



Nama Khoi **LOCAL** **Municipality**

MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

2025/2026 – 2027/2028

DRAFT

NAMA KHOI MUNICIPALITY: NC062

27 MARCH 2025

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.

LEGISLATIVE REQUIREMENT

16. Annual budgets. —(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

18. Funding of expenditure. — (1) An annual budget may only be funded from—

(a) realistically anticipated revenues to be collected.

(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and

(c) borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, considering—

(a) projected revenue for the current year based on collection levels to date; and

(b) actual revenue collected in previous financial years.

22. Publication of annual budgets. —Immediately after an annual budget is tabled in a municipal council, the accounting officer of the municipality must—

(a) in accordance with Chapter 4 of the Municipal Systems Act—

(i) make public the annual budget and the documents referred to in section 17 (3); and

(ii) invite the local community to submit representations in connection with the budget; and

(b) submit the annual budget—

(i) in both printed and electronic formats to the National Treasury and the relevant provincial treasury; and

(ii) in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.

Key Principles and Objectives that is link to the Municipal Budget

- **Municipal Structures Act (Act No. 117 of 1998):**

This act forms the basis for the structure and operations of municipalities, emphasizing cooperation between district and local municipalities.

- **Cooperative Governance:**

Municipalities are expected to cooperate with each other, and with other levels of government, to achieve shared goals.

- **Integrated Development Planning (IDP):**

Municipalities must develop and implement IDPs to guide their development and service delivery.

- **Performance Management:**

Municipalities are required to have performance management systems to monitor and evaluate their performance.

- **Community Engagement:**

Municipalities must enable community participation in municipal processes, including IDP, performance management, and budget processes.

- **Local Economic Development (LED):**

Municipalities play a crucial role in promoting local economic development, supporting local businesses, and creating jobs.

- **Financial Management:**

Municipalities must manage their finances responsibly, ensuring that expenditure is developmental, effective, and efficient.

- **Risk Management:**

Municipalities must have a risk management framework to identify, assess, and manage risks

Summary of Draft Budget

We budget for total revenue of R527,919,493 and expenditure of 558,982,035, which leaves us with a **DEFICIT** of R-31,062,54; expenditure includes non-items such as depreciation and debt impairment; furthermore, Capital Expenditure amounts to R49,501,748

The tariff increases are as follows:

✓ Property Rates	4.4 percent
✓ Electricity	12.7 percent
✓ Water	4.4 percent
✓ Wastewater Management	4.4 percent
✓ Refuse Removal	4.4 percent

The municipality appointed Rural Maintenance as a Revenue Enhancement partner, and they conducted a Cost of Supply Study; the results have shown that the municipality must consider a new application of tariffs.

The municipality will apply for a new tariff structure and the electricity increases will vary from customer group, the municipality intention is to lower the electricity purchases for indigent and low-income households will offering different options for larger users, the municipality will apply for time of use tariffs as well as green energy initiatives for users that has installed solar energy. The municipality was successful with the first ESKOM Debt Write-off and will continue to adhere to the legislative requirements.

Property Rates - The municipality has appointed a consultant to conduct a study into the structure and tariffs; the municipality will most likely have no increase in property rates and might propose a decrease with the Final Budget.

Water – The municipality has proposed an increase in line with the Budget Circular; however, there might be no increase in the tariffs. A change in tariff structure will be introduced with the intention to charge the indigent and other low-income users at a lower cost.

Wastewater Management and Removal will only be increased with the proposed increase as per the Budget Circular.

Expenditure – The municipality, through the Rural Maintenance Revenue Enhancement Programme, intends to lower expenditure for bulk purchases by installing check meters and replacing faulty meters, applying for the consolidation of meters to lower interest and penalties to ESKOM.

Capital Expenditure – The municipality intends to fund several smaller ward-based projects through interest generated from grants and other municipal sources.

Debtors – The municipality wants to assist the Community with write-offs and want to ensure that they can maintain their accounts, this will be done with the installation of pre-paid meters.

Creditors – The municipality intends to enter the Water Incentive Scheme which will result in the municipality debt be written off over a three-year period. The municipality are already on the ESKOM Debt Write-Off programme.

The following subsidies are gazette for Nama Khoi Municipality:

	2025/2026	2026/2027	2027/2028
Equitable share	70 976 000.00	74 211 000.00	77 546 000.00
MIG	12 696 000.00	18 017 000.00	18 657 000.00
INEP	-	1 312 000.00	1 371 000.00
WSIG	10 000 000.00	20 000 000.00	26 250 000.00
EPWP	1 601 000.00	-	-
FMG	3 000 000.00	3 000 000.00	3 100 000.00
Library Grant	1 655 000.00	1 780 000.00	1 780 000.00
	99 928 000.00	118 320 000.00	128 704 000.00

1. Capital Expenditure:
 - a) Sewerage network: Okiep Rocky Ridge
 - b) Upgrading of Nababeep Wastewater Treatment Work
 - c) Construct new drift at Buffelsrivier
 - d) Demolish and reconstruct culvert bridge at Kleinzee
 - e) Madeliefie Street: Construct new culvert crossing including road layer works at Bergsig
 - f) Drift to Buffelsrivier: Reinstate River crossing to engineering standards at Buffelsrivier

Operating Revenue Framework

In municipalities, the operating revenue framework involves generating income through sources like property rates, service charges, and intergovernmental transfers, with the goal of funding day-to-day operations and essential services.

Here's a more detailed breakdown:

1. Key Revenue Sources:

Property Rates: Taxes levied on property values are a significant source of revenue.

Service Charges: Fees for services like electricity, water, sanitation, and waste management contribute significantly.

Intergovernmental Transfers: Funding from national and provincial governments is crucial for supporting municipal operations.

Licenses and Fees: Revenue generated from various licenses and fees, such as business licenses and parking fees, also contribute.

Other Revenue: This includes income from advertising, fines, and interest on investments.

The following table is a summary of the 2025/26 MTREF (classified by main revenue source):

Table 2: Summary of Revenue Classified by main revenue source

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	120,611	141,221	141,221	141,221	159,927	186,121	216,679
Service charges - Water	2	-	-	-	57,879	58,676	58,676	58,676	61,257	64,014	65,614
Service charges - Waste Water Management	2	-	-	-	21,429	21,648	21,648	21,648	22,600	23,617	24,208
Service charges - Waste Management	2	-	-	-	25,847	25,847	25,847	25,847	26,984	28,199	28,904
Sale of Goods and Rendering of Services					3,922	4,204	4,204	4,204	4,389	4,587	4,701
Agency services					94	94	94	94	98	-	-
Interest					-	-	-	-	-	-	-
Interest earned from Receivables					22,299	22,299	22,299	22,299	23,281	24,328	24,936
Interest earned from Current and Non Current Assets					4,425	16,219	16,219	16,219	16,933	17,695	18,137
Dividends					-	-	-	-	-	-	-
Rent on Land					1,253	1,253	1,253	1,253	1,308	1,367	1,401
Rental from Fixed Assets					3,399	3,399	3,399	3,399	3,549	3,708	3,801
Licence and permits					1,664	3,854	3,854	3,854	4,024	4,205	4,310
Special rating levies					-	-	-	-	-	-	-
Operational Revenue					408	553	553	553	577	603	618
Non-Exchange Revenue	2	-	-	-	57,427	57,427	57,427	57,427	59,953	62,651	64,217
Property rates					-	-	-	-	-	-	-
Surcharges and Taxes					603	608	608	608	635	663	680
Fines, penalties and forfeits					-	-	-	-	-	-	-
Licences or permits					-	-	-	-	-	-	-
Transfer and subsidies - Operational					73,321	339,364	339,364	339,364	77,232	78,991	82,426
Interest					4,392	4,392	4,392	4,392	4,585	4,792	4,911
Fuel Levy					-	-	-	-	-	-	-
Operational Revenue					-	-	-	-	-	-	-
Gains on disposal of Assets					-	-	-	-	-	-	-
Other Gains					60,588	60,588	60,588	60,588	60,588	60,588	60,588
Discontinued Operations					-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	459,561	761,644	761,644	761,644	527,919	566,128	606,132

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as the inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise more than half of the total revenue mix. In the 2025/26 financial year, revenue from rates amounted to R59 953 295 this is only an increase as per the Budget Circular; services charges amounted to R 270,768,623 the increase is more in line with an improvement in electricity billing as result of replaced meters and the funds received from grants total R 77,232,000.

The municipality foresees growth in the electricity and water services because of the Rural Maintenance Revenue Enhancement Initiatives; interest from grants and other municipal sources

will assist the municipality in generating funds to implement smaller ward-based projects as identified through the community participation and strategic planning sessions.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

NC062 Nama Khoi - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	3 100	3 000	3 000	3 000	3 000	3 000	3 100
Local Government Financial Management Grant		-	-	3 100	3 000	3 000	3 000	3 000	3 000	3 100
Other transfers/grants [insert description]										
Provincial Government:		-	-	783	1 635	1 635	1 635	3 256	1 780	1 780
Specify (Add grant description)		-	-	-	-	-	-	1 601	-	-
Specify (Add grant description)		-	-	783	1 635	1 635	1 635	1 655	1 780	1 780
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	-	-	3 883	4 635	4 635	4 635	6 256	4 780	4 880
Capital Transfers and Grants										
National Government:		-	-	20 272	26 322	36 322	36 322	22 696	39 329	50 278
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	4 000
Integrated National Electrification Programme Grant		-	-	-	-	-	-	-	1 312	1 371
Municipal Infrastructure Grant		-	-	10 272	16 322	16 322	16 322	12 696	18 017	18 657
Water Services Infrastructure Grant		-	-	10 000	10 000	20 000	20 000	10 000	20 000	26 250
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	-	-	20 272	26 322	36 322	36 322	22 696	39 329	50 278
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	24 155	30 957	40 957	40 957	28 952	44 109	55 158

Operating Expenditure Framework

Expenditure Priorities:

Employee-Related Costs:

A significant portion of municipal budgets is allocated to salaries and wages of municipal employees, this is as result of the municipality being service delivery driven, and much of the services to be delivered is human capital driven.

Bulk Purchases:

Costs associated with procuring essential goods and services, such as water, electricity, and refuse removal, are also significant.

Repairs and Maintenance:

Maintaining infrastructure and municipal assets requires substantial funding.

Other Expenditure:

This includes costs for general administration, social services, and other operational needs.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per the main type of operating expenditure):

Description	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure							
Employee related costs	105,612,784	114,509,103	114,509,103	114,509,103	118,566,520	123,309,169	128,241,537
Remuneration of councillors	7,282,094	7,661,429	7,661,429	7,661,429	8,044,502	8,607,616	9,210,147
Bulk purchases - electricity	125,880,000	135,000,000	135,000,000	135,000,000	152,145,000	176,031,765	203,668,752
Inventory consumed	50,096,000	50,221,000	50,221,000	50,221,000	52,740,724	55,114,058	56,491,910
Debt impairment	22,200,000	39,000,000	39,000,000	39,000,000	42,900,000	47,190,000	51,909,000
Depreciation and amortisation	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567	72,391,567
Interest	17,225,338	19,782,776	19,782,776	19,782,776	20,653,218	21,582,613	22,122,178
Contracted services	22,215,720	41,359,512	41,359,512	41,359,512	43,179,332	45,122,398	46,250,456
Transfers and subsidies	-	-	-	-	-	-	-
Irrecoverable debts written off	1,000,000	1,000,000	1,000,000	1,000,000	1,100,000	1,210,000	1,331,000
Operational costs	27,434,094	35,545,129	35,545,129	35,545,129	37,109,111	38,779,017	39,748,496
Losses on disposal of Assets	-	-	-	-	-	-	-
Other Losses	3,420,552	9,724,196	9,724,196	9,724,196	10,152,061	10,608,904	10,874,127
Total Expenditure	454,758,149	526,194,712	526,194,712	526,194,712	558,982,035	599,947,107	642,239,170

The budgeted allocation for employee-related costs for the 2025/2026-year totals R 118,566,520 which equals 21 percent of the total operating expenditure or 27 percent if non-cash items is deducted. The municipality made provision for the 4% increase compared to the previous financial year but will adjust employee cost accordingly with the Final Budget in line with the Budget Circular as well as the approved legislative approved wage agreements.

The cost associated with the Remuneration of Councillors was adjusted by 5% compared to the previous financial year however, the municipality will adjust the Remuneration of Councillors in line with the necessary approved Upper Limits as per the Government Gazette.

The provision of debt impairment was determined based on an annual collection rate of 90 % percent and the Debt Write-off Policy of the municipality.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for measuring the rate of asset consumption. Note that the implementation of the GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital) and the interest for the rehabilitation of landfill sites and GRAP compliance in connection with long service and post-retirement, as well as the penalties the municipalities incurred for the exceedance of the notified maximum demand. It must be noted that the expenditure in this regard might be significantly less when the Final Budget is tabled.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Inventory Consumed comprises amongst others the purchase of Water, materials for maintenance, cleaning materials, and chemicals. In line with the municipality repairs and maintenance plan, this group of expenditures has been prioritized to ensure the sustainability of the municipality's infrastructure.

Operational Costs comprise various line items relating to the daily operations of the municipality. This group of expenditures has also been identified as an area in which cost savings and efficiencies can be achieved.

1. Annual Budget Tables

Annual Budget Tables - Parent Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2020/21 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipalities budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by the Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position, and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget.
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget

Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing in the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget

NC062 Nama Khoi - Table A1 Budget Summary										
Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousands										
Financial Performance										
Property rates	-	-	-	57,427	57,427	57,427	57,427	59,953	62,651	64,217
Service charges	-	-	-	225,766	247,391	247,391	247,391	270,769	301,951	335,405
Investment revenue	-	-	-	4,425	16,219	16,219	16,219	16,933	17,695	18,137
Transfer and subsidies - Operational	-	-	-	73,321	339,364	339,364	339,364	77,232	78,991	82,426
Other own revenue	-	-	-	98,623	101,244	101,244	101,244	103,033	104,841	105,941
Total Revenue (excluding capital transfers and contributions)	-	-	-	459,561	761,644	761,644	761,644	527,919	566,128	606,132
Employee costs	-	-	-	105,613	114,509	114,509	114,509	118,567	123,309	128,242
Remuneration of councillors	-	-	-	7,282	7,661	7,661	7,661	8,045	8,608	9,210
Depreciation and amortisation	-	-	-	72,392	72,392	72,392	72,392	72,392	72,392	72,392
Interest	-	-	-	17,225	19,783	19,783	19,783	20,653	21,583	22,122
Inventory consumed and bulk purchases	-	-	-	175,976	185,221	185,221	185,221	204,886	231,146	260,161
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Other expenditure	-	-	-	76,270	126,629	126,629	126,629	134,441	142,910	150,113
Total Expenditure	-	-	-	454,758	526,195	526,195	526,195	558,982	599,947	642,239
Surplus/(Deficit)	-	-	-	4,803	235,450	235,450	235,450	(31,063)	(33,819)	(36,107)
Transfers and subsidies - capital (monetary allocations)	-	-	-	26,322	60,765	60,765	60,765	22,696	39,329	50,278
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171
Capital expenditure & funds sources										
Capital expenditure	-	-	-	28,122	71,121	71,121	71,121	49,502	40,770	26,271,410
Transfers recognised - capital	-	-	-	26,322	60,765	60,765	60,765	47,139	38,017	26,268,657
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	1,800	10,356	10,356	10,356	2,363	2,753	2,753
Total sources of capital funds	-	-	-	28,122	71,121	71,121	71,121	49,502	40,770	26,271,410
Financial position										
Total current assets	-	-	-	199,881	381,691	381,691	381,691	361,787	365,695	(25,849,356)
Total non current assets	-	-	-	707,315	764,529	764,529	764,529	741,639	710,018	26,909,037
Total current liabilities	-	-	-	127,572	258,388	258,388	258,388	283,974	310,742	340,505
Total non current liabilities	-	-	-	518,213	335,510	335,510	335,510	275,497	215,506	155,539
Community wealth/Equity	-	-	-	284,868	552,322	552,322	552,322	543,955	549,465	563,636
Cash flows		</								

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

- Table A2 is a view of the budgeted financial performance of revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure, and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

NC062 Nama Khoi - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		-	-	-	100,047	417,946	417,946	159,579	166,179	172,032
Executive and council		-	-	-	2,084	2,084	2,084	2,492	931	955
Finance and administration		-	-	-	97,963	415,862	415,862	157,087	165,248	171,077
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	3,559	3,589	3,589	3,695	3,912	3,966
Community and social services		-	-	-	3,421	3,451	3,451	3,551	3,762	3,811
Sport and recreation		-	-	-	138	138	138	144	151	154
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	1,677	3,699	3,699	3,862	3,934	4,032
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	1,677	3,699	3,699	3,862	3,934	4,032
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	380,345	396,855	396,855	383,145	431,083	476,023
Energy sources		-	-	-	198,275	208,348	208,348	226,672	253,238	286,683
Water management		-	-	-	74,743	74,746	74,746	78,173	81,701	84,114
Waste water management		-	-	-	64,615	99,058	99,058	62,812	79,948	88,257
Waste management		-	-	-	42,711	14,703	14,703	15,488	16,195	16,970
<i>Other</i>	4	-	-	-	256	320	320	334	349	357
Total Revenue - Functional	2	-	-	-	485,883	822,409	822,409	550,615	605,457	656,410
Expenditure - Functional										
<i>Governance and administration</i>		-	-	-	110,178	128,632	128,632	133,982	139,826	144,296
Executive and council		-	-	-	22,899	25,520	25,520	26,642	27,981	29,259
Finance and administration		-	-	-	85,687	101,497	101,497	105,660	110,099	113,221
Internal audit		-	-	-	1,593	1,615	1,615	1,680	1,747	1,817
<i>Community and public safety</i>		-	-	-	31,402	35,123	35,123	36,149	37,230	38,267
Community and social services		-	-	-	11,507	10,757	10,757	11,186	11,643	12,078
Sport and recreation		-	-	-	13,852	16,539	16,539	16,818	17,109	17,394
Public safety		-	-	-	6,043	7,826	7,826	8,145	8,478	8,795
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	19,657	23,443	23,443	24,234	25,209	26,199
Planning and development		-	-	-	5,573	7,631	7,631	7,785	8,097	8,419
Road transport		-	-	-	14,085	15,813	15,813	16,449	17,113	17,780
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	293,520	338,997	338,997	364,617	397,682	433,477
Energy sources		-	-	-	156,057	187,461	187,461	207,359	234,230	264,641
Water management		-	-	-	75,567	84,892	84,892	88,455	92,290	95,202
Waste water management		-	-	-	21,236	19,936	19,936	20,680	21,491	22,324
Waste management		-	-	-	40,660	46,708	46,708	48,124	49,671	51,309
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	-	454,758	526,195	526,195	558,982	599,947	642,239
Surplus/(Deficit) for the year		-	-	-	31,125	296,215	296,215	(8,367)	5,510	14,171

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance of the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance of the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

NC062 Nama Khoi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	388	388	388	405	423	434
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	1,708	1,708	1,708	2,100	521	534
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	3,231	3,460	3,460	3,613	3,775	3,870
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	94,696	412,193	412,193	153,256	161,245	166,974
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	46,372	18,627	18,627	19,533	20,472	21,310
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	1,852	3,879	3,879	4,049	4,129	4,232
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	337,637	382,155	382,155	367,660	414,891	459,056
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	485,883	822,409	822,409	550,615	605,457	656,410
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	12,914	14,231	14,231	14,887	15,737	16,583
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	11,597	12,929	12,929	13,461	14,019	14,520
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	30,030	33,726	33,726	35,004	36,358	37,341
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	50,595	62,138	62,138	64,447	67,230	69,277
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	63,969	72,040	72,040	74,085	76,298	78,572
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	11,489	13,483	13,483	14,029	14,598	15,157
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	274,163	317,648	317,648	343,069	375,708	410,790
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	454,758	526,195	526,195	558,982	599,947	642,239
Surplus/(Deficit) for the year	2	-	-	-	31,125	296,215	296,215	(8,367)	5,510	14,171

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Revenue to be generated from property rates was budgeted to remain relatively constant over the medium-term
2. Services charges relating to electricity, water, sanitation, and refuse removal constitute the biggest component of the revenue basket of the municipality. This growth can mainly be attributed to the increase in the bulk prices of electricity.

3. Transfers recognized – operating includes the local government's equitable share and other grants from national and provincial governments. It needs to be noted that in real terms the grant receipts from the national government are decreasing rapidly over the MTREF. The municipality is grant-dependent and is it important to increase the equitable share every year.

NC062 Nama Khoi - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	120,611	141,221	141,221	141,221	159,927	186,121	216,679
Service charges - Water	2	-	-	-	57,879	58,676	58,676	58,676	61,257	64,014	65,614
Service charges - Waste Water Management	2	-	-	-	21,429	21,648	21,648	21,648	22,600	23,617	24,208
Service charges - Waste Management	2	-	-	-	25,847	25,847	25,847	25,847	26,984	28,199	28,904
Sale of Goods and Rendering of Services					3,922	4,204	4,204	4,204	4,389	4,587	4,701
Agency services					94	94	94	94	98	-	-
Interest					-	-	-	-	-	-	-
Interest earned from Receivables					22,299	22,299	22,299	22,299	23,281	24,328	24,936
Interest earned from Current and Non Current Assets					4,425	16,219	16,219	16,219	16,933	17,695	18,137
Dividends					-	-	-	-	-	-	-
Rent on Land					1,253	1,253	1,253	1,253	1,308	1,367	1,401
Rental from Fixed Assets					3,399	3,399	3,399	3,399	3,549	3,708	3,801
Licence and permits					1,664	3,854	3,854	3,854	4,024	4,205	4,310
Special rating levies					-	-	-	-	-	-	-
Operational Revenue					408	553	553	553	577	603	618
Non-Exchange Revenue											
Property rates	2	-	-	-	57,427	57,427	57,427	57,427	59,953	62,651	64,217
Surcharges and Taxes					-	-	-	-	-	-	-
Fines, penalties and forfeits					603	608	608	608	635	663	680
Licences or permits					-	-	-	-	-	-	-
Transfer and subsidies - Operational					73,321	339,364	339,364	339,364	77,232	78,991	82,426
Interest					4,392	4,392	4,392	4,392	4,585	4,792	4,911
Fuel Levy					-	-	-	-	-	-	-
Operational Revenue					-	-	-	-	-	-	-
Gains on disposal of Assets					-	-	-	-	-	-	-
Other Gains					60,588	60,588	60,588	60,588	60,588	60,588	60,588
Discontinued Operations					-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	459,561	761,644	761,644	761,644	527,919	566,128	606,132
Expenditure											
Employee related costs	2	-	-	-	105,613	114,509	114,509	114,509	118,567	123,309	128,242
Remuneration of councillors					7,282	7,661	7,661	7,661	8,045	8,608	9,210
Bulk purchases - electricity	2	-	-	-	125,880	135,000	135,000	135,000	152,145	176,032	203,669
Inventory consumed	8	-	-	-	50,096	50,221	50,221	50,221	52,741	55,114	56,492
Debt impairment	3	-	-	-	22,200	39,000	39,000	39,000	42,900	47,190	51,909
Depreciation and amortisation		-	-	-	72,392	72,392	72,392	72,392	72,392	72,392	72,392
Interest		-	-	-	17,225	19,783	19,783	19,783	20,653	21,583	22,122
Contracted services		-	-	-	22,216	41,360	41,360	41,360	43,179	45,122	46,250
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	1,000	1,000	1,000	1,000	1,100	1,210	1,331
Operational costs		-	-	-	27,434	35,545	35,545	35,545	37,109	38,779	39,748
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	3,421	9,724	9,724	9,724	10,152	10,609	10,874
Total Expenditure		-	-	-	454,758	526,195	526,195	526,195	558,982	599,947	642,239
Surplus/(Deficit)		-	-	-	4,803	235,450	235,450	235,450	(31,063)	(33,819)	(36,107)
Transfers and subsidies - capital (monetary allocations)	6	-	-	-	26,322	60,765	60,765	60,765	22,696	39,329	50,278
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	-	-	-	31,125	296,215	296,215	296,215	(8,367)	5,510	14,171

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure, to be appropriated	2										
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	1,800	1,800	1,800	1,800	2,363	2,753	2,753
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	16,322	65,589	65,589	65,589	47,139	38,017	26,268,657
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	18,122	67,389	67,389	67,389	49,502	40,770	26,271,410
Single-year expenditure, to be appropriated	2										
Vote 1 - EXECUTIVE MAYOR AND COUNCIL (10: IE)		-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER (11: IE)		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES (13: IE)		-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES (15: IE)		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES: COMM DEV (16: IE)		-	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY (17: IE)		-	-	-	-	-	-	-	-	-	-
Vote 7 - INFRASTRUCTURE,ENG AND TECHNICAL (18: IE)		-	-	-	-	-	-	-	-	-	-
Vote 8 - EXECUTIVE MAYOR AND COUNCIL (20: CS)		-	-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANAGER (21: CS)		-	-	-	-	-	-	-	-	-	-
Vote 10 - CORPORATE SERVICES (23: CS)		-	-	-	-	-	-	-	-	-	-
Vote 11 - COMMUNITY SERVICES: COMM DEV (26: CS)		-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE,ENG AND TECHNICAL (28: CS)		-	-	-	-	3,732	3,732	3,732	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	3,732	3,732	3,732	-	-	-
Total Capital Expenditure - Vote		-	-	-	18,122	71,121	71,121	71,121	49,502	40,770	26,271,410
Capital Expenditure - Functional											
Governance and administration		-	-	-	1,800	1,800	1,800	1,800	2,363	2,753	2,753
Executive and council					-	-	-	-	-	-	-
Finance and administration					1,800	1,800	1,800	1,800	2,363	2,753	2,753
Internal audit					-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services					-	-	-	-	-	-	-
Sport and recreation					-	-	-	-	-	-	-
Public safety					-	-	-	-	-	-	-
Housing					-	-	-	-	-	-	-
Health					-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-
Planning and development					-	-	-	-	-	-	-
Road transport					-	-	-	-	-	-	-
Environmental protection					-	-	-	-	-	-	-
Trading services		-	-	-	26,322	69,321	69,321	69,321	47,139	38,017	26,268,657
Energy sources					-	-	-	-	-	-	-
Water management					-	1,627	1,627	1,627	-	-	-
Waste water management					26,322	67,694	67,694	67,694	47,139	38,017	26,268,657
Waste management					-	-	-	-	-	-	-
Other					-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	-	-	-	28,122	71,121	71,121	71,121	49,502	40,770	26,271,410
Funded by:											
National Government					26,322	60,765	60,765	60,765	47,139	38,017	26,268,657
Provincial Government					-	-	-	-	-	-	-
District Municipality					-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov											
Departm Agencies, Households, Non-profit Institutions, Private											
Enterprises, Public Corporatbns, Higher Educ Institutions)											
Transfers recognised - capital	4	-	-	-	26,322	60,765	60,765	60,765	47,139	38,017	26,268,657
Borrowing	6				-	-	-	-	-	-	-
Internally generated funds					1,800	10,356	10,356	10,356	2,363	2,753	2,753
Total Capital Funding	7	-	-	-	28,122	71,121	71,121	71,121	49,502	40,770	26,271,410

NC062 Nama Khoi - Table A6 Budgeted Financial Position

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents					2,592	253,877	253,877	253,877	252,100	275,472	(25,918,591)
Trade and other receivables from exchange transactions	1	–	–	–	104,117	83,036	83,036	83,036	95,133	107,255	118,640
Receivables from non-exchange transactions	1	–	–	–	20,018	13,509	13,509	13,509	(10,255)	(35,088)	(60,543)
Current portion of non-current receivables					–	–	–	–	–	–	–
Inventory	2	–	–	–	3,363	(3,224)	(3,224)	(3,224)	(9,684)	(16,435)	(23,355)
VAT					69,417	25,739	25,739	25,739	25,739	25,739	25,739
Other current assets					374	8,753	8,753	8,753	8,753	8,753	8,753
Total current assets		–	–	–	199,881	381,691	381,691	381,691	361,787	365,695	(25,849,356)
Non current assets											
Investments					–	–	–	–	–	–	–
Investment property					124,391	124,022	124,022	124,022	124,022	124,022	124,022
Property, plant and equipment	3	–	–	–	579,798	637,202	637,202	637,202	614,312	582,691	26,781,709
Biological assets					–	–	–	–	–	–	–
Living and non-living resources					–	–	–	–	–	–	–
Heritage assets					1,484	1,484	1,484	1,484	1,484	1,484	1,484
Intangible assets					152	111	111	111	111	111	111
Trade and other receivables from exchange transactions					–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions					1,490	1,710	1,710	1,710	1,710	1,710	1,710
Other non-current assets					–	–	–	–	–	–	–
Total non current assets		–	–	–	707,315	764,529	764,529	764,529	741,639	710,018	26,909,037
TOTAL ASSETS		–	–	–	907,196	1,146,220	1,146,220	1,146,220	1,103,426	1,075,713	1,059,680
LIABILITIES											
Current liabilities											
Bank overdraft					–	–	–	–	–	–	–
Financial liabilities		–	–	–	3,615	4,782	4,782	4,782	4,782	4,782	4,782
Consumer deposits					3,734	4,509	4,509	4,509	4,509	4,509	4,509
Trade and other payables from exchange transactions	4				34,371	231,624	231,624	231,624	255,474	282,102	311,719
Trade and other payables from non-exchange transactions	5				15,679	8,974	8,974	8,974	10,575	10,575	10,575
Provision					17,140	8,500	8,500	8,500	8,634	8,775	8,921
VAT					53,032	–	–	–	–	–	–
Other current liabilities					–	–	–	–	–	–	–
Total current liabilities		–	–	–	127,572	258,388	258,388	258,388	283,974	310,742	340,505
Non current liabilities											
Financial liabilities	6	–	–	–	21,624	15,952	15,952	15,952	127,952	127,952	127,952
Provision	7	–	–	–	118,951	135,827	135,827	135,827	136,401	136,998	137,620
Long term portion of trade payables		–	–	–	354,181	183,731	183,731	183,731	11,143	(49,445)	(110,033)
Other non-current liabilities					23,456	–	–	–	–	–	–
Total non current liabilities		–	–	–	518,213	335,510	335,510	335,510	275,497	215,506	155,539
TOTAL LIABILITIES		–	–	–	645,785	593,898	593,898	593,898	559,471	526,248	496,044
NET ASSETS		–	–	–	261,411	552,322	552,322	552,322	543,955	549,465	563,636
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8				284,637	552,091	552,091	552,091	543,725	549,235	563,406
Reserves and funds	9	–	–	–	230	230	230	230	230	230	230
Other					–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	–	–	–	284,868	552,322	552,322	552,322	543,955	549,465	563,636

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity, i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Table 66 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of several items, including:
 - Call investments deposits.
 - Consumer debtors.
 - Property, plant, and equipment.
 - Trade and other payables.
 - Provisions non-current.
 - Changes in net assets; and
 - Reserves

4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact the Budgeted Financial Position. As an example, the collection rate assumption will impact the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year-end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.

NC062 Nama Khoi - Table A7 Budgeted Cash Flows

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates					55,018	55,637	55,637	55,637	88,303	92,276	94,583
Service charges					205,264	205,017	205,017	205,017	243,743	271,809	301,919
Other revenue					4,096	12,712	12,712	12,712	13,271	13,766	14,110
Transfers and Subsidies - Operational	1				79,315	365,037	365,037	365,037	78,833	78,991	82,426
Transfers and Subsidies - Capital	1				26,322	36,322	36,322	36,322	22,696	39,329	50,278
Interest					4,425	11,925	11,925	11,925	12,450	13,010	13,336
Dividends					-	-	-	-	-	-	-
Payments											
Suppliers and employees					(330,744)	(386,089)	(386,089)	(386,089)	(390,917)	(423,457)	(457,182)
Interest					(17,225)	(19,783)	(19,783)	(19,783)	(20,653)	(21,583)	(22,122)
Transfers and Subsidies	1				-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	26,472	280,778	280,778	280,778	47,725	64,142	77,348
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE					-	-	-	-	-	-	-
Decrease (increase) in non-current receivables					-	-	-	-	-	-	-
Decrease (increase) in non-current investments					-	-	-	-	-	-	-
Payments											
Capital assets					(28,122)	(71,121)	(71,121)	(71,121)	(49,502)	(40,770)	(26,271,410)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	(28,122)	(71,121)	(71,121)	(71,121)	(49,502)	(40,770)	(26,271,410)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans					-	-	-	-	-	-	-
Borrowing long term/refinancing					-	-	-	-	-	-	-
Increase (decrease) in consumer deposits					-	-	-	-	-	-	-
Payments											
Repayment of borrowing					-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	-	-	(1,650)	209,657	209,657	209,657	(1,777)	23,372	(26,194,063)
Cash/cash equivalents at the year begin:	2				44,220	44,220	44,220	44,220	253,877	252,100	275,472
Cash/cash equivalents at the year end:	2	-	-	-	42,570	253,877	253,877	253,877	252,100	275,472	(25,918,591)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

NC062 Nama Khoi - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash and investments available:		–	–	–	(8,100)	253,877	253,877	253,877	252,100	275,472	(25,918,591)
Application of cash and investments											
Unspent conditional transfers		–	–	–	15,679	8,974	8,974	8,974	10,575	10,575	10,575
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	–	–	–	(21,884)	188,740	188,740	188,740	167,647	207,597	251,813
Other provisions											
Long term investments committed	4	–	–	–							
Reserves to be backed by cash/investments	5				230						
Total Application of cash and investments:		–	–	–	(5,975)	197,713	197,713	197,713	178,222	218,171	262,387
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits					(2,125)	56,163	56,163	56,163	73,878	57,300	(26,180,978)
Creditors transferred to Debt Relief - Non-Current portion					142,560				11,143	(49,445)	(110,033)
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits					140,435	56,163	56,163	56,163	85,021	7,855	(26,291,011)

Explanatory notes to Table A8 – Cash-backed reserves/accumulated surplus reconciliation

This table is significant to make sure that we have a funded Budget. Nama Khoi Showed a surplus of R85 million which indicates we have a **FUNDED BUDGET**.

5. CLOSURE

The council has to consider that this is only a draft and that figures will change significantly before the final MTREF is approved by the end of May 2024.

The intention is to also have a Budget Workshop with all Councillors to discuss the budget and implement changes as per council's mandate and funding available.

Drafted

H CLOETE

CHIEF FINANCIAL OFFICER

Quality Certificate

I, JAN IZAK SWARTZ, Municipal Manager of Nama Khoi Municipality, at this moment, certify that the adjustments budget and supporting documentation have been prepared by the Municipal Finance Management Act and the regulations made under the Act and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Municipal Manager of Nama Khoi Municipality (NC062)

Signature

Date