



Nama Khoi Municipality

14 June 2024

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING 31 May 2024 (MONTHLY BUDGET STATEMENT) – 2023/2024 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 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 31 May 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 31 May 2024

This report is based on financial information, as of 31 May 2024, and is available at the time of preparation.

The financial results for the period ended 31 May are summarised as follows:

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

The summary report indicates the following:

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Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May							
Description	Budget Year 2023/24						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue							
Service charges - Electricity	149 047 037	103 934 214	14 135 752	108 518 608	95 273 030	13 245 578	114
Service charges - Water	57 175 742	55 175 742	3 813 294	41 495 263	50 577 764	- 9 082 501	82
Service charges - Waste Water Management	22 427 989	20 427 989	1 209 716	13 646 610	18 725 657	- 5 079 047	73
Service charges - Waste management	26 639 689	24 639 689	1 413 324	15 761 079	22 586 382	- 6 825 303	70
Sale of Goods and Rendering of Services	791 655	3 738 861	119 218	2 157 252	3 427 287	- 1 270 035	63
Agency services	399 827	89 405	-	100 021	81 955	18 066	122
Interest earned from Receivables	15 342 307	21 257 795	1 908 449	19 796 693	19 486 312	310 381	102
Interest from Current and Non Current Assets	2 084 695	4 218 641	48 150	3 203 436	3 867 088	-	83
Rent on Land	1 194 450	1 194 450	93 358	1 035 262	1 094 912	- 59 650	95
Rental from Fixed Assets	3 240 262	3 240 262	191 821	1 834 446	2 970 239	- 1 135 793	62
Licence and permits	1 586 366	1 586 366	319 557	1 670 827	1 454 169	216 658	115
Operational Revenue	339 897	389 140	53 009	409 426	356 711	52 715	115
Property rates	57 427 711	57 426 530	3 794 115	62 267 436	52 640 988	9 626 448	118
Fines, penalties and forfeits	574 854	574 854	31 441	274 630	526 949	- 252 319	52
Transfers and subsidies - Operational	69 179 000	69 996 355	-	67 861 540	64 163 323	3 698 217	106
Interest	4 186 773	4 186 773	493 568	5 205 177	3 837 875	1 367 302	136
Operational Revenue	-	-	197 465	618 601	-	618 601	
Other Gains	-	-	-	1 773	-	1 773	
Total Revenue (excluding capital transfers and contributions)	411 638 254	372 077 066	27 822 237	345 854 534	341 070 641	4 783 893	101
Expenditure By Type							
Employee related costs	102 966 854	94 803 176	8 214 321	90 081 162	86 902 826	3 178 336	104
Remuneration of councillors	6 758 975	7 302 050	601 590	6 808 047	6 693 540	114 507	102
Bulk purchases - electricity	138 000 000	120 000 000	9 787 231	105 370 080	110 000 000	- 4 629 920	96
Inventory consumed	65 596 037	50 796 000	1 920 217	36 232 681	46 688 000	- 10 455 319	78
Debt impairment	-	22 200 000	-	-	20 350 001	- 20 350 001	-
Depreciation and amortisation	81 663 419	72 391 567	-	-	66 358 936	- 66 358 936	-
Interest	2 702 525	17 225 338	494 696	11 159 900	15 789 893	- 4 629 993	71
Contracted services	42 469 709	20 919 000	2 011 890	17 402 012	19 050 750	- 1 648 738	91
Irrecoverable debts written off	21 985 649	1 000 000	608	14 557	916 668	- 902 111	2
Operational costs	33 559 641	26 896 882	1 181 884	20 255 099	24 655 449	- 4 400 350	82
Other Losses	8 420 552	3 420 552	-	-	3 135 506	- 3 135 506	-
Total Expenditure	504 123 361	436 954 565	24 212 436	287 323 540	400 541 569	- 113 218 029	72
Surplus/(Deficit)	- 92 485 107	- 64 877 499	3 609 801	58 530 994	- 59 470 928	118 001 922	

Revenue	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Service charges - Electricity	149 047 037	103 934 214	14 135 752	108 518 608	95 273 030	13 245 578	114
Service charges - Water	57 175 742	55 175 742	3 813 294	41 495 263	50 577 764	- 9 082 501	82
Service charges - Waste Water Management	22 427 989	20 427 989	1 209 716	13 646 610	18 725 657	- 5 079 047	73
Service charges - Waste management	26 639 689	24 639 689	1 413 324	15 761 079	22 586 382	- 6 825 303	70
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Agency services	399 827	89 405	-	100 021	81 955	18 066	122
Interest earned from Receivables	15 342 307	21 257 795	1 908 449	19 796 693	19 486 312	310 381	102
Interest from Current and Non Current Assets	2 084 695	4 218 641	48 150	3 203 436	3 867 088	-	83
Rent on Land	1 194 450	1 194 450	93 358	1 035 262	1 094 912	- 59 650	95
Rental from Fixed Assets	3 240 262	3 240 262	191 821	1 834 446	2 970 239	- 1 135 793	62
Licence and permits	1 586 366	1 586 366	319 557	1 670 827	1 454 169	216 658	115
Operational Revenue	339 897	389 140	53 009	409 426	356 711	52 715	115
Property rates	57 427 711	57 426 530	3 794 115	62 267 436	52 640 988	9 626 448	118
Fines, penalties and forfeits	574 854	574 854	31 441	274 630	526 949	- 252 319	52
Transfers and subsidies - Operational	69 179 000	69 996 355	-	67 861 540	64 163 323	3 698 217	106
Interest	4 186 773	4 186 773	493 568	5 205 177	3 837 875	1 367 302	136
Operational Revenue	-	-	197 465	618 601	-	618 601	
Other Gains	-	-	-	1 773	-	1 773	
Total Revenue (excluding capital transfers and contributions)	411 638 254	372 077 066	27 822 237	345 854 534	341 070 641	4 783 893	101

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.

Variations to be discussed in the Institutional and Finance Committee

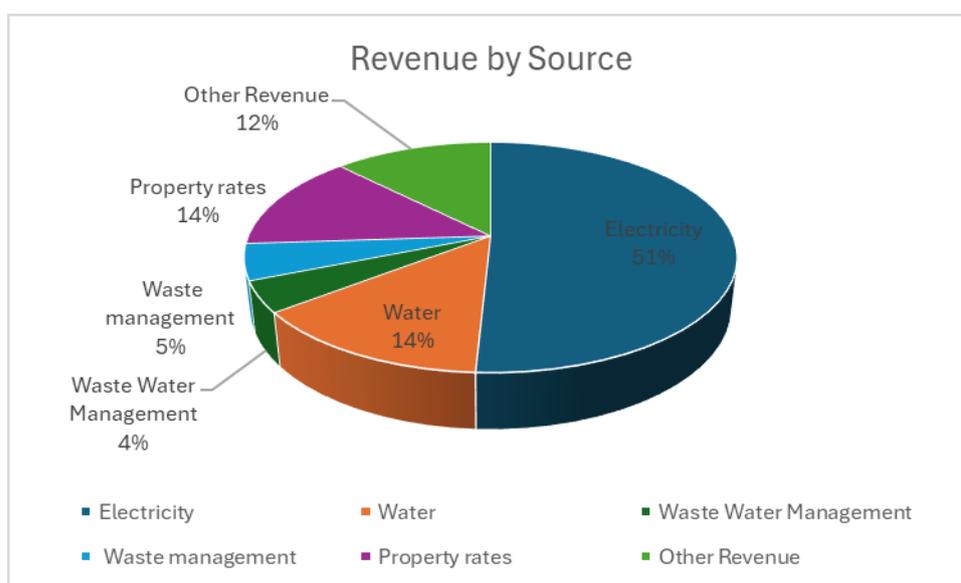
Matters of Concern

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, Cost of Supply studies also indicated that the current tariff structure is not sustainable as the municipality is operating at a loss.

CHART 1

The following chart shows the revenue by source for the month of 31 May 2024 in terms of revenue as a percentage of total revenue.



Expenditure By Type	Original Budget	Adjusted Budget	Monthly actual	YearTDactual	YearTD budget	YTD variance	YTD variance %
Employee related costs	102 966 854	94 803 176	8 214 321	90 081 162	86 902 826	3 178 336	104
Remuneration of councillors	6 758 975	7 302 050	601 590	6 808 047	6 693 540	114 507	102
Bulk purchases - electricity	138 000 000	120 000 000	9 787 231	105 370 080	110 000 000	- 4 629 920	96
Inventory consumed	65 596 037	50 796 000	1 920 217	36 232 681	46 688 000	- 10 455 319	78
Debt impairment	-	22 200 000	-	-	20 350 001	- 20 350 001	-
Depreciation and amortisation	81 663 419	72 391 567	-	-	66 358 936	- 66 358 936	-
Interest	2 702 525	17 225 338	494 696	11 159 900	15 789 893	- 4 629 993	71
Contracted services	42 469 709	20 919 000	2 011 890	17 402 012	19 050 750	- 1 648 738	91
Irrecoverable debts written off	21 985 649	1 000 000	608	14 557	916 668	- 902 111	2
Operational costs	33 559 641	26 896 882	1 181 884	20 255 099	24 655 449	- 4 400 350	82
Other Losses	8 420 552	3 420 552	-	-	3 135 506	- 3 135 506	-
Total Expenditure	504 123 361	436 954 565	24 212 436	287 323 540	400 541 569	- 113 218 029	72

Notes on variances above/under 10%

Variances to be discussed in the Institutional and Finance Committee

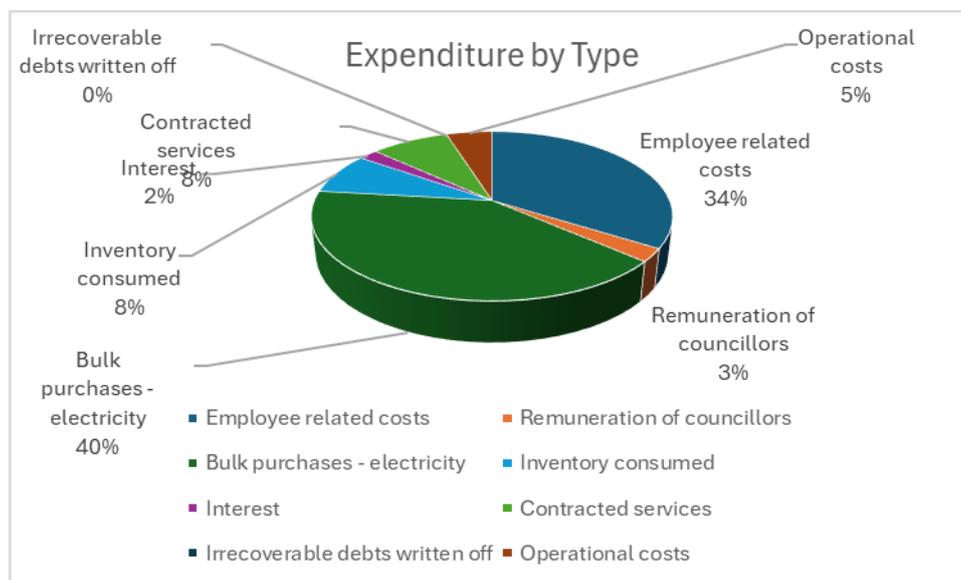
Matter of Concern

Debt impairment and Depreciation - the municipality 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 expenditure has a direct impact on service delivery initiatives.

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

Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May							
Vote Description	Budget Year 2023/24						
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue by Vote							
Vote 1 - MAYOR and COUNCIL	317 835	370 027	29 893	345 713	339 191	6 522	102
Vote 2 - MUNICIPAL MANAGER	1 490 993	1 558 286	7 297	1 116 418	1 428 428	- 312 010	78
Vote 3 - CORPORATE SERVICES	3 073 746	3 079 599	206 416	1 687 519	2 822 964	- 1 135 445	60
Vote 4 - FINANCIAL SERVICES	145 696 631	93 195 657	9 694 959	152 650 229	85 429 354	67 220 875	179
Vote 5 - COMMUNITY SERVICES: COMM DEV	30 134 440	43 989 096	- 650 320	11 724 012	40 323 335	- 28 599 323	29
Vote 6 - COMMUNITY SERVICES: PUBL SAFETY	2 066 610	1 765 067	353 375	1 711 666	1 617 980	93 686	106
Vote 7 - INFRASTRUCTURE; ENG TECHNICAL	265 456 999	264 375 913	18 485 181	182 499 621	242 344 586	- 59 844 965	75
Total Revenue by Vote	448 237 254	408 333 645	28 126 801	351 735 178	374 305 838	- 22 570 660	94
Expenditure by Vote							
Vote 1 - MAYOR and COUNCIL	10 100 816	9 408 068	969 867	8 928 911	8 624 041	304 870	104
Vote 2 - MUNICIPAL MANAGER	14 728 580	6 550 807	723 020	12 175 375	6 004 895	6 170 480	203
Vote 3 - CORPORATE SERVICES	33 853 494	36 859 520	1 604 904	19 325 471	33 787 880	- 14 462 409	57
Vote 4 - FINANCIAL SERVICES	37 437 975	51 382 568	2 952 562	41 369 321	47 100 675	- 5 731 354	88
Vote 5 - COMMUNITY SERVICES: COMM DEV	63 746 744	58 505 341	1 335 574	14 178 197	53 629 867	- 39 451 670	26
Vote 6 - COMMUNITY SERVICES: PUBL SAFETY	11 667 561	9 870 639	833 041	9 251 827	9 048 082	203 745	102
Vote 7 - INFRASTRUCTURE; ENG TECHNICAL	332 588 191	264 377 622	15 793 469	182 094 437	242 346 129	- 60 251 692	75
Total Expenditure by Vote	504 123 361	436 954 565	24 212 437	287 323 539	400 541 569	- 113 218 030	72
Surplus/ (Deficit) for the year	- 55 886 107	- 28 620 920	3 914 364	64 411 639	- 26 235 731	90 647 370	

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 31 May 2024

	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Revenue by Vote							
Vote 1 - MAYOR and COUNCIL	317 835	370 027	29 893	345 713	339 191	6 522	102
Vote 2 - MUNICIPAL MANAGER	1 490 993	1 558 286	7 297	1 116 418	1 428 428	- 312 010	78
Vote 3 - CORPORATE SERVICES	3 073 746	3 079 599	206 416	1 687 519	2 822 964	- 1 135 445	60
Vote 4 - FINANCIAL SERVICES	145 696 631	93 195 657	9 694 959	152 650 229	85 429 354	67 220 875	179
Vote 5 - COMMUNITY SERVICES, COMM DEV	30 134 440	43 989 096	- 650 320	11 724 012	40 323 335	- 28 599 323	29
Vote 6 - COMMUNITY SERVICES, PUBL SAFETY	2 066 610	1 765 067	353 375	1 711 666	1 617 980	93 686	106
Vote 7 - INFRASTRUCTURE, ENG TECHNICAL	265 456 999	264 375 913	18 485 181	182 499 621	242 344 586	- 59 844 965	75
Total Revenue by Vote	448 237 254	408 333 645	28 126 801	351 735 178	374 305 838	- 22 570 660	94

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.

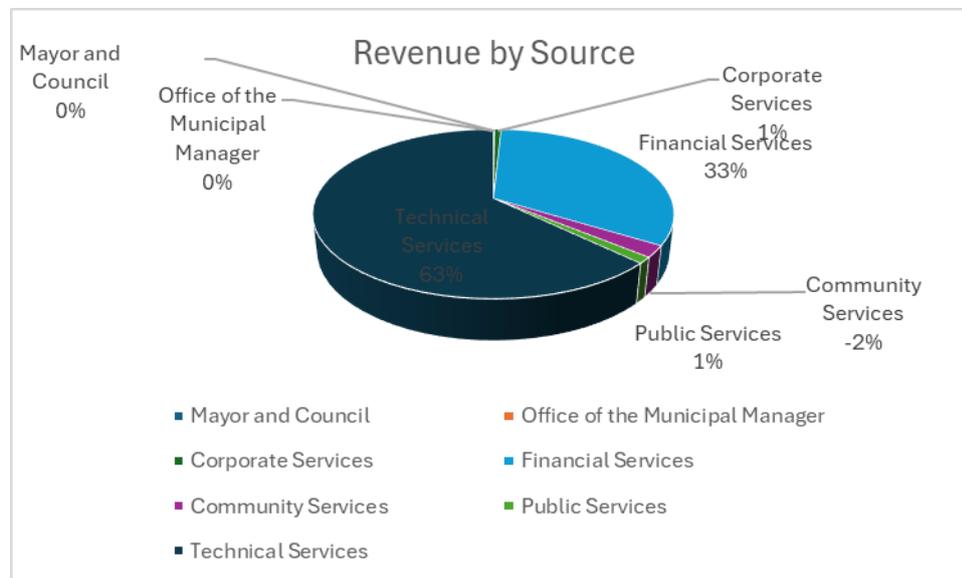
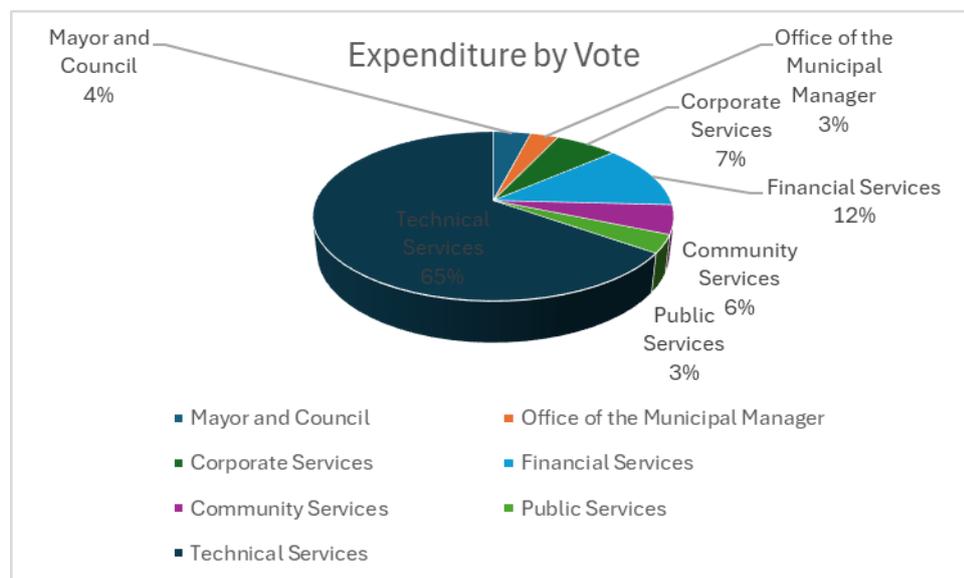


CHART 4

Expenditure by Vote	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Vote 1 - MAYOR and COUNCIL	10 100 816	9 408 068	969 867	8 928 911	8 624 041	304 870	104
Vote 2 - MUNICIPAL MANAGER	14 728 580	6 550 807	723 020	12 175 375	6 004 895	6 170 480	203
Vote 3 - CORPORATE SERVICES	33 853 494	36 859 520	1 604 904	19 325 471	33 787 880	- 14 462 409	57
Vote 4 - FINANCIAL SERVICES	37 437 975	51 382 568	2 952 562	41 369 321	47 100 675	- 5 731 354	88
Vote 5 - COMMUNITY SERVICES, COMM DEV	63 746 744	58 505 341	1 335 574	14 178 197	53 629 867	- 39 451 670	26
Vote 6 - COMMUNITY SERVICES, PUBL SAFETY	11 667 561	9 870 639	833 041	9 251 827	9 048 082	203 745	102
Vote 7 - INFRASTRUCTURE, ENG TECHNICAL	332 588 191	264 377 622	15 793 469	182 094 437	242 346 129	- 60 251 692	75
Total Expenditure by Vote	504 123 361	436 954 565	24 212 437	287 323 539	400 541 569	- 113 218 030	72

The following chart shows the expenditure by vote for 31 May 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

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Multi-Year expenditure appropriation	1									
Vote 1 - EXECUTIVE MAYOR COUNCIL		-	-	-	-	78	-	78	#DIV/0!	-
Vote 2 - MUNICIPAL MANAGER		-	-	550	-	413	504	(92)	-18%	550
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES		-	-	-	-	(5 528)	-	(5 528)	#DIV/0!	-
Vote 5 - COMMUNITY SERVICES: COMM DEV		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY		-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE:ENG TECHNICAL		-	13 599	17 415	265	2 266	15 963	(13 697)	-86%	17 415
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]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4.7	-	13 599	17 965	265	(2 772)	16 468	(19 240)	-117%	17 965
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE MAYOR COUNCIL		-	17 100	6 000	-	2 451	5 500	(3 049)	-55%	6 000
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		-	25 200	24 529	1 070	3 174	22 485	(19 311)	-86%	24 529
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]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	42 300	30 529	1 070	5 625	27 985	(22 360)	-80%	30 529
Total Capital Expenditure		-	55 899	48 494	1 335	2 854	44 453	(41 599)	-94%	48 494
Capital Expenditure - Functional Classification										
Governance and administration			17 100	6 000	-	(5 480)	5 500	(10 980)	-200%	6 000
Executive and council		-	17 100	6 000	-	2 529	5 500	(2 971)	-54%	6 000
Finance and administration		-	-	-	-	(8 009)	-	(8 009)	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety										
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services				550	-	413	504	(92)	-18%	550
Planning and development		-	-	550	-	413	504	(92)	-18%	550
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services			38 799	41 944	1 335	7 921	38 449	(30 527)	-79%	41 944
Energy sources		-	1 600	4 200	-	1 738	3 850	(2 112)	-55%	4 200
Water management		-	600	670	-	614	614	(614)	-100%	670
Waste water management		-	36 599	37 074	1 335	6 183	33 984	(27 801)	-82%	37 074
Waste management		-	-	-	-	-	-	-	-	-
Other										
Total Capital Expenditure - Functional Classification	3	-	55 899	48 494	1 335	2 854	44 453	(41 599)	-94%	48 494
Funded by:										
National Government		-	36 599	36 257	1 335	6 183	33 235	(27 052)	-81%	36 257
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)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	36 599	36 257	1 335	6 183	33 235	(27 052)	-81%	36 257
Borrowing	6	-	-	-	-	78	-	78	#DIV/0!	-
Internally generated funds		-	19 300	12 237	-	4 602	11 218	(6 616)	-59%	12 237
Total Capital Funding		-	55 899	48 494	1 335	10 863	44 453	(33 590)	-76%	48 494

CASH FLOW STATEMENT ON 31 May 2024

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		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		-	61 477	97 512	4 409	1 544	89 386	(87 842)	-98%	97 512
Service charges		-	306 391	241 574	17 055	36 530	221 443	(184 913)	-84%	241 574
Other revenue		-	7 876	-	782	4 828	-	4 828	#DIV/0!	-
Transfers and Subsidies - Operational		-	14 029	-	-	61 533	-	61 533	#DIV/0!	-
Transfers and Subsidies - Capital		-	36 599	-	-	633	-	633	#DIV/0!	-
Interest		-	2 085	4 219	1 851	1 836	3 867	(2 031)	-53%	4 219
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(389 100)	(265 373)	(13 328)	(163 971)	(133 259)	30 712	-23%	(265 373)
Interest		-	(2 703)	(17 225)	-	(1 309)	(15 790)	(14 481)	92%	(17 225)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	36 654	60 706	10 770	(58 376)	165 648	224 023	135%	60 706
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	1 364	125	-	220	1 365	(1 145)	-84%	125
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(55 899)	(47 677)	(1 535)	(4 704)	(43 704)	(38 999)	89%	(47 677)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(54 535)	(47 551)	(1 535)	(4 484)	(42 338)	(37 854)	89%	(47 551)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	705	5 558	-	5 558	#DIV/0!	-
Borrowing long term/refinancing		-	-	-	-	(26 274)	-	(26 274)	#DIV/0!	-
Increase (decrease) in consumer deposits		-	-	-	8 214	90 081	-	90 081	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	8 919	69 365	-	(69 365)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	(17 880)	13 155	18 154	6 505	123 309			13 155
Cash/cash equivalents at beginning:		-	24 517	46 770		22 226	46 770			22 226
Cash/cash equivalents at month/year end:		-	6 637	59 925		28 731	170 079			35 381

Notes on the Cash Flow Statement

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

Balance in condition grants also includes a loan that was transferred to the interest-bearing account and incorrectly shows under operational grants.

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

Nama Khoi Municipality (NC062)
Bank Reconciliation Report

CashBook : - NEDBANK 2023/2024

Processing Month :11

Statement Date :6/13/2024 12:00:00
AM

Reconciliation Summary

Cashbook Opening Balance	3,977,932.37
Payments for Period	--28,252,114.42
Receipts for Period	26,003,212.24
Item/Cashbook	1,729,030.19
<hr/>	
Uncleared Payments	0.00
Uncleared Receipts	-516,952.05
	-10,459.78
Unknown Items	
Sub Total	1,201,618.36
<hr/>	
Statement Balance	-1,201,618.36
Difference	0.00

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 31 May 2024.

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

Debtors Age Analysis By Income Source May 2024						
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
Debtors Age Analysis By Income Source						
Water	9 565 762	2 803 804	2 637 527	2 733 723	103 730 553	121 471 369
Electricity	15 539 365	1 451 919	1 026 040	919 620	85 976 175	104 913 119
Property Rates	6 420 402	1 625 460	1 432 250	1 331 265	73 481 284	84 290 661
Waste Water Management	2 340 478	663 192	597 110	564 616	24 995 677	29 161 073
Waste Management	3 294 906	1 070 463	984 973	936 521	51 301 209	57 588 072
Receivables from Exchange Transactions - Property Rental Debtors	45 200	10 891	10 925	10 111	360 433	437 560
Other	125 250	21 841	145 297	143 135	9 803 511	10 239 034
Total By Income Source	37 331 363	7 647 570	6 834 122	6 638 991	349 648 842	408 100 888
Debtors Age Analysis By Customer Group						
Organs of State	2 194 049	694 554	394 294	269 566	9 340 061	12 892 524
Commercial	17 467 445	1 697 241	1 428 144	1 335 120	101 469 572	123 397 522
Households	17 669 127	5 255 775	5 011 684	5 034 305	238 839 209	271 810 100
Other	742	-	-	-	-	742
Total By Customer Group	37 331 363	7 647 570	6 834 122	6 638 991	349 648 842	408 100 888

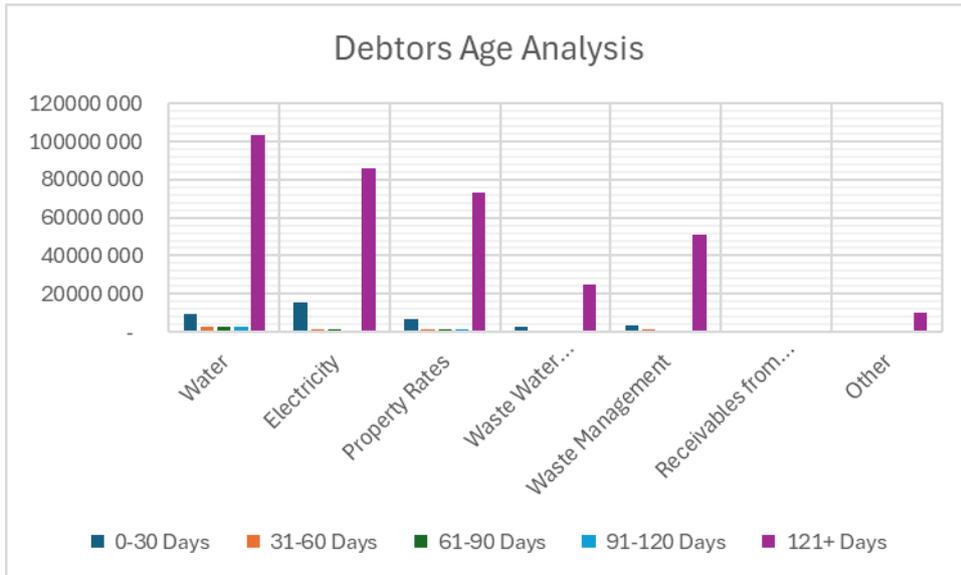
The debtor's outstanding for more than 121 days amounts to R349 648 842

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 in an attempt to control the municipal outstanding accounts and also to collect monies before the service is delivered.

Chart 8 – Debtors per revenue source

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
Debtors Age Analysis By Income Source						
Water	9 565 762	2 803 804	2 637 527	2 733 723	103 730 553	121 471 369
Electricity	15 539 365	1 451 919	1 026 040	919 620	85 976 175	104 913 119
Property Rates	6 420 402	1 625 460	1 432 250	1 331 265	73 481 284	84 290 661
Waste Water Management	2 340 478	663 192	597 110	564 616	24 995 677	29 161 073
Waste Management	3 294 906	1 070 463	984 973	936 521	51 301 209	57 588 072
Receivables from Exchange Transactions - Property Rental Debtors	45 200	10 891	10 925	10 111	360 433	437 560
Other	125 250	21 841	145 297	143 135	9 803 511	10 239 034
Total By Income Source	37 331 363	7 647 570	6 834 122	6 638 991	349 648 842	408 100 888

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

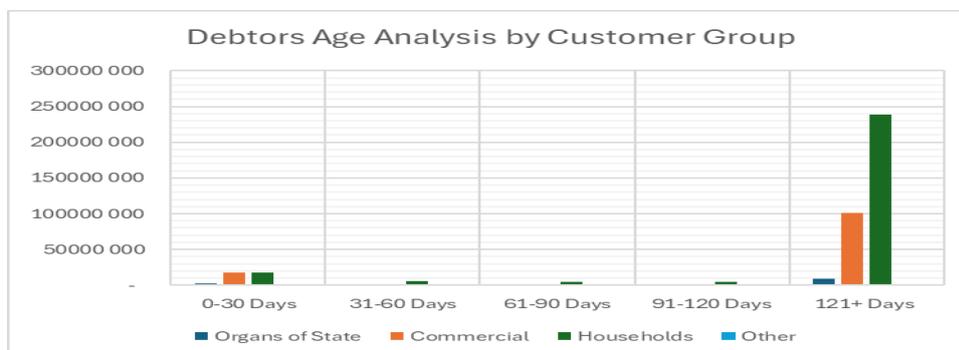


Debtor Age Analysis by Category

Debtors Age Analysis By Customer Group	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
Organs of State	2 194 049	694 554	394 294	269 566	9 340 061	12 892 524
Commercial	17 467 445	1 697 241	1 428 144	1 335 120	101 469 572	123 397 522
Households	17 669 127	5 255 775	5 011 684	5 034 305	238 839 209	271 810 100
Other	742	-	-	-	-	742
Total By Customer Group	37 331 363	7 647 570	6 834 122	6 638 991	349 648 842	408 100 888

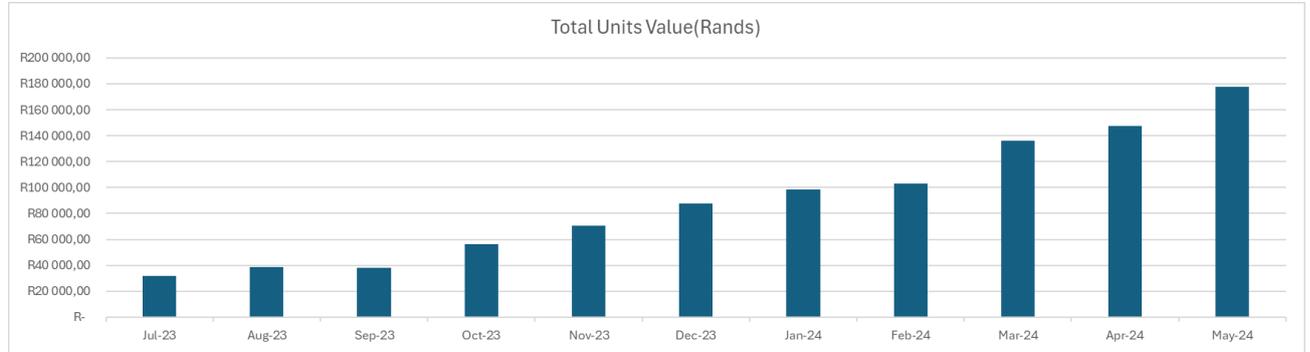
CHART 9

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

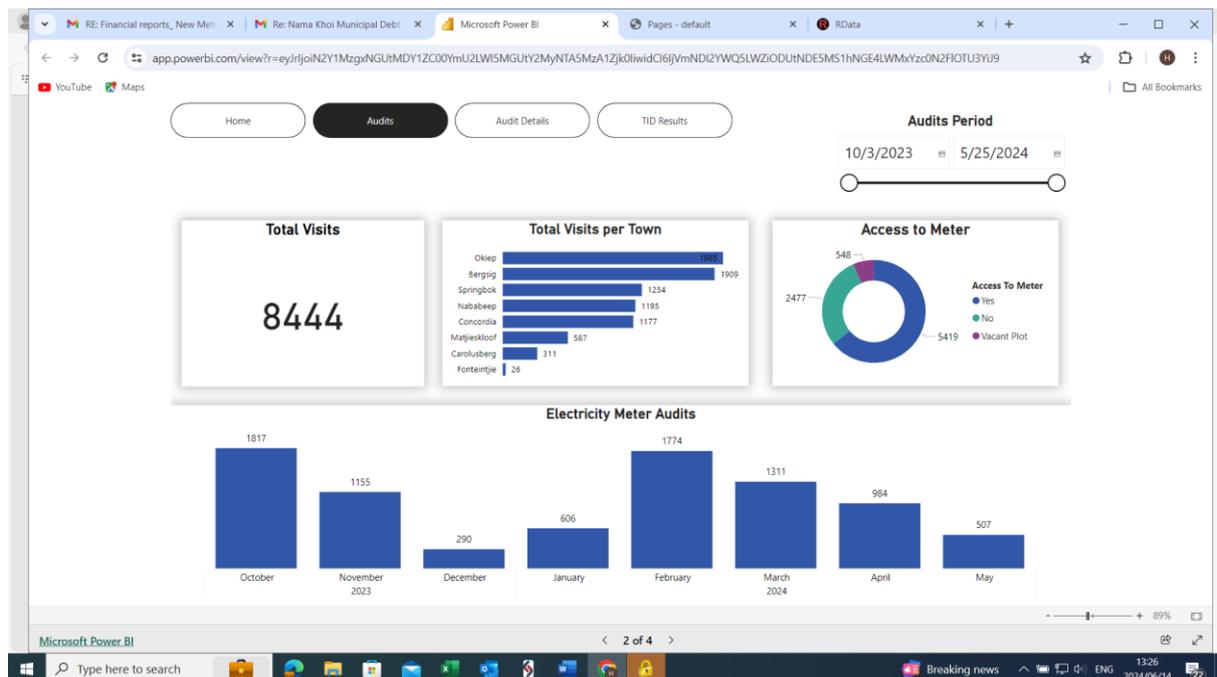
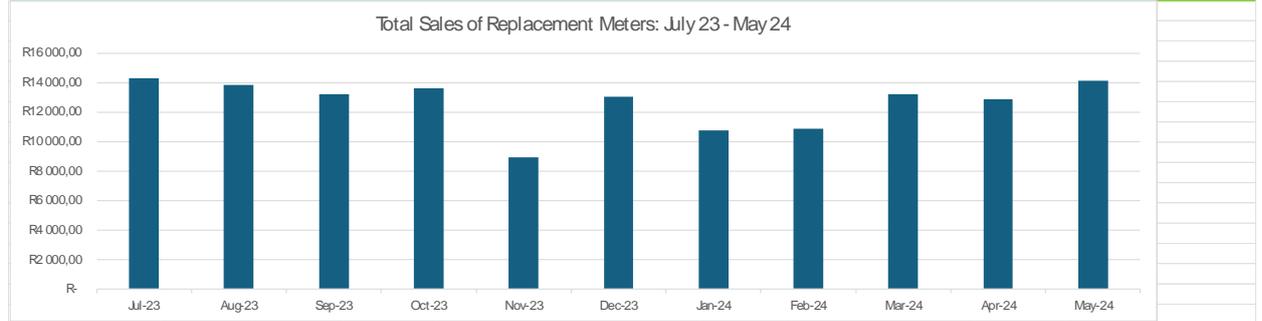


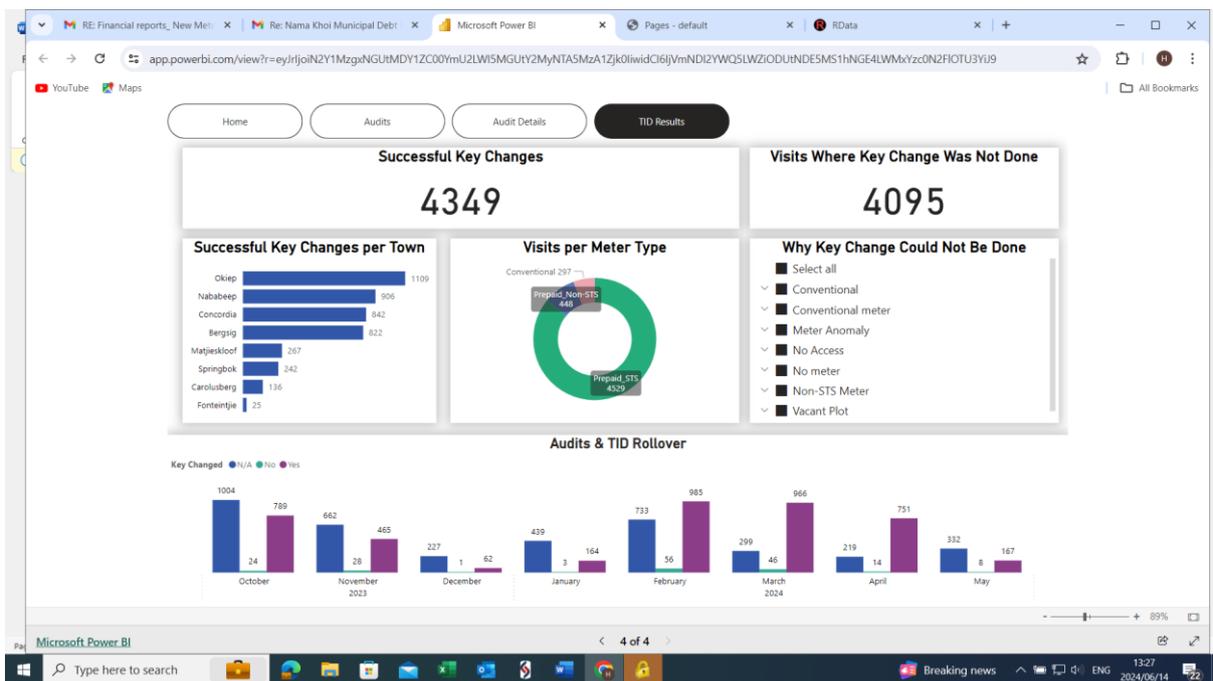
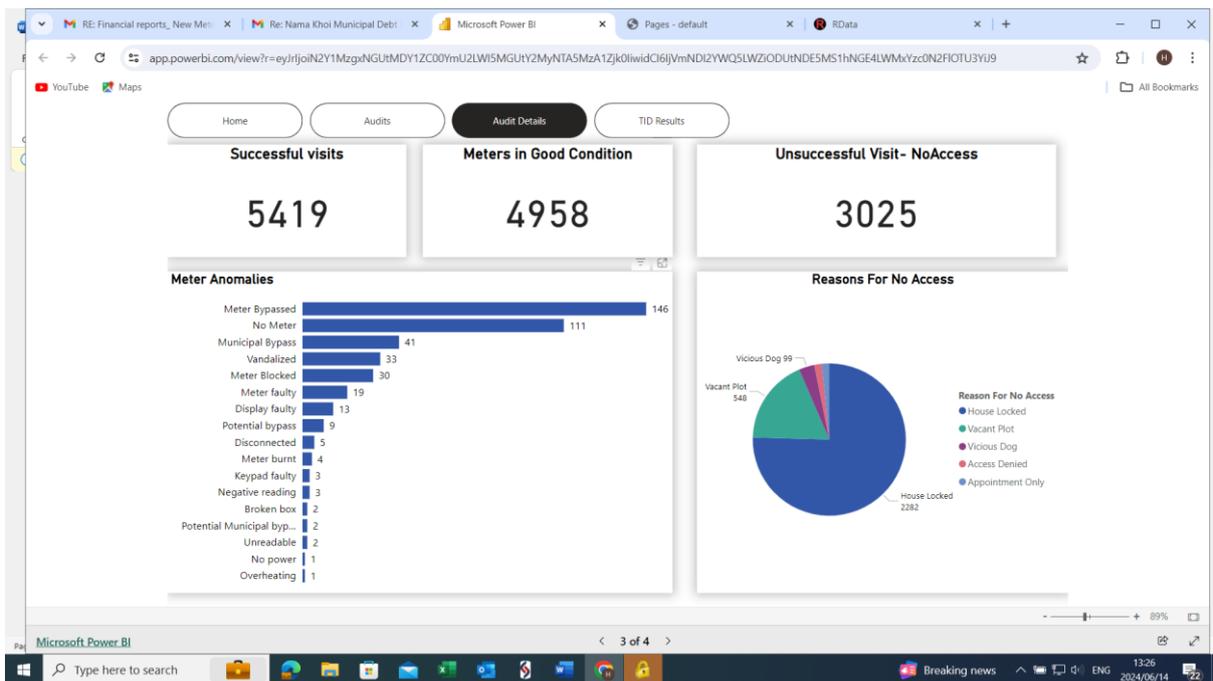
Revenue Enhancement Initiatives/Progress

Transaction Month	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Total
Total Units Value(Rands)	R31 707,00	R38 405,00	R38 068,00	R56 476,00	R70 525,00	R87 749,00	R98 539,00	R102 828,00	R136 134,00	R147 290,00	R177 399,40	R985 120,40



Transaction Month	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Total
Total Value(Vat.Incl)	R14 271,00	R13 825,00	R13 193,00	R13 604,00	R8 950,00	R13 028,00	R10 776,00	R10 862,00	R13 187,00	R12 848,00	R14 128,00	R138 672,00





Notes on the information above

The municipality started a Revenue Enhancement Programme which includes different initiatives, it includes the replacement of faulty meters, bulk meters for accuracy of bulk accounts, and also TID rollover.

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 31 May 2024.

Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May						
Description	Budget Year 2023/24					
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121+ Days	Total
Creditors Age Analysis By Customer Type						
Bulk Electricity	-	11 420 228	10 991 959	215 556 385	-	237 968 572
Bulk Water	-	-	-	221 333 471	4 403 663	225 737 134
Trade Creditors	3 580 201	524 578	5 911 803	351 478	3 565 076	13 933 135
Auditor General	-	-	-	2 389 173	-	2 389 173
Other	62 182	18 457	1 437	-	-	82 076
Total By Customer Type	3 642 383	11 963 262	16 905 199	439 630 507	7 968 738	480 110 090

Creditors Analysis

Please note creditors' report is subject to correction

From the creditors' age analysis, the municipality has two main creditors: ESKOM and Sedibeng.

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 a National Dispute with Sedibeng Water now Central Vaal Water

Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May							
Summary of Employee and Councillor remuneration	Budget Year 2023/24		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
	Original Budget	Adjusted Budget					
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages	5 648 146	6 129 003	491 247	5 646 805	5 618 251	28 554	101
Medical Aid Contributions	-	1	7 916	19 224	-	19 224	
Motor Vehicle Allowance	-	1	8 068	16 136	-	16 136	
Cellphone Allowance	693 600	724 202	61 200	714 000	663 850	50 150	108
Other benefits and allowances	417 229	448 843	33 159	411 882	411 439	443	100
Sub Total - Councillors	6 758 975	7 302 050	601 590	6 808 047	6 693 540	114 507	102
Senior Managers of the Municipality							
Basic Salaries and Wages	3 530 398	843 050	125 957	2 557 667	772 796	1 784 871	331
Pension and UIF Contributions	10 855	156 000	354	4 074	143 000	- 138 926	3
Performance Bonus	443 740	-	-	199 137	-	199 137	
Motor Vehicle Allowance	1 546 588	145 223	25 765	343 409	133 121	210 288	258
Cellphone Allowance	80 864	22 721	2 638	29 017	20 827	8 190	139
Housing Allowances	190 770	12 797	11 809	129 904	11 731	118 173	1 107
Other benefits and allowances	664	630 127	23	250	577 616	- 577 366	0
Long service awards	35 835	501 000	-	-	459 250	- 459 250	-
Scarcity	-	-	16 353	179 885	-		
Sub Total - Senior Managers of Municipality	5 839 714	2 310 920	182 899	3 443 343	2 118 341	1 325 002	163
Other Municipal Staff							
Basic Salaries and Wages	61 062 509	58 476 866	5 006 088	54 552 093	53 603 784	948 309	102
Pension and UIF Contributions	9 700 260	8 672 837	729 135	8 489 923	7 950 084	539 839	107
Medical Aid Contributions	4 328 448	3 167 518	334 505	3 468 522	2 903 552	564 970	119
Overtime	6 962 609	7 476 116	758 720	7 787 043	6 853 104	933 939	114
Performance Bonus	4 621 059	4 732 177	460 505	4 329 617	4 337 823	- 8 206	100
Motor Vehicle Allowance	3 109 403	1 316 535	394 126	1 549 801	1 206 817	342 984	128
Cellphone Allowance	213 156	207 844	15 562	183 343	190 520	- 7 177	96
Housing Allowances	1 045 372	878 254	54 887	702 763	805 061	- 102 298	87
Other benefits and allowances	3 297 030	3 245 106	202 618	2 680 633	2 974 660	- 294 027	90
Payments in lieu of leave	1 377 783	2 645 498	12 210	2 141 517	2 425 037	- 283 520	88
Long service awards	307 084	287 134	10 115	239 996	263 206	- 23 210	91
Post-retirement benefit obligations	-	814 000	-	-	746 167	- 746 167	-
Acting and post related allowance	1 102 427	572 371	52 952	512 571	524 670	- 12 099	98
Sub Total - Other Municipal Staff	97 127 140	92 492 256	8 031 423	86 637 822	84 784 485	1 853 337	102
Total Parent Municipality	109 725 829	102 105 226	8 815 912	96 889 212	93 596 366	3 292 846	104
Total Employee Cost	115 565 543	104 416 146	8 998 811	100 332 555	95 714 707		
Expenditure	504 123 361	436 954 565	24 212 436	287 323 540	400 541 569		
Revenue	411 638 254	372 077 066	27 822 237	345 854 534	341 070 641		
% Employee Cost to Expenditure	23	24	37	35	24		
% Employee Cost to Revenue	28	28	32	29	28		

Employee-related cost to total expenditure – Please note employee cost against expenditure amounts to 3

National Treasury	Municipal Details
Municipal Debt Relief MFMA Circular No. 124 Municipal Finance Management Act No. 56 of 2003	No.Of Wards 6

Collection Rate Assessment					
Aggregate Collection	Summary - Quarter 4				Q1
	Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	23 451 459	19 234 031	4 217 428	82%	82%
2.Collection <u>excl Eskom supplied areas</u>	20 687 973	17 910 861	2 777 113	87%	87%
3.Collection: Property Rates	3 763 868	5 127 161	(1 363 293)	136%	136%
4.Total average collection: Electricity (Municipal supplied areas)	10 522 001	8 308 544	2 213 456	79%	79%
5.Total average collection: Water	5 281 152	3 424 026	1 857 126	65%	65%
6.Total average collection: Wastewater	1 701 871	1 235 632	466 239	73%	73%
7.Total average collection: Refuse	2 182 568	1 138 668	1 043 900	52%	52%



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					Part E			Scoring and Rating																		
			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					Maximization of Revenue Base					Oversight																
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	Rating			
1.July	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	71%	Moderate compliance		
2.August	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	73%	Moderate compliance		
3.September	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	73%	Moderate compliance		
4.October	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	73%	Moderate compliance		
5.November	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	N/A	No	No	Yes	Yes	No	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	83%	Above Moderate											
6.December	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	N/A	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	83%	Above Moderate											
7.January	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	N/A	No	No	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	76%	Moderate compliance										
8.February	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	N/A	No	No	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	76%	Moderate compliance										
9.March	Nama Khoi	NC062	No	No	No	Yes	Yes	Yes	No	No	No	No	No	N/A	No	No	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	68%	Moderate compliance										
10.April	Nama Khoi	NC062	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	83%	Above Moderate	
11.May	Nama Khoi	NC062	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	83%	Above Moderate	
12.June	Nama Khoi	NC062																																											0%	Not completed		

Comments/Motivation

HOD Name: _____

Signature of HOD: _____

Date: _____

** Note – if the official is signing on behalf of the Head of the Provincial Treasury (HOD), the written procurement of the HOD must be attached as an Annexure to this Certificate of Compliance.

Interest on Call Accounts report

NAMA KHOI LOCAL MUNICIPALITY Financial Year: 2023/2024 Consolidated Report on Various Deposits Period: YTD ended 31 May 2024 Nedbank: Various Own Funding Accounts					
Description	Loan (Fleet)	Equitable Share	Car Allowance	Interest	Total
<i>Opening Balance 01 July 2023</i>	17 725 632,85	0,00	0,00	7 056 921,29	24 782 554,14
Security Against Loan Balance : 01 July 2023	17 725 632,85			5 000 000,00 2 056 921,29	5 000 000,00 19 782 554,14
<i>Receipts</i>	13 041 234,68	26 421 000,00	1 699 967,12	9 901 380,04	50 415 922,37
Deposits July		26 421 000,00		410 041,16	26 831 041,16
Deposits August			553 327,12		553 327,12
Deposits September				357 158,91	357 158,91
Deposits September				1 638 577,50	1 638 577,50
Deposits September				320 904,90	320 904,90
Deposits October			276 663,56	345 215,62	621 879,18
Deposits November				319 137,61	319 137,61
Deposits December	6 000 000,00			327 671,54	6 327 671,54
Deposits December				419 075,38	419 075,38
Deposits December				261 748,39	261 748,39
				5 500 000,00	5 500 000,00
Deposits March			869 976,44		869 976,44
Deposits March	7 041 234,68				7 041 234,68
					0,00
Deposit April				-322 905,22	-322 905,22
Deposit May				324 754,25	-322 905,22
					0,00
<i>Withdrawal</i>	-15 803 743,69	-26 421 000,00	-1 697 966,40	-11 141 138,24	-54 115 863,33
Monthly operational needs		-9 000 000,00			-9 000 000,00
Monthly operational needs		-11 101 536,00		0,00	-11 101 536,00
Monthly operational needs		-4 445 055,91			-4 445 055,91
Monthly operational needs	-2 762 509,01			-188 670,74	-2 951 179,75
Monthly operational needs					0,00
Monthly operational needs		-1 874 408,09		-452 467,50	-2 326 875,59
Monthly operational needs	-6 000 000,00				-6 000 000,00
Monthly operational needs				-5 000 000,00	-5 000 000,00
Monthly operational needs			-300 000,00		-300 000,00
Monthly operational needs				-500 000,00	-500 000,00
Monthly operational needs	-6 774 986,68				-6 774 986,68
Monthly operational needs				-5 000 000,00	-5 000 000,00
Monthly operational needs			-449 981,40		-449 981,40
Monthly operational needs	-266 248,00				-266 248,00
Monthly operational needs			-947 985,00		
<i>Closing Balance: 31 May 2024</i>	14 963 123,84	0,00	2 000,72	5 817 163,09	21 082 613,18

Notes

All funds used for operational needs from the fleet account were deposited back.

Car Allowance to employees was restored and the amount in the account was deposited to the Primary account

It must be noted that the interest account is used to service the meter replacement as well as the TID rollover process.

VAT Report

NAMA KHOI MUNICIPALITY VAT 201 VAT REG. 4890198585 VAT CATEGORY: C ACCOUNTING BASE : PAYMENT BASE VAT RECONCILIATION Financial Year : 2023/2024 PERIOD : May 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		VAT Value	Control
	1	VAT JUL		14 568 868,46	1 900 287,19	30 332 514,86	2 793 564,72		1 900 287,19	
	2	VAT AUGUST		20 537 357,57	2 678 785,77	10 366 712,19	2 625 132,07		2 678 785,77	
	3	VAT SEPTEMBER		15 723 634,44	2 050 908,84	9 608 805,88	2 601 669,68		2 050 908,84	
	4	VAT OCT		17 622 316,49	2 298 563,02	13 744 864,19	2 696 741,08		2 298 563,02	
	5	VAT NOV		18 188 154,97	2 372 368,04	5 904 301,25	2 596 340,07		2 372 368,04	
	6	VAT DEC		14 792 809,64	1 929 496,91	20 021 577,88	2 332 514,65		1 929 496,91	
	7	VAT JAN		16 512 495,95	2 153 803,82	3 717 445,21	2 974 211,34		2 153 803,82	
	8	VAT FEB		15 788 266,59	2 059 339,12	4 188 039,61	2 641 390,43		2 059 339,12	
	9	VAT MARCH		10 347 770,69	1 349 709,22	24 907 500,00			1 349 709,22	
	11	VAT MAY		11 104 564,68	1 448 421,48	2 159 578,72	494 266,50		1 448 421,48	
Total Amount			R -	R 155 186 239,48	R 20 241 683,41	R 124 951 339,79	R 21 755 830,54	R -	R 20 241 683,41	
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 (-)
	1	VAT JUL			14 060 119,06	1 833 928,57			1 833 928,57	66 358,62
	2	VAT AUGUST			31 453 886,48	4 102 680,84			4 102 680,84	-1 423 895,07
	3	VAT SEPTEMBER			9 323 552,49	1 216 115,54			1 216 115,54	834 793,30
	4	VAT OCT	0,00	0,00	15 631 362,73	2 038 873,40			2 038 873,40	259 689,62
	5	VAT NOV	2 197 831,87	286 673,72	18 719 758,66	2 441 707,65			2 728 381,37	-356 013,33
	6	VAT DEC	655 297,03	85 473,53	14 817 335,02	1 932 695,87			2 018 169,40	-88 672,49
	7	VAT JAN			21 624 425,08	2 820 577,18			2 820 577,18	-666 773,36
	8	VAT FEB	1 966 124,45	256 451,02	15 250 911,98	1 989 249,39			2 245 700,40	-186 361,28
	9	VAT MARCH	2 301 678,77	300 218,97	12 903 844,18	1 683 110,11			1 983 329,08	-633 619,86
	11	VAT MAY	2 068 625,67	269 820,74	14 060 277,66	1 833 949,26			2 103 770,00	-655 348,52
Total Amount			R 4 819 253,35	R 628 598,26	R 140 881 351,50	R 18 375 828,46	R -	R -	R 23 091 525,80	-R 1 560 874,01
VAT Reconciliation										
OPENING BALANCE 01/07/23										210 284,92
TOTAL OUTPUT TAX										-20 241 683,41
TOTAL INPUT TAX										23 091 525,80
REFUNDS :DURING THE YEAR										-4 220 968,84
PAYMENTS DURING THE YEAR										1 160 841,53
VAT PAYABLE/ REFUNDABLE										0,00
CLOSING BALANCE 31/05/24										-0,00

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 improve on:

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

Distribution of correct consumer accounts and also timelously correction of errors should it occur.

Updated and verified indigent register.

Replacement of faulty meters needs to fast track.

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

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 improve on:

Cost containment measures and controls must be adhere to.

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

Should get a balance between technology and manual labour.

Must ensure that 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 with some reports that differ from the reports in Promun 2.

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.

The municipality requires assistance with the Property Rates recon

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.

Cost Containment from March to May will be submitted in due Course.

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,, 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 31May 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

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 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.

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