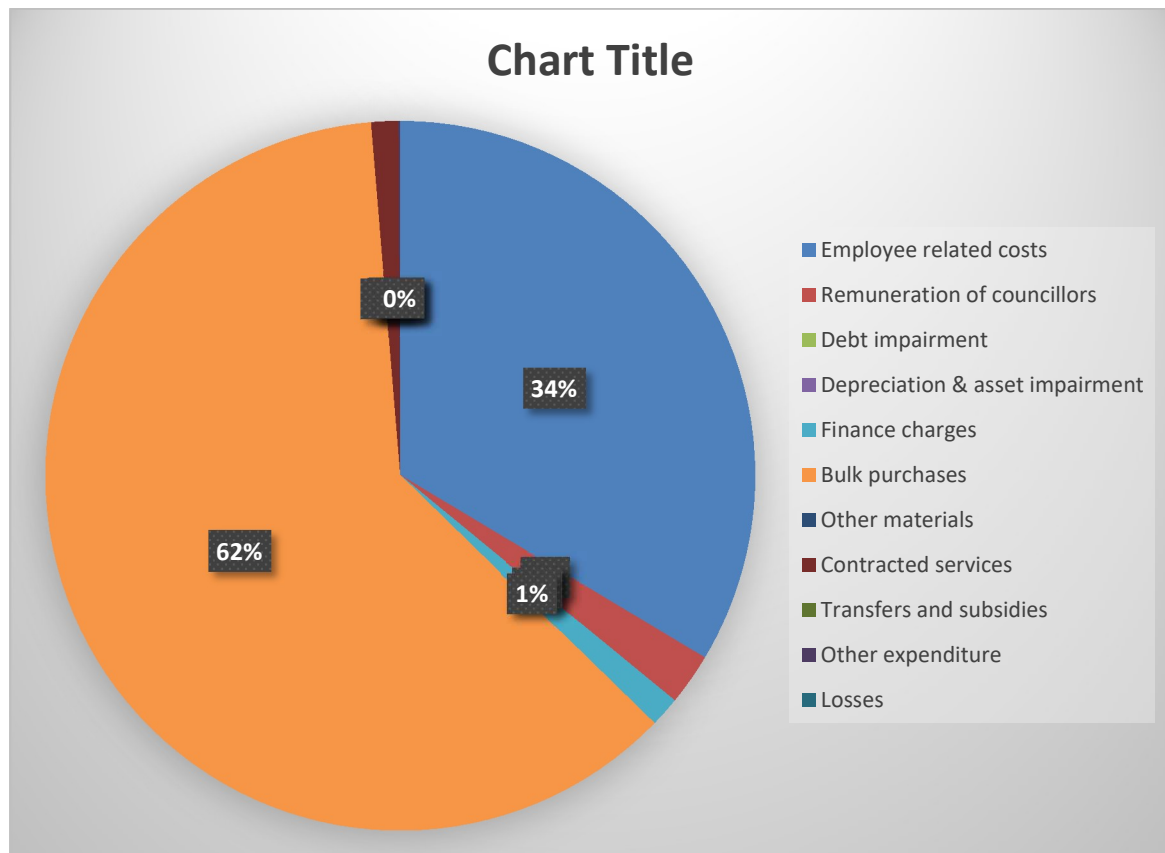
Notes on variances above/under 10%

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 C3

Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
								%	
Revenue by Vote									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)	204 875.00	181 421.00	181 421.00	20 127.00	20 127.00	15 118.00	5 009.00	0.33	133.13
Vote 2 - MUNICIPAL MANAGER (11: IE)	35 532 132.00	51 141 026.00	51 141 026.00	2 510 561.00	2 510 561.00	4 261 752.00	- 1 751 191.00	- 0.41	58.91
Vote 3 - CORPORATE SERVICES (13: IE)	1 831 018.00	204 413.00	204 413.00	101 921.00	101 921.00	17 036.00	84 885.00	4.98	598.27
Vote 4 - FINANCIAL SERVICES (15: IE)	116 285 133.00	106 701 202.00	106 701 202.00	74 984 240.00	74 984 240.00	8 891 769.00	66 092 471.00	7.43	843.30
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)	15 683 041.00	24 226 088.00	24 226 088.00	1 405 189.00	1 405 189.00	2 018 842.00	- 613 653.00	- 0.30	69.60
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)	1 079 413.00	2 709 943.00	2 709 943.00	86 012.00	86 012.00	225 829.00	- 139 817.00	- 0.62	38.09
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)	106 806 077.00	142 500 558.00	142 500 558.00	8 730 276.00	8 730 276.00	11 875 047.00	- 3 144 771.00	- 0.26	73.52
Total Revenue by Vote	277 421 689.00	327 664 651.00	327 664 651.00	87 838 326.00	87 838 326.00	27 305 393.00	60 532 933.00	2.22	321.69
							-		
Expenditure by Vote									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)	9 799 667.00	9 135 420.00	9 135 420.00	604 177.00	604 177.00	761 284.00	- 157 107.00	- 0.21	9 135 420.00
Vote 2 - MUNICIPAL MANAGER (11: IE)	33 752 951.00	56 682 676.00	56 682 676.00	5 654 937.00	5 654 937.00	4 723 557.00	931 380.00	0.20	56 682 676.00
Vote 3 - CORPORATE SERVICES (13: IE)	28 329 586.00	32 888 906.00	32 888 906.00	1 070 858.00	1 070 858.00	2 740 743.00	- 1 669 885.00	- 0.61	32 888 906.00
Vote 4 - FINANCIAL SERVICES (15: IE)	35 604 177.00	47 474 748.00	47 474 748.00	1 752 193.00	1 752 193.00	3 956 233.00	- 2 204 040.00	- 0.56	47 474 748.00
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)	15 800 050.00	24 482 333.00	24 482 333.00	1 199 720.00	1 199 720.00	2 040 199.00	- 840 479.00	- 0.41	24 482 333.00
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)	9 226 522.00	12 152 559.00	12 152 559.00	755 415.00	755 415.00	1 012 727.00	- 257 312.00	- 0.25	12 152 559.00
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)	117 742 160.00	150 742 739.00	150 742 739.00	12 347 461.00	12 347 461.00	12 561 904.00	- 214 443.00	- 0.02	150 742 739.00
	-	-	-	-	-	-	-		-
Total Expenditure by Vote	250 255 113.00	333 559 381.00	333 559 381.00	23 384 761.00	23 384 761.00	27 796 647.00	- 4 411 886.00	- 0.16	333 559 381.00
							-		
Surplus/ (Deficit) for the year	27 166 576.00	- 5 894 730.00	- 5 894 730.00	64 453 565.00	64 453 565.00	- 491 254.00	64 944 819.00	- 132.20	- 5 894 730.00

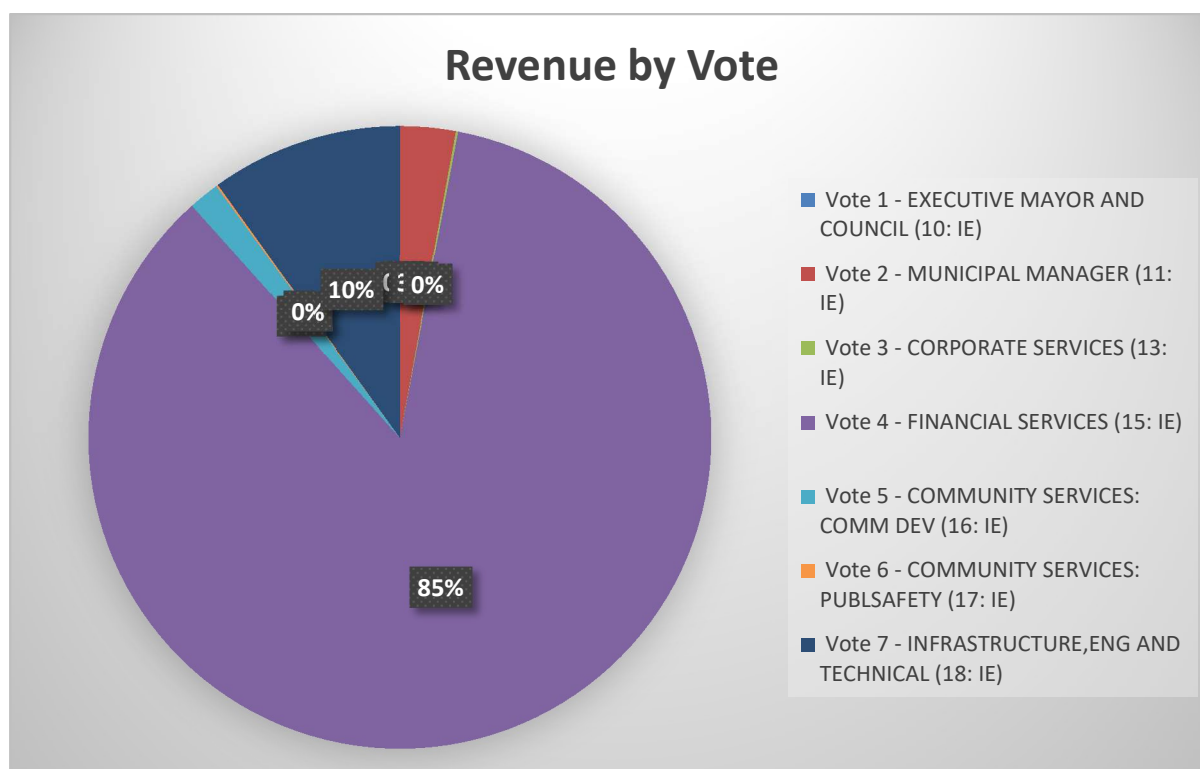
Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
								%	
Revenue by Vote									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)	204 875.00	181 421.00	181 421.00	20 127.00	20 127.00	15 118.00	5 009.00	0.33	133.13
Vote 2 - MUNICIPAL MANAGER (11: IE)	35 532 132.00	51 141 026.00	51 141 026.00	2 510 561.00	2 510 561.00	4 261 752.00	- 1 751 191.00	- 0.41	58.91
Vote 3 - CORPORATE SERVICES (13: IE)	1 831 018.00	204 413.00	204 413.00	101 921.00	101 921.00	17 036.00	84 885.00	4.98	598.27
Vote 4 - FINANCIAL SERVICES (15: IE)	116 285 133.00	106 701 202.00	106 701 202.00	74 984 240.00	74 984 240.00	8 891 769.00	66 092 471.00	7.43	843.30
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)	15 683 041.00	24 226 088.00	24 226 088.00	1 405 189.00	1 405 189.00	2 018 842.00	- 613 653.00	- 0.30	69.60
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)	1 079 413.00	2 709 943.00	2 709 943.00	86 012.00	86 012.00	225 829.00	- 139 817.00	- 0.62	38.09
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)	106 806 077.00	142 500 558.00	142 500 558.00	8 730 276.00	8 730 276.00	11 875 047.00	- 3 144 771.00	- 0.26	73.52
Total Revenue by Vote	277 421 689.00	327 664 651.00	327 664 651.00	87 838 326.00	87 838 326.00	27 305 393.00	60 532 933.00	2.22	321.69

Reasons for variances above/under 10%

Variances to be discussed in Institutional and Finance Committee

CHART 3

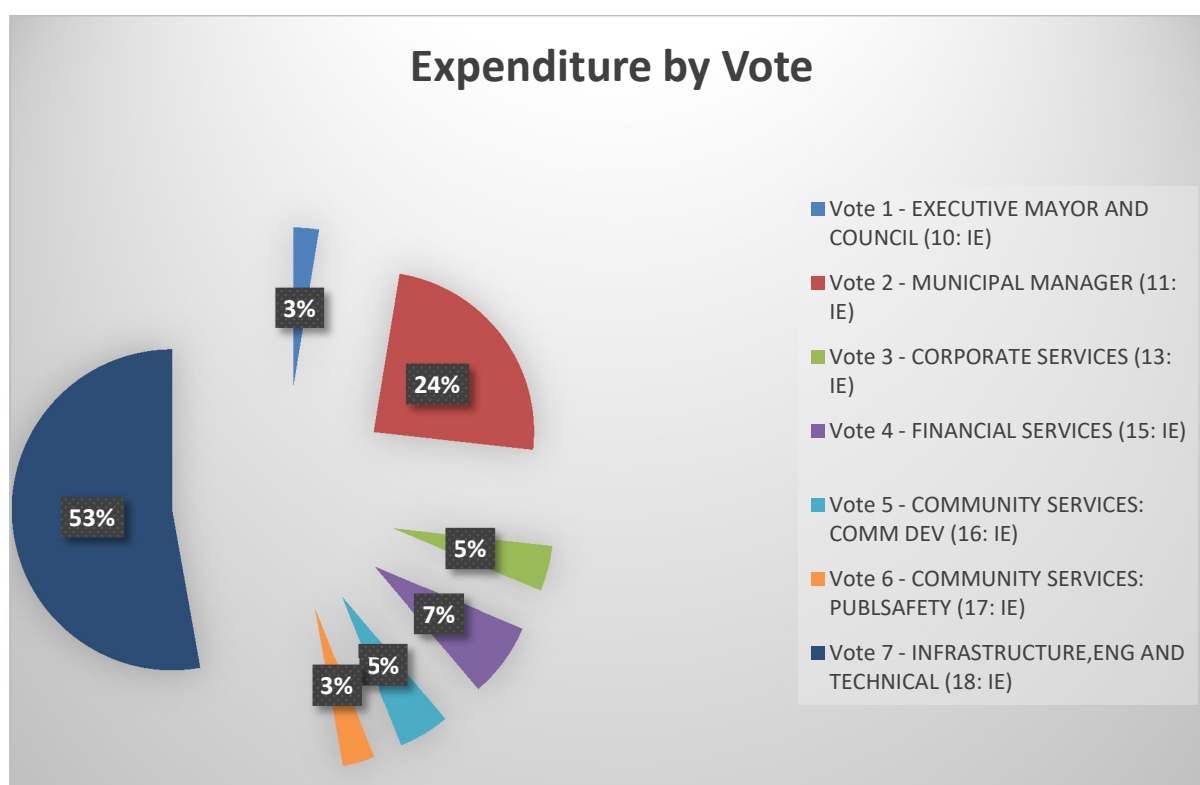
The following chart shows the revenue by vote for 31 July 2020



Vote Description	2019/20	Budget Year 2020/21							
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
								%	
Expenditure by Vote							-		
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)	9 799 667.00	9 135 420.00	9 135 420.00	604 177.00	604 177.00	761 284.00	- 157 107.00	- 0.21	79.36
Vote 2 - MUNICIPAL MANAGER (11: IE)	33 752 951.00	56 682 676.00	56 682 676.00	5 654 937.00	5 654 937.00	4 723 557.00	931 380.00	0.20	119.72
Vote 3 - CORPORATE SERVICES (13: IE)	28 329 586.00	32 888 906.00	32 888 906.00	1 070 858.00	1 070 858.00	2 740 743.00	- 1 669 885.00	- 0.61	39.07
Vote 4 - FINANCIAL SERVICES (15: IE)	35 604 177.00	47 474 748.00	47 474 748.00	1 752 193.00	1 752 193.00	3 956 233.00	- 2 204 040.00	- 0.56	44.29
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)	15 800 050.00	24 482 333.00	24 482 333.00	1 199 720.00	1 199 720.00	2 040 199.00	- 840 479.00	- 0.41	58.80
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)	9 226 522.00	12 152 559.00	12 152 559.00	755 415.00	755 415.00	1 012 727.00	- 257 312.00	- 0.25	74.59
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)	117 742 160.00	150 742 739.00	150 742 739.00	12 347 461.00	12 347 461.00	12 561 904.00	- 214 443.00	- 0.02	98.29
	-	-	-	-	-	-	-		-
Total Expenditure by Vote	250 255 113.00	333 559 381.00	333 559 381.00	23 384 761.00	23 384 761.00	27 796 647.00	- 4 411 886.00	- 0.16	84.13

CHART 4

The following chart shows the expenditure by vote for 31 July 2020



Reasons for variances above/under 10%

Variances 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.

NC062 Nama Khoi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

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									
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		263	1 400	1 400	-	-	117	(117)	-100%	1 400
Vote 9 - MUNICIPAL MANAGER (21: CS)		(60)	-	-	-	2	-	2	#DIV/0!	-
Vote 10 - CORPORATE SERVICES (23: CS)		165	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		122	7 500	7 500	-	-	625	(625)	-100%	7 500
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		12 125	35 351	35 351	38	13 038	2 946	10 092	343%	35 351
Total Capital single-year expenditure	4	12 615	44 251	44 251	38	13 041	3 688	9 353	254%	44 251
Total Capital Expenditure		12 615	44 251	44 251	38	13 041	3 688	9 353	254%	44 251
Capital Expenditure - Functional Classification										
Governance and administration		1 529	1 400	1 400	-	34 713	117	34 596	29654%	1 400
Executive and council		-	1 400	1 400	-	-	117	(117)	-100%	1 400
Finance and administration		1 529	-	-	-	34 713	-	34 713	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		122	7 500	7 500	-	-	625	(625)	-100%	7 500
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	7 500	7 500	-	-	625	(625)	-100%	7 500
Public safety		-	-	-	-	-	-	-	-	-
Housing		122	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		4 479	5 839	5 839	-	4 540	487	4 054	833%	5 839
Planning and development		(60)	-	-	-	2	-	2	#DIV/0!	-
Road transport		4 538	5 839	5 839	-	4 538	487	4 052	833%	5 839
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		7 524	29 513	29 513	38	8 500	2 459	6 041	246%	29 513
Energy sources		5 365	714	714	-	5 365	59	5 305	8921%	714
Water management		7 990	6 260	6 260	-	7 877	522	7 355	1410%	6 260
Waste water management		(5 830)	22 539	22 539	38	(4 741)	1 878	(6 619)	-352%	22 539
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	13 653	44 251	44 251	38	47 754	3 688	44 066	1195%	44 251
Funded by:										
National Government		11 972	42 851	42 851	38	13 038	3 571	9 467	265%	42 851
Provincial Government		57	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		12 029	42 851	42 851	38	13 038	3 571	9 467	265%	42 851
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		446	1 400	1 400	-	2	117	(114)	-98%	1 400
Total Capital Funding		12 474	44 251	44 251	38	13 041	3 688	9 353	254%	44 251

Variances to be discussed in Institutional and Finance Committee

CASH FLOW STATEMENT AT 31 July 2020

NC062 Nama Khoi - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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	3 414	3 372	42	1%	-
Service charges		-	157 664	157 664	11 947	11 947	12 604	(657)	-5%	-
Other revenue		-	5 268	5 268	4 713	4 713	545	4 168	765%	-
Transfers and Subsidies - Operational		-	58 664	58 664	23 049	23 049	4 889	18 160	371%	-
Transfers and Subsidies - Capital		-	42 851	42 851	11 174	11 174	3 571	7 603	213%	-
Interest		-	1 375	1 375	879	879	543	336	62%	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(268 740)	(268 740)	(37 776)	(37 776)	(22 395)	15 381	-69%	-
Finance charges		-	(313)	(313)	-	-	(26)	(26)	100%	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	37 229	37 229	17 401	17 401	3 102	(14 298)	-461%	-
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)	(44 251)	(585)	(585)	(3 688)	(3 103)	84%	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(44 251)	(44 251)	(585)	(585)	(3 688)	(3 103)	84%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	63	63	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	389	389	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	451	451	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	(6 571)	(6 571)	16 816	16 816	(585)			-
Cash/cash equivalents at beginning:		-	6 870	6 870		14 586	6 870			14 586
Cash/cash equivalents at month/year end:		-	298	298		31 402	6 284			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 June 2020

Please note debtor figures are subject to correction

NC062 Nama Khoi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July										
Description		Budget Year 2020/21								
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	1 368 481.00	1 310 944.00	890 557.00	708 145.00	855 781.00	827 385.00	3 800 270.00	34 384 217.00	44 145 780.00
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 393 442.00	1 832 450.00	1 475 815.00	802 982.00	1 064 457.00	959 189.00	4 544 273.00	45 172 546.00	60 245 154.00
Receivables from Non-exchange Transactions - Property Rates	1400	31 716 321.00	1 196 124.00	909 682.00	767 131.00	744 662.00	846 830.00	31 501 261.00	488 432.00	68 170 443.00
Receivables from Exchange Transactions - Waste Water Management	1500	465 607.00	293 153.00	248 341.00	226 941.00	209 481.00	196 660.00	867 239.00	8 079 724.00	10 587 146.00
Receivables from Exchange Transactions - Waste Management	1600	792 778.00	509 205.00	439 226.00	413 675.00	397 303.00	396 645.00	1 840 834.00	19 616 374.00	24 406 040.00
Receivables from Exchange Transactions - Property Rental Debtors	1700	197 569.00	229 118.00	248 667.00	187 225.00	144 194.00	130 048.00	640 292.00	6 887 663.00	8 269 638.00
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	38 539 060.00	5 370 994.00	4 212 288.00	3 106 099.00	3 415 878.00	3 356 757.00	43 194 169.00	114 628 956.00	215 824 201.00
2019/20 - totals only		-	-	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group										
Organs of State	2200	6 029 110.00	514 411.00	452 877.00	267 779.00	223 197.00	162 026.00	1 758 755.00	915 862.00	10 324 017.00
Commercial	2300	20 433 811.00	2 640 726.00	2 065 774.00	1 278 649.00	1 545 956.00	1 547 136.00	11 336 664.00	51 098 512.00	91 947 228.00
Households	2400	12 076 139.00	2 215 857.00	1 693 637.00	1 559 671.00	1 646 725.00	1 647 595.00	30 098 750.00	62 614 582.00	113 552 956.00
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	38 539 060.00	5 370 994.00	4 212 288.00	3 106 099.00	3 415 878.00	3 356 757.00	43 194 169.00	114 628 956.00	215 824 201.00

Debtors outstanding for a period more than 1 Year amounts to R114 628 956.00

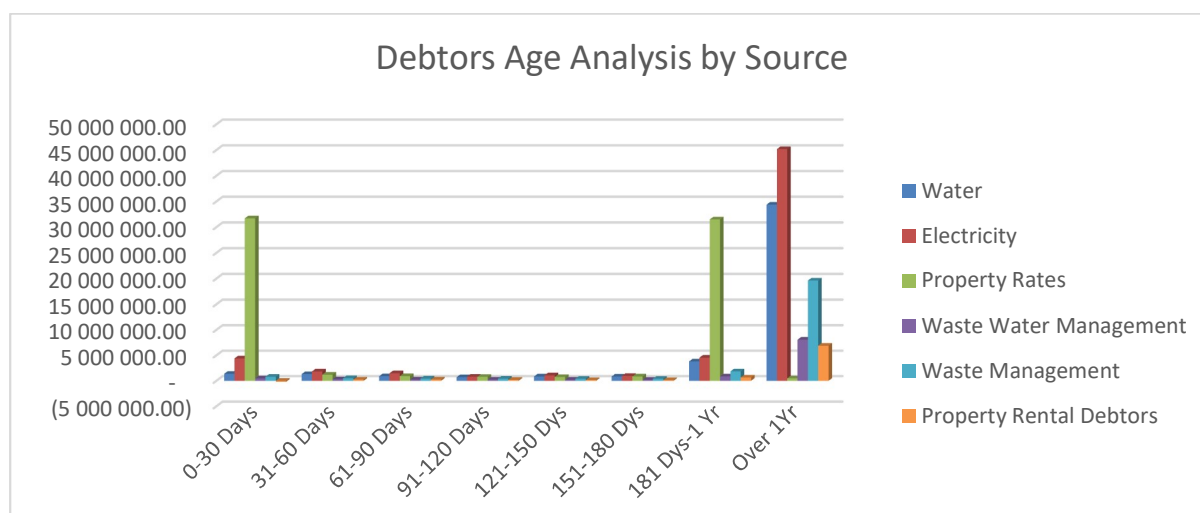
Businesses owe the municipality R91 947 228.00

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 however the numbers show that debtor's has only increased.

Chart 8 – Debtors per revenue source

NC062 Nama Khoi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July										
Description	Budget Year 2020/21									
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	1 368 481.00	1 310 944.00	890 557.00	708 145.00	855 781.00	827 385.00	3 800 270.00	34 384 217.00	44 145 780.00
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 393 442.00	1 832 450.00	1 475 815.00	802 982.00	1 064 457.00	959 189.00	4 544 273.00	45 172 546.00	60 245 154.00
Receivables from Non-exchange Transactions - Property Rates	1400	31 716 321.00	1 196 124.00	909 682.00	767 131.00	744 662.00	846 830.00	31 501 261.00	488 432.00	68 170 443.00
Receivables from Exchange Transactions - Waste Water Management	1500	465 607.00	293 153.00	248 341.00	226 941.00	209 481.00	196 660.00	867 239.00	8 079 724.00	10 587 146.00
Receivables from Exchange Transactions - Waste Management	1600	792 778.00	509 205.00	439 226.00	413 675.00	397 303.00	396 645.00	1 840 834.00	19 616 374.00	24 406 040.00
Receivables from Exchange Transactions - Property Rental Debtors	1700	197 569.00	229 118.00	248 667.00	187 225.00	144 194.00	130 048.00	640 292.00	6 887 663.00	8 269 638.00
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	38 539 060.00	5 370 994.00	4 212 288.00	3 106 099.00	3 415 878.00	3 356 757.00	43 194 169.00	114 628 956.00	215 824 201.00

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

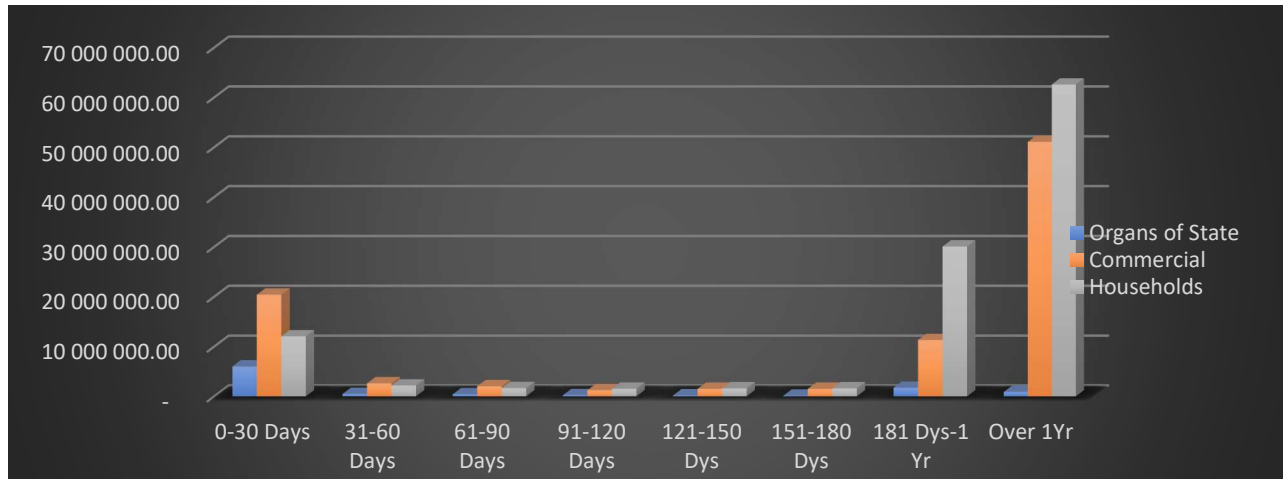


Debtors Age Analysis By Customer Group										
Organs of State	2200	6 029 110.00	514 411.00	452 877.00	267 779.00	223 197.00	162 026.00	1 758 755.00	915 862.00	10 324 017.00
Commercial	2300	20 433 811.00	2 640 726.00	2 065 774.00	1 278 649.00	1 545 956.00	1 547 136.00	11 336 664.00	51 098 512.00	91 947 228.00
Households	2400	12 076 139.00	2 215 857.00	1 693 637.00	1 559 671.00	1 646 725.00	1 647 595.00	30 098 750.00	62 614 582.00	113 552 956.00
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	38 539 060.00	5 370 994.00	4 212 288.00	3 106 099.00	3 415 878.00	3 356 757.00	43 194 169.00	114 628 956.00	215 824 201.00

CHART 9

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

Debtor Age Analysis by Category



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 31 July 2020

NC062 Nama Khoi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July										
Description	NT Code	Budget Year 2020/21								
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	12 135	8 531	6 034	6 943	2 926	8 136	16 634	77 038	138 377
Bulk Water	0200	4 694	–	(3 000)	–	(1 500)	(1 000)	6 330	149 783	155 307
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	(354)	327	838	317	93	14	(332)	43	948
Auditor General	0800	–	167	(232)	15	(142)	135	2 038	9	1 990
Other	0900	87	108	–	–	1 079	147	(1 226)	1 511	1 706
Total By Customer Type	1000	16 563	9 133	3 641	7 275	2 455	7 433	23 444	228 383	298 327

Creditors Analysis

Please note that the municipality are currently in litigation cases with the biggest Creditors. 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 - M01 July

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 386	4 077	4 077	369	369	340	29	9%	4 077
Pension and UIF Contributions		448	534	534	22	22	44	(22)	-50%	534
Medical Aid Contributions		48	53	53	3	3	4	(1)	-24%	53
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		721	804	804	60	60	67	(7)	-10%	804
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		1 163	1 486	1 486	95	95	124	(29)	-23%	1 486
Sub Total - Councillors		6 765	6 954	6 954	549	549	580	(30)	-5%	6 954
% increase	4		2.8%	2.8%						2.8%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 241	3 815	3 815	259	259	318	(59)	-18%	3 815
Pension and UIF Contributions		341	371	371	30	30	31	(1)	-2%	371
Medical Aid Contributions		144	154	154	13	13	13	0	2%	154
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		183	192	192	—	—	16	(16)	-100%	192
Motor Vehicle Allowance		471	487	487	50	50	41	10	23%	487
Cellphone Allowance		39	42	42	3	3	3	(0)	-5%	42
Housing Allowances		22	24	24	2	2	2	(0)	-2%	24
Other benefits and allowances		36	39	39	1	1	3	(2)	-68%	39
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	58	58	—	—	5	(5)	-100%	58
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		4 477	5 181	5 181	359	359	432	(73)	-17%	5 181
% increase	4		15.7%	15.7%						15.7%
Other Municipal Staff										
Basic Salaries and Wages		57 878	63 749	63 749	4 806	4 806	5 312	(506)	-10%	63 749
Pension and UIF Contributions		8 802	9 660	9 660	784	784	805	(21)	-3%	9 660
Medical Aid Contributions		2 841	2 931	2 931	255	255	244	11	4%	2 931
Overtime		7 465	5 934	5 934	625	625	494	131	26%	5 934
Performance Bonus		4 260	5 023	5 023	490	490	419	72	17%	5 023
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		207	226	226	18	18	19	(1)	-3%	226
Housing Allowances		4 044	4 540	4 540	361	361	378	(17)	-4%	4 540
Other benefits and allowances		1 258	996	996	87	87	83	4	5%	996
Payments in lieu of leave		1 053	817	817	55	55	68	(13)	-19%	817
Long service awards		385	346	346	10	10	29	(18)	-64%	346
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff		88 192	94 222	94 222	7 493	7 493	7 852	(359)	-5%	94 222
% increase	4		6.8%	6.8%						6.8%
Total Parent Municipality		99 434	106 358	106 358	8 401	8 401	8 863	(462)	-5%	106 358

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 July 34%.

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 receive 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 the 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

Compiled By:

Romano Farmer

Senior Clerk: Expenditure

Romano.farmer@namakhoi.gov.za

Prepared By:

Heinri Cloete

Acting Chief Financial Officer

heinri.cloete@namakhoi.gov.za

NAMAKHOI MUNICIPALITY QUALITY CERTIFICATE

I, **Samantha Titus**, the Municipal Manager of Nama Khoi Municipality, hereby certify that

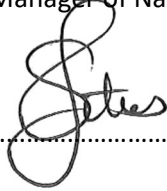
—

- The monthly report on the implementation of the budget and financial state affairs of the municipality for the month ending 30 JULY 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: **17 August 2020**

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