



Nama Khoi Municipality

15 May 2015

The Mayor

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING
30 April 2015 (MONTHLY BUDGET STATEMENT) – 2014/2015 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 ending 30 April 2015, ten working days reporting limit expires on 15 May 2015.

3. QUERIES AND SUGGESTIONS

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

4. REPORT FOR THE PERIOD ENDING 30 April 2015

This report is based upon financial information, as at 30 April 2015 and available at the time of preparation.

The financial results for the period ended 30 April 2015 are summarised as follows:

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

. The summary report indicates the following

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NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April							
Description	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Revenue By Source							
Property rates	32 343 145	35 000 000	869 021	35 396 160	34 785 620	610 540	101.76%
Service charges - electricity revenue	67 377 952	67 218 707	4 922 374	50 092 211	54 638 273	-4 546 062	91.68%
Service charges - water revenue	32 502 068	31 802 323	2 400 591	22 231 137	24 959 638	-2 728 502	89.07%
Service charges - sanitation revenue	9 170 014	9 170 014	746 951	7 619 256	7 652 321	-33 065	99.57%
Service charges - refuse revenue	10 957 065	10 973 702	793 427	7 825 429	8 779 044	-953 615	89.14%
Service charges - other	-	-	64 547	658 747	184 393	474 354	357.25%
Rental of facilities and equipment	2 001 898	546 927	75 758	542 611	440 098	102 513	123.29%
Interest earned - external investments	624 300	1 265 992	252 733	1 218 611	1 037 297	181 314	117.48%
Interest earned - outstanding debtors	3 370 677	2 822 861	396 426	3 594 929	2 672 032	922 897	134.54%
Fines	273 406	72 913	13 756	138 672	191 319	-52 647	72.48%
Licences and permits	1 171 613	1 171 613	85 469	1 047 112	1 066 681	-19 569	98.17%
Agency services	1 272 027	1 044 573	90 580	951 320	869 532	81 788	109.41%
Transfers recognised - operational	40 346 000	74 142 640	-	28 269 560	57 831 724	-29 562 164	48.88%
Other revenue	6 641 655	2 052 593	55 121	640 292	1 938 471	-1 298 179	33.03%
Gains on disposal of PPE	5 500 000	6 000 000	-	-	500 000	-500 000	0.00%
Total Revenue (excluding capital transfers and grants)	213 551 820	243 284 859	10 766 754	160 226 047	197 546 443	-37 320 396	81.11%
Expenditure By Type							
Employee related costs	65 563 255	64 403 390	4 821 727	53 193 497	54 093 461	-899 964	98.34%
Remuneration of councillors	4 926 587	4 433 734	374 397	3 681 617	3 684 944	-3 327	99.91%
Debt impairment	3 764 020	3 764 020	-	-	2 258 412	-2 258 412	0.00%
Depreciation & asset impairment	5 419 667	5 419 667	-	-	5 162 562	-5 162 562	0.00%
Finance charges	1 731 550	167 718	4 334	176 635	131 167	45 468	134.66%
Bulk purchases	84 833 077	84 833 077	3 779 185	63 390 916	68 908 651	-5 517 735	91.99%
Other materials	8 938 204	9 326 267	97 519	6 108 503	7 121 531	-1 013 028	85.78%
Contracted services	994 365	1 572 268	69 631	1 318 326	1 415 061	-96 735	93.16%
Transfers and grants	-	-	63 225	545 625	3 435 540	-2 889 915	15.88%
Other expenditure	33 624 234	69 240 213	4 786 311	55 220 365	48 001 865	7 218 500	115.04%
Total Expenditure	209 794 960	243 160 356	13 996 329	183 635 484	194 213 194	-10 577 710	94.55%
Surplus/(Deficit)	3 756 860	124 503	-3 229 575	-23 409 437	3 333 249	-26 742 686	

Explanations on table

***Please note the following:**

YearTD – refers to Year-to-date (July 2014– April 2015)

Variance – refers the difference between actual versus budget

- Revenue – a negative value illustrate the municipality billed less than what was budget.
- Expenditure – a negative value illustrate the municipality spent less than what was budget.

Variances

The Major revenue variances against the budget are:

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Please note YTD variance % is as follows: fewer than 100% variance illustrate less revenue was billed over 100% variance illustrate the more revenue was billed.

Property Rates – variance less than 5%.

Service charges monthly budgets have been restructured with the previous six months use as a benchmark, however service still lower than the municipality expected.

Rental, interest, license and permits are billed more than the municipality expected; these items are not fixed and can vary from a month to month basis which makes accurate budgeting

Fines and agency varies on a monthly basis which makes accurate budgeting very difficult.

Grants – All grants needs to move from grant votes to income votes, the municipality did not received the last allocation of equitable share.

Other Revenue – Municipality not billing own revenue as budgeted.

Gains on disposal of PPE – did not realise as expected.

The major expenditure variances against budget are:

Employee related cost – the variance are less than 2%

Remuneration of councillors – the variance are less than 1%

Finance charges – calculation was made monthly and the payment are quarterly.

Bulk purchases – not all payments for the year was made.

Other materials – the variance are 14.22%, the ability to do repairs are link to the financial ability of the month.

Contract service – the municipality did not use consultants as expected.

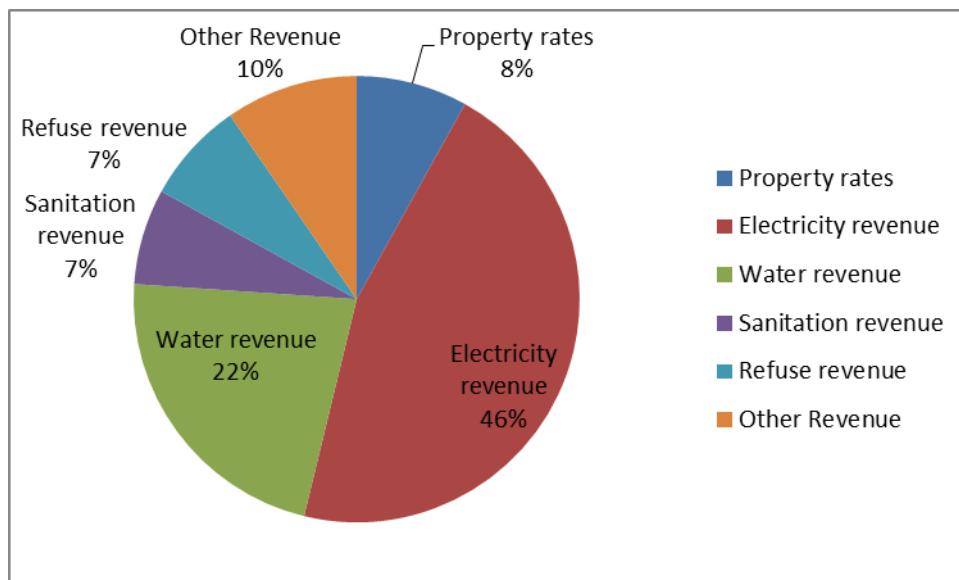
Other expenditure – Each department should investigate their budgets and start to curb expenditure of the municipality. Managers as well as their office assistants needs to familiarise themselves with the financial system which wil assist them to manage their budgets accordingly.

NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue) - M10 April							
Description	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Revenue By Source							
Property rates	32 343 145	35 000 000	869 021	35 396 160	34 785 620	610 540	101.76%
Service charges - electricity revenue	67 377 952	67 218 707	4 922 374	50 092 211	54 638 273	-4 546 062	91.68%
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Agency services	1 272 027	1 044 573	90 580	951 320	869 532	81 788	109.41%
Transfers recognised - operational	40 346 000	74 142 640	-	28 269 560	57 831 724	-29 562 164	48.88%
Other revenue	6 641 655	2 052 593	55 121	640 292	1 938 471	-1 298 179	33.03%
Gains on disposal of PPE	5 500 000	6 000 000	-	-	500 000	-500 000	0.00%
Total Revenue (excluding capital transfers and contributions)	213 551 820	243 284 859	10 766 754	160 226 047	197 546 443	-37 320 396	81.11%

*Please note a percentage of over 100% illustrate that the municipality billed more than what was budget and less than 100 % illustrate the municipality billed less than what was budgeted.

CHART 1

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

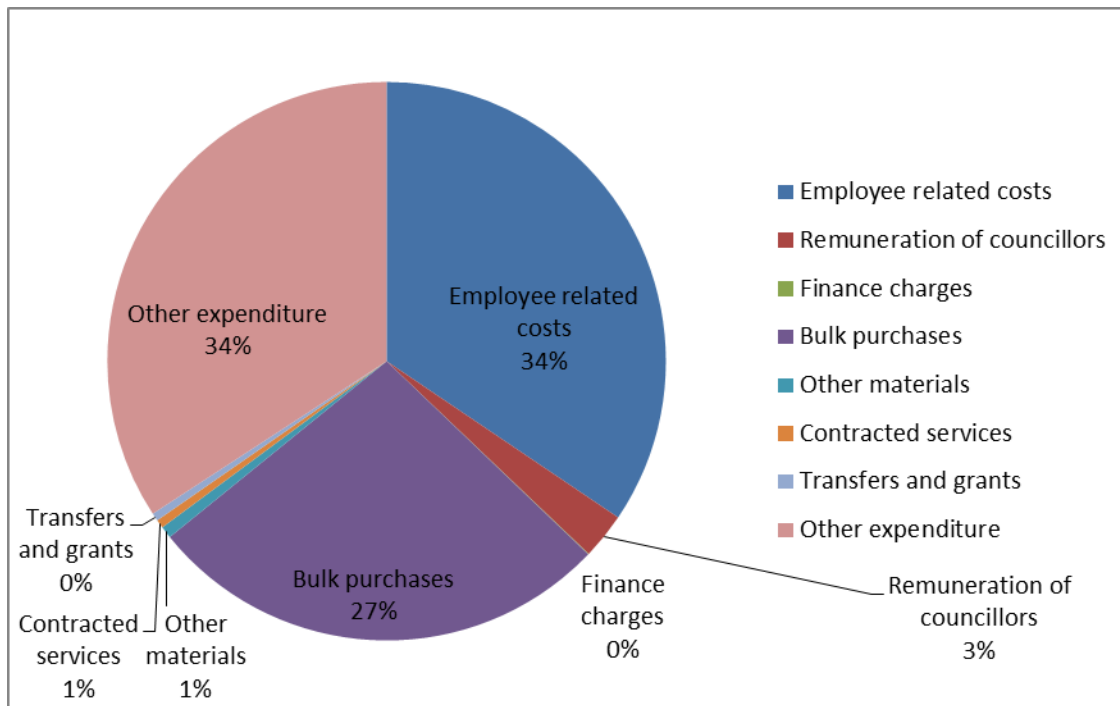


Expenditure By Type	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Employee related costs	65 563 255	64 403 390	4 821 727	53 193 497	54 093 461	-899 964	98.34%
Remuneration of councillors	4 926 587	4 433 734	374 397	3 681 617	3 684 944	-3 327	99.91%
Debt impairment	3 764 020	3 764 020	-	-	2 258 412	-2 258 412	0.00%
Depreciation & asset impairment	5 419 667	5 419 667	-	-	5 162 562	-5 162 562	0.00%
Finance charges	1 731 550	167 718	4 334	176 635	131 167	45 468	134.66%
Bulk purchases	84 833 077	84 833 077	3 779 185	63 390 916	68 908 651	-5 517 735	91.99%
Other materials	8 938 204	9 326 267	97 519	6 108 503	7 121 531	-1 013 028	85.78%
Contracted services	994 365	1 572 268	69 631	1 318 326	1 415 061	-96 735	93.16%
Transfers and grants	-	-	63 225	545 625	3 435 540	-2 889 915	15.88%
Other expenditure	33 624 234	69 240 213	4 786 311	55 220 365	48 001 865	7 218 500	115.04%
Total Expenditure	209 794 960	243 160 356	13 996 329	183 635 484	194 213 194	-10 577 710	94.55%

*Please note a percentage of over 100% means that the municipality spent more than what was budgeted and less than 100 % means the municipality spent less than what was budgeted.

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



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) - M10 April							
Vote Description	Budget Year 2014/15						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Revenue by Vote							
Vote 1 - Municipal Manager	5 318 679	39 116 779	35 133	284 545	25 483 159	-25 198 614	1.12%
Vote 2 - Financial Services	60 014 936	62 360 382	1 529 818	68 609 409	61 717 963	6 891 446	111.17%
Vote 3 - Corporate Services	6 727 215	5 339 719	53 015	313 111	3 227 824	-2 914 713	9.70%
Vote 4 - Community Services: Community Development	21 484 133	16 715 043	888 351	8 949 395	13 357 055	-4 407 660	67.00%
Vote 5 - Community Services: Public Safety	2 711 541	2 288 844	180 417	2 012 361	1 880 255	132 106	107.03%
Vote 6 - Electrical Engineering Services	69 629 260	69 470 015	4 929 266	50 169 153	54 951 681	-4 782 528	91.30%
Vote 7 - Infrastructure, Engineering & Technical Services	47 666 056	47 994 077	3 150 755	29 888 074	36 928 506	-7 040 432	80.93%
Total Revenue by Vote	213 551 820	243 284 860	10 766 755	160 226 048	197 546 443	-37 320 395	81.11%
Expenditure by Vote							
Vote 1 - Municipal Manager	21 845 947	47 843 880	3 833 901	36 264 712	36 872 654	-607 942	98.35%
Vote 2 - Financial Services	29 297 857	29 426 218	1 778 834	27 003 593	22 574 096	4 429 497	119.62%
Vote 3 - Corporate Services	13 154 123	14 171 621	1 044 381	12 711 799	12 158 274	553 525	104.55%
Vote 4 - Community Services: Community Development	17 513 618	18 444 162	911 676	10 873 862	14 211 971	-3 338 109	76.51%
Vote 5 - Community Services: Public Safety	6 491 700	6 414 091	439 324	5 143 239	5 352 699	-209 460	96.09%
Vote 6 - Electrical Engineering Services	62 345 639	64 290 081	4 584 387	52 990 903	53 547 548	-556 645	98.96%
Vote 7 - Infrastructure, Engineering & Technical Services	59 146 076	62 570 303	1 403 827	38 647 375	49 495 952	-10 848 577	78.08%
Total Expenditure by Vote	209 794 960	243 160 355	13 996 330	183 635 483	194 213 194	-10 577 711	94.55%
Surplus/ (Deficit) for the year	3 756 860	124 504	-3 229 575	-23 409 435	3 333 249	-26 742 684	

NC062 Nama Khoi - Table C3 Monthly Budget Statement - Financial Performance (revenue by municipal vote) - M10 April							
Vote Description	Budget Year 2014/15						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Revenue by Vote							
Vote 1 - Municipal Manager	5 318 679	39 116 779	35 133	284 545	25 483 159	-25 198 614	1.12%
Vote 2 - Financial Services	60 014 936	62 360 382	1 529 818	68 609 409	61 717 963	6 891 446	111.17%
Vote 3 - Corporate Services	6 727 215	5 339 719	53 015	313 111	3 227 824	-2 914 713	9.70%
Vote 4 - Community Services: Community Development	21 484 133	16 715 043	888 351	8 949 395	13 357 055	-4 407 660	67.00%
Vote 5 - Community Services: Public Safety	2 711 541	2 288 844	180 417	2 012 361	1 880 255	132 106	107.03%
Vote 6 - Electrical Engineering Services	69 629 260	69 470 015	4 929 266	50 169 153	54 951 681	-4 782 528	91.30%
Vote 7 - Infrastructure, Engineering & Technical Services	47 666 056	47 994 077	3 150 755	29 888 074	36 928 506	-7 040 432	80.93%
Total Revenue by Vote	213 551 820	243 284 860	10 766 755	160 226 048	197 546 443	-37 320 395	81.11%

Reasons for Variances

- **A variance of above 100% illustrate the municipality billed more revenue than what was budgeted and vice versa.**

Municipal manager – Housing grant needs to be move from grant vote to the income.

Financial Services – Equitable share needs to be moved to service departments which will be done at year end.

Corporate Services – Municipality restructured the sale of land and standings in the adjusted budget with the R 5000 000 projected into equal months; no income has been receive thus far for the sale of land and standings.

Community development- Equitable share needs to be moved to service departments which will be done at year end.

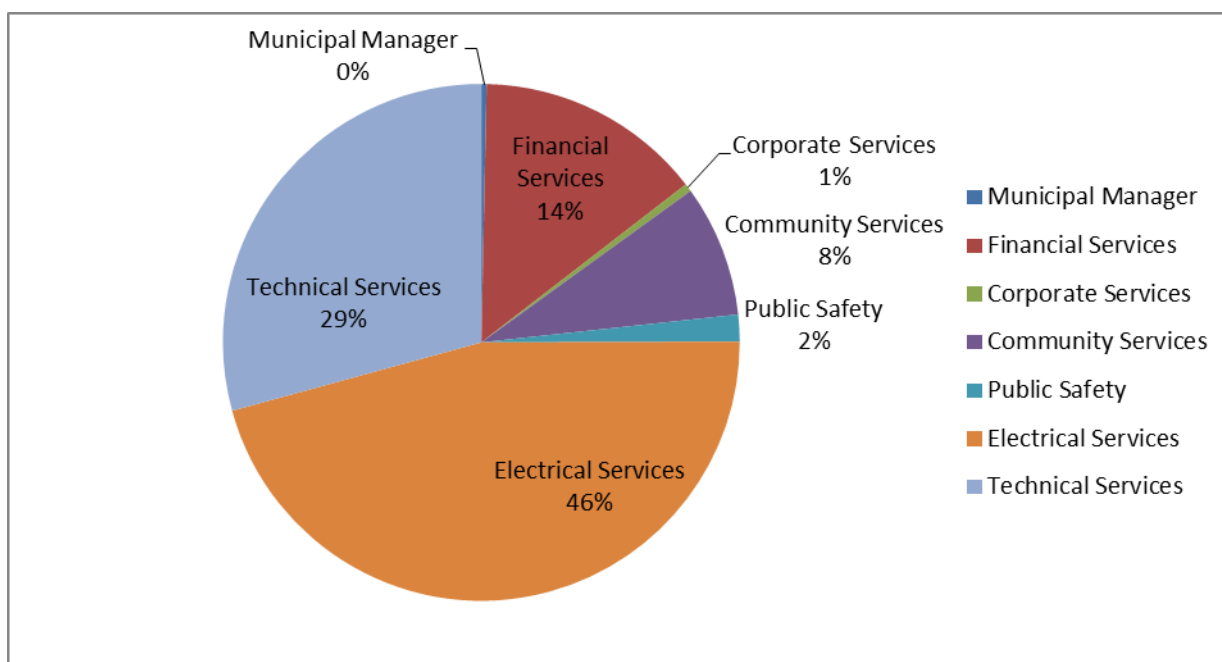
Public safety – The department made more revenue for the period July to March than what was budget.

Electrical Engineering Services – The municipality billed less revenue than budgeted, this can be as result of electricity theft.

Infrastructure, Engineering & Technical Services - The department variance of 19.07% adds to the municipality problem of collecting revenue to maintain service delivery and adhere to its other responsibilities.

CHART 3

The following chart shows the revenue by vote for April 2015



Expenditure by Vote	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Vote 1 - Municipal Manager	21 845 947	47 843 880	3 833 901	36 264 712	36 872 654	-607 942	98.35%
Vote 2 - Financial Services	29 297 857	29 426 218	1 778 834	27 003 593	22 574 096	4 429 497	119.62%
Vote 3 - Corporate Services	13 154 123	14 171 621	1 044 381	12 711 799	12 158 274	553 525	104.55%
Vote 4 - Community Services: Community Development	17 513 618	18 444 162	911 676	10 873 862	14 211 971	-3 338 109	76.51%
Vote 5 - Community Services: Public Safety	6 491 700	6 414 091	439 324	5 143 239	5 352 699	-209 460	96.09%
Vote 6 - Electrical Engineering Services	62 345 639	64 290 081	4 584 387	52 990 903	53 547 548	-556 645	98.96%
Vote 7 - Infrastructure, Engineering & Technical Services	59 146 076	62 570 303	1 403 827	38 647 375	49 495 952	-10 848 577	78.08%
Total Expenditure by Vote	209 794 960	243 160 355	13 996 330	183 635 483	194 213 194	-10 577 711	94.55%

Reasons for variances

- A variance of above 100% illustrate that municipality spend more than what was budgeted and vice versa

Municipal Manager- The variance is less than 3%.

Financial services – Free basic services was captured under revenue foregone. Movement of this expenditure can be made at year-end. Interest paid to creditors cannot be budget as it is fruitless and wasteful expenditure..

Corporate services –.The variance is less than 5%

Community Development – Free basic services was captured under revenue foregone. Movement of this expenditure can be made at year-end.

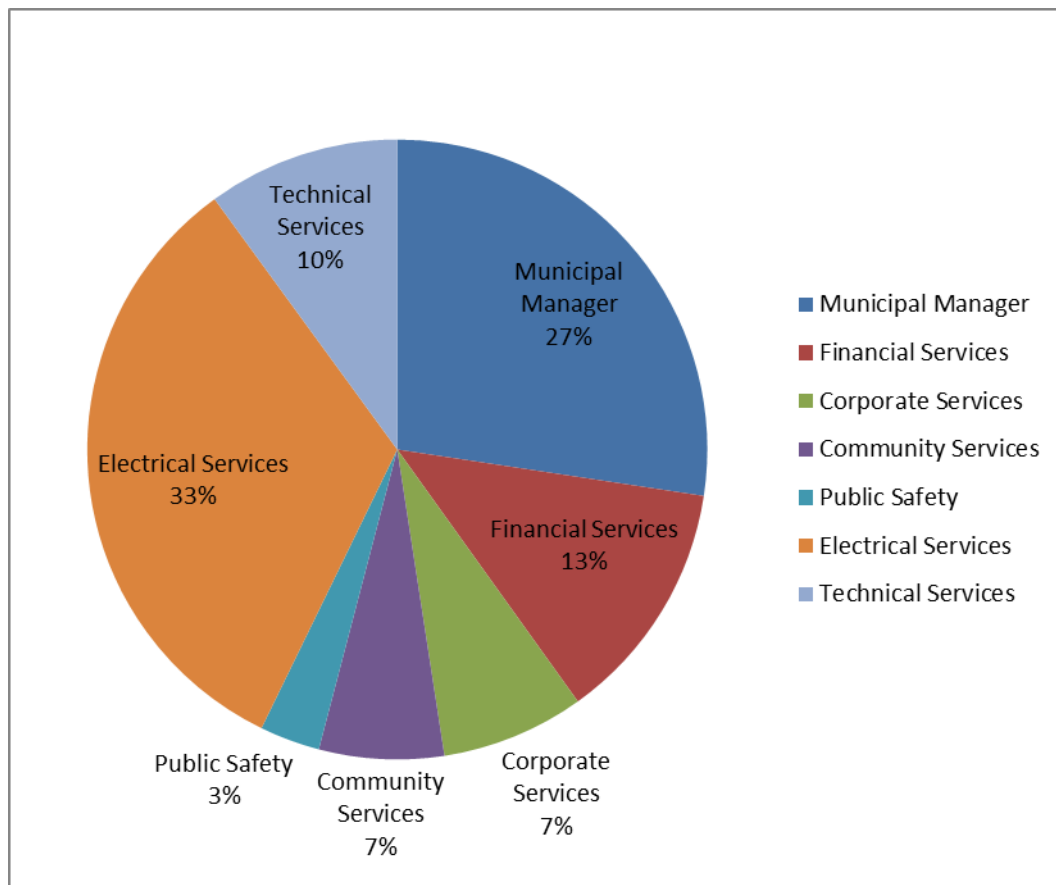
Public safety – The variance is less than 5%

Electrical Engineering Services - The variance is less than 2%

Infrastructure, Engineering & Technical Services – Free basic services was captured under revenue foregone. Movement of this expenditure can be made at year-end.

CHART 4

The following chart shows the expenditure by vote for April 2015.



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.

Capital Expenditure at 30 April 2015							
Vote Description	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Capital Expenditure - Standard Classification							
Executive and council			32 910	37 968	-	37 968	
Sport and recreation	3 400 000	3 078 374	-	171 856	1 915 768	-1 743 912	9%
Public safety			-	25 860	-	25 860	
Road transport	10 579 000	19 204 892	484 998	4 326 395	12 042 671	-7 716 276	36%
Electricity	1 000 000	1 000 000	-	874 817	1 000 000	-125 183	87%
Water		100 913	-	-	328 756	-328 756	0%
Waste water management	2 000 000	8 094 821	418 242	1 908 214	5 395 292	-3 487 078	35%
Total Capital Expenditure - Standard Classification	16 979 000	31 479 000	936 150	7 345 110	20 682 487	-13 337 377	36%
Funded by:							
National Government	16 979 000	31 479 000	903 240	7 281 282	20 682 487	-13 401 205	35%
District Municipality			32 910	37 968	-	37 968	
Internally generated funds			-	25 860	-	25 860	
Total Capital Funding	16 979 000	31 479 000	936 150	7 345 110	20 682 487	-13 337 377	36%

Capital expenditure for the month of April 2015 was R936 150 with the total expenditure to date R7 345 110 for the year. During the adjusted budget the rollover amount of R14 500 000 was added to the capital budget. Monthly capital expenditure needs to pick up in the last two months to achieve the planned expenditure for the year. Proper planning and execution of projects must be done to ensure National Grants are spent within the time period.

CASH FLOW STATEMENT AT 30 April 2015

NC062 Nama Khoi - Table C7 Monthly Budget Statement - Cash Flow - M10 April							
Description	Budget Year 2014/15						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Ratepayers and other	158 915 888	151 100 698	17 632 009	180 923 970	162 906 022	18 017 948	111.06%
Government - operating	40 346 000	74 142 640	10 002	53 911 307	63 119 356	-9 208 049	85.41%
Government - capital	16 979 000	32 479 000	-	13 979 000	21 927 400	-7 948 400	63.75%
Interest	3 795 229	3 884 411	411 856	4 228 231	3 462 746	765 485	122.11%
Payments							
Suppliers and employees	-198 326 370	-233 808 950	-18 795 853	-244 664 034	-232 190 932	12 473 102	105.37%
Finance charges	-206 903	-206 903	-39 717	-251 510	-216 653	34 857	116.09%
NET CASH FROM/(USED) OPERATING ACTIVITIES	21 502 844	27 590 895	-781 703	8 126 964	19 007 940	-10 880 976	42.76%
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE	5 719 000	6 000 000	-	-	-	-	
Payments							
Capital assets	-16 979 000	-29 172 358	-1 412 352	-6 180 873	-18 826 072	-12 645 198	32.83%
NET CASH FROM/(USED) INVESTING ACTIVITIES	-11 260 000	-23 172 358	-1 412 352	-6 180 873	-18 826 072	-12 645 198	32.83%
CASH FLOWS FROM FINANCING ACTIVITIES							
Payments							
Repayment of borrowing	-1 524 646	-1 524 646	-314 236	-1 939 556	-1 666 919	272 638	116.36%
NET CASH FROM/(USED) FINANCING ACTIVITIES	-1 524 646	-1 524 646	-314 236	-1 939 556	-1 666 919	272 638	116.36%
NET INCREASE/ (DECREASE) IN CASH HELD	8 718 198	2 893 891	-2 508 290	6 534	-1 485 051		
Cash/cash equivalents at beginning:	4 947 896	4 947 896		4 947 896	4 947 896		
Cash/cash equivalents at month/year end:	13 666 094	7 841 787		4 954 430	3 462 845		

The cash flow statement shows that the municipality had a balance of R4 954 430 in the primary bank account and the year –to-date budget shows the municipality budget for a balance of R3 462 845, the difference can be as results as to how the municipality move cash between the call accounts and the primary account

The cash flow statement gives the indication as to what actual funds is available, more emphasise need put on the cash flow statement by management to control the position of the municipality and avoid the municipality having cash flow problems. Collection rates of service charges needs to be taken in consideration as it have a direct impact on moneys collected. Moneys collected from service charges needs to be more than the than the expenditure incurred for delivering the service to maintain sustainability. Although the municipality had a positive bank balance at 30 April 2015 is still have outstanding creditors of above 100 million.

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 April 2015

Debtors Analysis

Debtors age analysis 30 April 2015									
Detail	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 -
Debtors Age Analysis By Income Source									
Water	1 955 773	1 025 062	645 650	714 294	804 614	479 858	521 055	14 268 742	20 415 048
Electricity	3 086 607	794 317	579 338	602 424	677 677	361 091	305 886	17 118 392	23 525 732
Property Rates	2 155 047	713 589	414 802	344 219	378 588	293 547	252 469	13 880 451	18 432 712
Waste Water Management	630 598	252 647	155 443	131 680	123 120	115 131	109 262	3 855 482	5 373 363
Waste Management	616 389	280 422	181 771	158 548	150 521	145 606	135 742	8 633 870	10 302 869
Property Rental Debtors	155 339	117 365	75 702	62 032	58 081	61 631	47 658	4 658 739	5 236 547
Total By Income Source	8 599 753	3 183 402	2 052 706	2 013 197	2 192 601	1 456 864	1 372 072	62 415 676	83 286 271
Debtors Age Analysis By Customer Group									
Organs of State	508 982	186 023	139 942	57 060	54 104	44 315	35 260	827 773	1 853 459
Commercial	3 208 507	1 041 721	746 756	670 730	825 816	515 021	418 957	20 043 047	27 470 555
Households	4 882 264	1 955 658	1 166 008	1 285 407	1 312 681	897 528	917 855	41 544 856	53 962 257
Total By Customer Group	8 599 753	3 183 402	2 052 706	2 013 197	2 192 601	1 456 864	1 372 072	62 415 676	83 286 271

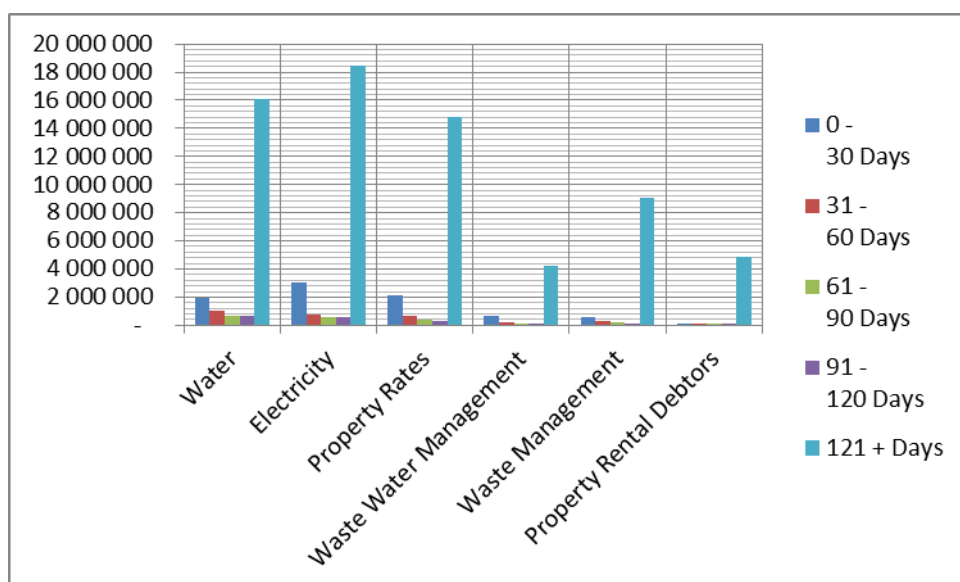
The total debtors outstanding as at 30 April 2015 were R83 286 271; the total debtors outstanding at 31 March 2015 is R81 354 219, this is an increase of R1 932 052(2.37%) for the period.

National Treasury and other departments are introducing very strict methods to collect monies from municipalities. Nama Khoi municipality must employ the same methodology if it wants to survive; from the outstanding amount R57 617 012 are outstanding for services delivered which includes electricity outstanding. R29 324 014 are outstanding for businesses and government departments. The municipality must create a timeline to collect these outstanding monies to support the municipality paying agreements with creditors.

Chart 8 – Debtors per revenue source

Debtors age analysis 30 April 2015						
Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 + Days	Total
Debtors Age Analysis By Income Source						
Water	1 955 773	1 025 062	645 650	714 294	16 074 269	20 415 048
Electricity	3 086 607	794 317	579 338	602 424	18 463 046	23 525 732
Property Rates	2 155 047	713 589	414 802	344 219	14 805 055	18 432 712
Waste Water Management	630 598	252 647	155 443	131 680	4 202 995	5 373 363
Waste Management	616 389	280 422	181 771	158 548	9 065 739	10 302 869
Property Rental Debtors	155 339	117 365	75 702	62 032	4 826 109	5 236 547
Total By Income Source	8 599 753	3 183 402	2 052 706	2 013 197	67 437 213	83 286 271

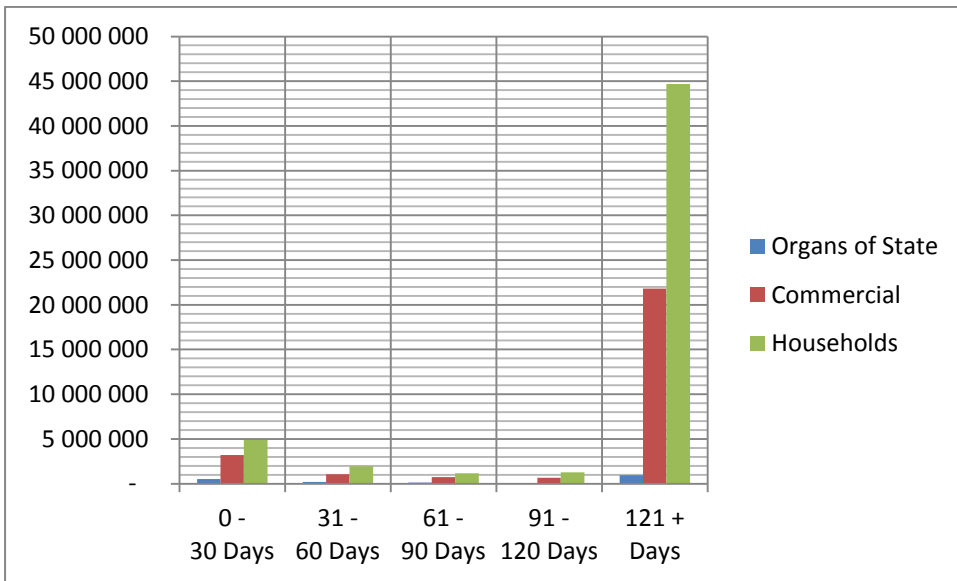
The following chart shows the debtors outstanding per revenue source, Chart as per information above



Debtors Age Analysis By Customer Group	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 + Days	Total
Organs of State	508 982	186 023	139 942	57 060	961 452	1 853 459
Commercial	3 208 507	1 041 721	746 756	670 730	21 802 841	27 470 555
Households	4 882 264	1 955 658	1 166 008	1 285 407	44 672 920	53 962 257
Total By Customer Group	8 599 753	3 183 402	2 052 706	2 013 197	67 437 213	83 286 271

CHART 9

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



CREDITORS Age Analysis - Annexure B -Table SC4

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

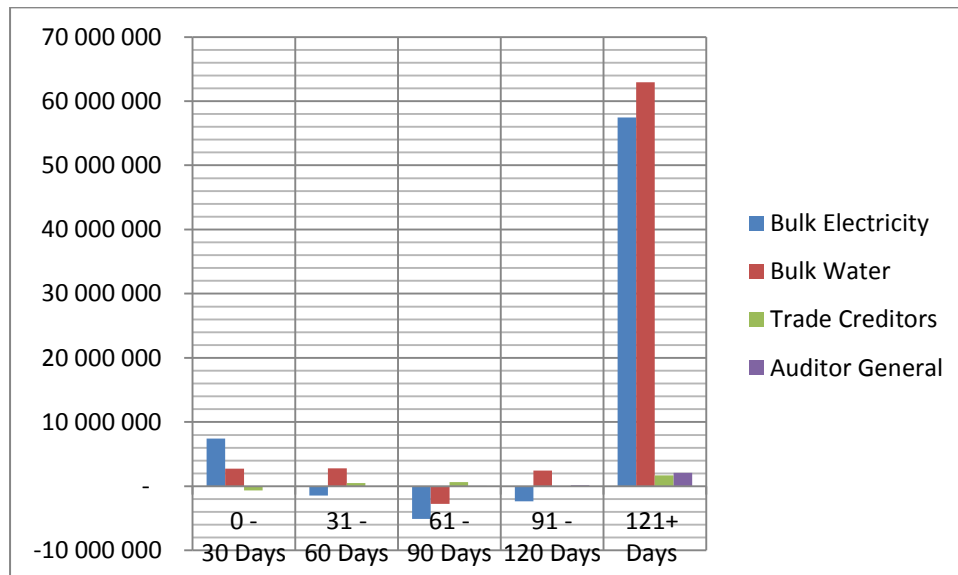
The following report shows the creditors outstanding at 30 April 2015

Creditors Age Analysis By Customer Type 30 April 2015						
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121+ Days	Total
Creditors Age Analysis By Customer Type						
Bulk Electricity	7 409 844	-1 460 045	-5 098 658	-2 375 000	57 446 183	55 922 324
Bulk Water	2 746 193	2 772 199	-2 772 198	2 436 201	62 920 907	68 103 301
Trade Creditors	-670 709	514 325	648 458	-48 071	1 710 547	2 154 550
Auditor General	-	-	53 686	129 772	2 074 985	2 258 443
Total By Customer Type	9 485 328	1 826 479	-7 168 713	142 902	124 152 621	128 438 618

Creditors Analysis

The municipality's creditors outstanding are illustrated above with Bulk Water (SEDIBENG) the highest, the amount outstanding is R68 103 301.

Chart 10



Creditors Age Analysis

The comparison for creditors outstanding between April 2015 and March 2015 are as follows:

Bulk Electricity – April 2015, R55 922 million and March 2015 R56 998 million there is a R1 076million decrease for the period.

Bulk Water –March 2015, R68 103 million and April 2015 R68 103 million this means there was no movement in the outstanding amount.

Auditor General – March 2015, R2 258 million and February 2015 2 258 million there is no movement in the outstanding amount.

The following service charges: water and electricity expenditure are than the income derive for supplying the services, the MFMA states that these to services should have a positive variance to ensure sustainability. The fact that the municipality does not make profit on these two services further adds to inability to pay creditors.

NAMA KHOI MUNICIPALITY
REPORT OUTSTANDING MONEY FOR APRIL 2015

SERVICE POINTS	OUTSTANDING 31.03.15	ADD BILLINGS	MINUS INCOME	Collection rate for the month	Collection Rate including all outstanding debt	OUTSTANDING 30.04.15	INCREASING (DECREASING)	% INCREASE/(DECREASE) (DALING)
A	B	C	D			E	F	G
RATES:								
Springbok	2 861 735.79	1 694 896.16	1 789 583.89	105.59%	39.27%	2 767 048.06	(94 687.73)	(3.31%)
Steinkopf	4 862 111.16	174 107.47	245 501.27	141.01%	4.87%	4 790 717.36	(71 393.80)	(1.47%)
Concordia	1 302 072.01	160 020.90	143 090.02	89.42%	9.79%	1 319 002.89	16 930.88	1.30%
Komaggas	3 593 648.33	108 608.59	17 003.61	15.66%	0.46%	3 685 253.31	91 604.98	2.55%
Okiep	1 149 417.75	211 699.83	215 902.27	101.99%	15.86%	1 145 215.31	(4 202.44)	(0.37%)
Nababeep	818 917.81	223 990.16	180 133.81	80.42%	17.27%	862 774.16	43 856.35	5.36%
TOTAL RATES	14 587 902.85	2 573 323.11	2 591 214.87	100.70%	15.10%	14 570 011.09	(17 891.76)	(0.12%)
SERVICES:								
Springbok	4 329 258.10	4 586 607.70	4 663 130.89	101.67%	52.30%	4 252 734.91	(76 523.19)	(1.77%)
Steinkopf	7 429 943.02	513 834.39	515 239.66	100.27%	6.49%	7 428 537.75	(1 405.27)	(0.02%)
Concordia	3 925 182.78	841 665.01	765 458.84	90.95%	16.06%	4 001 388.95	76 206.17	1.94%
Komaggas	10 995 488.39	298 096.01	129 925.86	43.59%	1.15%	11 163 658.54	168 170.15	1.53%
Okiep	6 931 765.93	539 104.12	534 842.29	99.21%	7.16%	6 936 027.76	4 261.83	0.06%
Nababeep	15 209 152.07	1 017 277.82	536 998.09	52.79%	3.31%	15 689 431.80	480 279.73	3.16%
TOTAL SERVICES	48 820 790.29	7 796 585.05	7 145 595.63	91.65%	12.62%	49 471 779.71	650 989.42	1.33%
LANDSALES								
Springbok	55 114.65	3 740.27	561.95	15.02%	0.95%	58 292.97	3 178.32	5.77%
Steinkopf	146 009.66	1 232.02	100.00	8.12%	0.07%	147 141.68	1 132.02	0.78%
Concordia	122 111.95	3 696.08	3 363.62	91.01%	2.67%	122 444.41	332.46	0.27%
Kommagas	90 529.65	4 327.70	600.00	13.86%	0.63%	94 257.35	3 727.70	4.12%
Okiep	140 430.00	5 570.99	6 349.77	113.98%	4.35%	139 651.22	(778.78)	(0.55%)
Nababeep	17 885.40	1 058.39	755.65	71.40%	3.99%	18 188.14	302.74	1.69%
TOTAL LANDSALES	572 081.31	19 625.45	11 730.99	59.77%	1.98%	579 975.77	7 894.46	1.38%
GRAZINGFEES								
Springbok	10 913.51	3 413.55	3 591.83	105.22%	25.07%	10 735.23	(178.28)	(1.63%)
Steinkopf	896 376.29	27 831.04	28 010.18	100.64%	3.03%	896 197.15	(179.14)	(0.02%)
Concordia	344 603.61	30 817.37	23 837.99	77.35%	6.35%	351 582.99	6 979.38	2.03%
Komaggas	575 282.51	15 887.91	4 097.52	25.79%	0.69%	587 072.90	11 790.39	2.05%
Okiep	24 060.32	4 891.07	4 233.88	86.56%	14.62%	24 717.51	657.19	2.73%
Nababeep	12 507.51	2 950.15	2 721.34	92.24%	17.61%	12 736.32	228.81	1.83%
TOTAL GRAZINGFEE	1 863 743.75	85 791.09	66 492.74	77.51%	3.41%	1 883 042.10	19 298.35	1.04%
DIVERSE:								
Springbok	928 050.39	82 605.58	71 719.54	86.82%	7.10%	938 936.43	10 886.04	1.17%
Steinkopf	335 930.63	10 922.09	7 886.98	72.21%	2.27%	338 965.74	3 035.11	0.90%
Concordia	104 641.02	33 626.77	32 180.90	95.70%	23.27%	106 086.89	1 445.87	1.38%
Komaggas	394 448.69	8 225.62	4 650.28	56.53%	1.15%	398 024.03	3 575.34	0.91%
Okiep	148 983.93	955.94	320.56	33.53%	0.21%	149 619.31	635.38	0.43%
Nababeep	422 251.50	6 660.51	3 486.43	52.34%	0.81%	425 425.58	3 174.08	0.75%
TOTAAL DIVERSE	2 334 306.16	142 996.51	120 244.69	84.09%	4.85%	2 357 057.98	22 751.82	0.97%
GROOT TOTAAL	68 178 824.36	10 618 321.21	9 935 278.92	93.57%	12.61%	68 861 866.65	683 042.29	1.00%
TOTAL SERVICESPOINTS								
Springbok	8 185 072.44	6 371 263.26	6 528 588.10	102.47%	44.85%	8 027 747.60	(157 324.84)	(1.92%)
Steinkopf	13 670 370.76	727 927.01	796 738.09	109.45%	5.53%	13 601 559.68	(68 811.08)	(0.50%)
Concordia	5 798 611.37	1 069 826.13	967 931.37	90.48%	14.09%	5 900 506.13	101 894.76	1.76%
Komaggas	15 649 397.57	435 145.83	156 277.27	35.91%	0.97%	15 928 266.13	278 868.56	1.78%
Okiep	8 394 657.93	762 221.95	761 648.77	99.92%	8.32%	8 395 231.11	573.18	0.01%
Nababeep	16 480 714.29	1 251 937.03	724 095.32	57.84%	4.08%	17 008 556.00	527 841.71	3.20%
	68 178 824.36	10 618 321.21	9 935 278.92	93.57%	12.61%	68 861 866.65	683 042.29	1.00%

- **The report above states the collection rate of the municipality, there are two different collection rate illustrated:**
 - Collection rate for the month – The calculation is based on the current month billings versus the current month’s actual income received; which shows the municipality collected 93.57% for the month of 30 April 2015.
 - Collection rate including all outstanding monies– The calculation take into consideration month billing plus the outstanding debt versus current actual money received; this means that the municipality are only collecting 12.61% of outstanding moneys at 30 April 2015.

Collection rates for the month illustrated below:

Rates

From the information above the municipality collected 141.01% in Steinkopf which was the highest collection rate; however the lowest collection rate was at 15.66% which was for Komaggas.

Services

From the information above the municipality collected 101.67% at Springbok which was the highest collection rate; however the lowest collection rate was at 43.59% which was for Komaggas.

Landsales

From the information above the municipality collected 113.98% at Okiep which was the highest collection rate; however the lowest collection rate was at 8.12% which was for Steinkopf.

Grazing Fees

From the information above the municipality collected 105.22 % at Springbok which was the highest collection rate; however the lowest collection rate was at 25.79 % which was for Komaggas.

Diverse/other

From the information above the municipality collected 95.70% at Concordia which was the highest collection rate; however the lowest collection rate was at 33.53% which was for Okiep.

Service points

From the information above the municipality collected 109.45% at Springbok which was the highest collection rate; however the lowest collection rate was at 35.91 % which was for Kommagas.

*Given the current situation of the municipality collection rate for service points needs to be above 100% each and every month.

CHART: PERCENTAGE OF INCOME COLLECTED PER SERVICE POINT ON ALL MONEYS OUTSTANDING

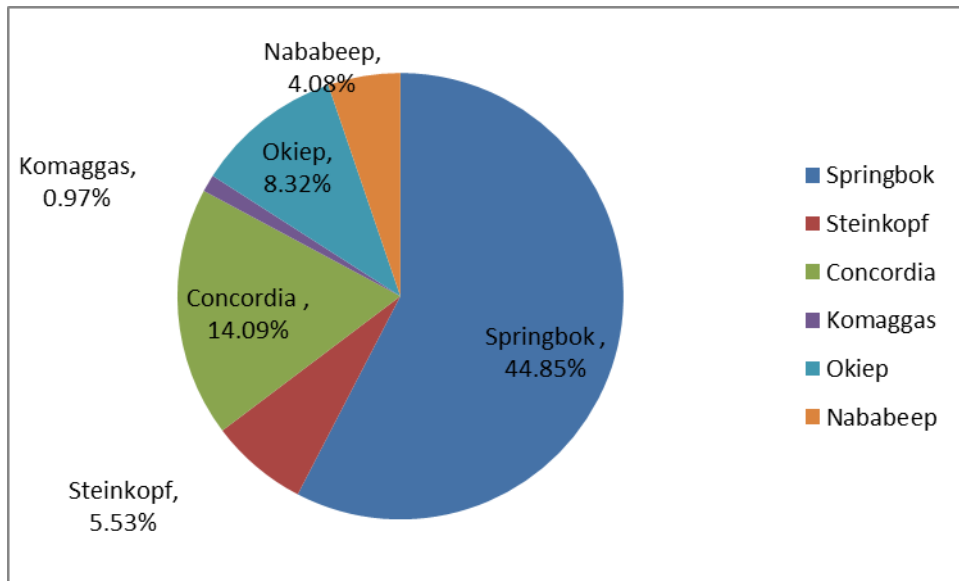
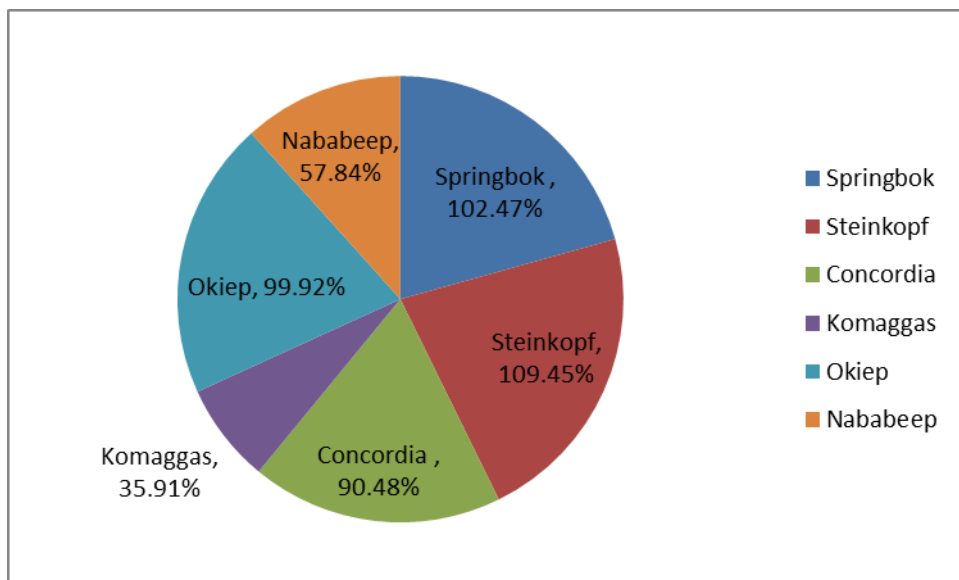


CHART: PERCENTAGE OF INCOME COLLECTED PER SERVICE POINT FOR THE MONTH



NC062 Nama Khoi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April							
Summary of Employee and Councillor remunerat	Budget Year 2014/15						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages	3 199 726	3 033 333	255 641	2 522 051	2 527 777	-5 727	100%
Pension and UIF Contributions	479 959	132 618	11 052	110 515	110 515	0	100%
Motor Vehicle Allowance	799 931	799 931	88 897	867 237	666 610	200 628	130%
Cellphone Allowance	381 631	157 411	18 807	185 138	131 176	53 962	141%
Other benefits and allowances	65 340	310 440	-	-	258 700	-258 700	0%
Sub Total - Councillors	4 926 587	4 433 734	374 397	3 684 941	3 694 778	-9 838	100%
Senior Managers of the Municipality							
Basic Salaries and Wages	2 937 701	2 614 281	289 739	2 673 093	2 178 567	494 526	123%
Pension and UIF Contributions	309 042	343 340	43 430	393 036	286 117	106 919	137%
Medical Aid Contributions	134 446	149 601	25 163	216 686	124 667	92 019	174%
Motor Vehicle Allowance	689 364	550 862	80 504	735 440	459 052	276 388	160%
Cellphone Allowance		42 000	4 500	33 000	35 000	-2 000	94%
Housing Allowances	5 736	7 489	1 236	10 946	6 241	4 705	175%
Other benefits and allowances	264 847	481 522	67 697	568 321	401 268	167 053	142%
Long service awards		-	-	16 569	-	16 569	
Sub Total - Senior Managers of Municipality	4 341 136	4 189 096	512 270	4 647 092	3 490 913	1 156 179	133%
Other Municipal Staff							
Basic Salaries and Wages	44 085 952	39 150 666	2 828 920	32 113 745	32 625 555	-511 810	98%
Pension and UIF Contributions	5 567 956	6 093 895	472 891	5 018 909	5 078 246	-59 337	99%
Medical Aid Contributions	1 618 999	1 755 786	140 785	1 428 437	1 463 155	-34 717	98%
Overtime	-	1 913 699	244 867	2 505 437	1 594 750	910 687	157%
Motor Vehicle Allowance	3 963 246	3 352 497	242 048	2 568 480	2 793 747	-225 267	92%
Cellphone Allowance	-	59 584	10 253	77 835	49 653	28 182	157%
Housing Allowances	263 509	288 945	22 024	209 455	240 788	-31 332	87%
Other benefits and allowances	5 722 456	7 599 225	382 738	5 621 519	6 332 687	-711 169	89%
Long service awards	-	-	10 804	172 569	-	172 569	
Sub Total - Other Municipal Staff	61 222 119	60 214 297	4 355 330	49 716 387	50 178 580	-462 194	99%
Total Parent Municipality	70 489 842	68 837 127	5 241 996	58 048 420	57 364 272	684 148	101%
Total Employee Related Cost	65 563 255	64 403 392	4 867 600	54 363 479	53 669 494		
Total Expenditure	209 794 960	243 160 356	13 996 329	183 635 484	194 213 194		
% employee related cost to total expenditure	31%	26%	35%	30%	28%		

YearTD – refers to Year-to-date (July – April 2015)

Variance – refers the difference between actual versus budget, over 100% more was paid than budget.

Employee related cost to total expenditure % of an organisation should be at 25-40% of total expenditure, the ratio for the month of April 2015 is 35%.

5. Financial Implications /Recommendations

Revenue by source:

Head of Department must budget for realistic revenue sources which will realise during the year.

Expenditure by type:

Monthly expenditure must be monitored.

Capital Expenditure:

Planning must be prioritised and monitoring must be aligned with corrective actions to avoid low expenditure.

Cash Flow Statement:

Collection rates needs to be more than 100% to ensure debt outstanding are collected which will ensure a favourable cash balance.

Debtors Analysis

Payment of outstanding monies should be prioritised.

Creditors Analysis

Municipality must adhere to agreements with Creditors.

6. Interdepartmental and cluster impact

This report is prepared to achieve MFMA compliance.

7. Comments of the Head: Legal Services

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

8. Conclusion

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

PREPARED BY:

Heinri Cloete

Section Head: Financial Services

Budget & Treasury

DATE: 16 April 2015

NAMAKHOIMUNICIPALITY QUALITY CERTIFICATE

I,, the acting 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 31 March 2015 has been prepared in accordance with the Municipal Finance Management Act 71 and regulations made under that Act.

Print name:.....

Municipal Manager of Nama Khoi Municipality

Signature:.....

Date:.....

Annexure A

Reports and reportable matters

Monthly reports statements – Section 71 MFMA

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

- (a) Actual revenue, per revenue source
- (b) Actual borrowings
- (c) Actual expenditure per vote
- (d) Actual capital expenditure per vote
- (e) The amount of any allocations received
- (f) Actual expenditure on those allocations, excluding expenditure on –
 - (i) Its share of the local government equitable share, and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of –
 - (i) Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget

(2) The statement must include –

- (a) A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
- (b) The prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87 (10)

(3) The amounts reflected in the statement must in each case be compared with 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
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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
Attached	Return Forms
Attached	Additional Information