



**Nama Khoi Municipality**

**30 April 2025**

**The mayor**

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): QUARTERLY REPORT FOR THE PERIOD ENDING 31 March 2025 (QUARTERLY BUDGET STATEMENT) – 2024/25 FINANCIAL YEAR**

**1. PURPOSE**

To comply with section 52 of the MFMA, by providing a quarterly statement on the implementation of the budget and financial situation of the municipality to the Council, as legislated.

**2. STRATEGIC OBJECTIVE**

The strategic objective of this report is to ensure good governance, financial viability, and optimal institutional transformation with the capacity to execute its mandate.

For the reporting period ending 31 March 2025, 30 days reporting limit expires on 30 April 2025.

**3. REPORT FOR THE PERIOD ENDING 31 March 2025**

This report is based on financial information, as at 31 March 2025. The C-Schedule is based on information from 1 January 2025 to 31 March 2025.

The financial results for the period ended 31 March 2025 are summarised as follows:

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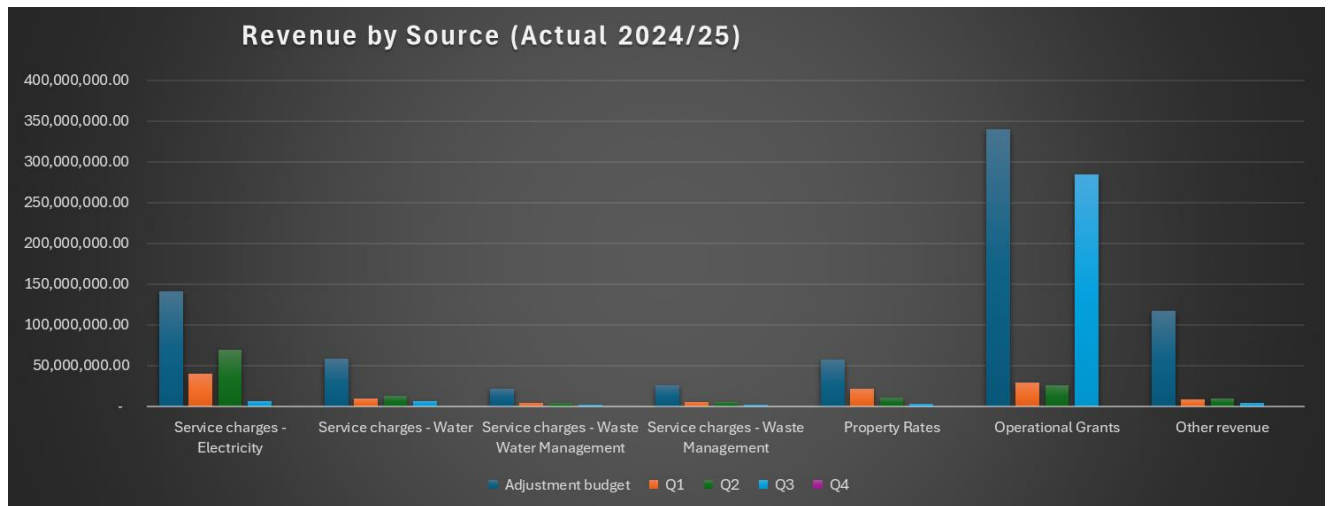
**AGGREGATED INFORMATION FOR NAMA KHOI**  
**STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 3RD QUARTER ENDED 31 MARCH 2025**

**Part1: Operating Revenue and Expenditure**

Part: Operating Revenue and Expenditure	2024/25									2023/24		Q3 of 2023/24 to Q3 of 2024/25	
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure		Total Expenditure as % of adjusted budget
R thousands													
Operating Revenue and Expenditure													
Operating Revenue	459,561	761,644	116,089	25.3%	134,934	29.4%	305,794	40.1%	556,817	73.1%	88,484	79.9%	245.6%
Exchange Revenue													
Service charges - Electricity	120,611	141,221	39,246	32.5%	69,016	57.2%	5,871	4.2%	114,133	80.8%	29,317	80.8%	(80.0%)
Service charges - Water	57,879	58,676	9,076	15.7%	12,562	21.7%	5,975	10.2%	27,613	47.1%	16,865	68.7%	(64.6%)
Service charges - Waste Water Management	21,429	21,648	3,863	18.0%	4,268	19.9%	1,601	7.4%	9,733	45.0%	3,687	54.8%	(56.6%)
Service charges - Waste Management	25,847	25,847	4,484	17.3%	4,812	18.6%	1,605	6.2%	10,902	42.2%	4,250	52.5%	(62.2%)
Sale of Goods and Rendering of Services	3,922	4,204	109	2.8%	113	2.9%	120	2.9%	342	8.1%	171	53.8%	(29.5%)
Agency services	94	94	-	-	-	-	-	-	-	-	55	111.9%	(100.0%)
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	22,299	22,299	5,830	26.1%	5,885	26.4%	2,100	9.4%	13,814	61.9%	5,410	75.4%	(61.2%)
Interest earned from Current and Non Current Assets	4,425	16,219	156	3.5%	304	6.9%	278	1.7%	738	4.6%	1,055	73.4%	(73.6%)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	1,253	1,253	299	23.8%	297	23.7%	98	7.8%	693	55.3%	282	71.0%	(65.2%)
Rental from Fixed Assets	3,399	3,399	475	14.0%	481	14.1%	170	5.0%	1,126	33.1%	421	46.2%	(59.7%)
Licence and permits	1,664	3,854	674	40.5%	870	52.3%	667	17.3%	2,211	57.4%	420	72.4%	58.9%
Special rating levies	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	408	553	154	37.7%	146	35.9%	88	15.9%	388	70.3%	109	78.0%	(19.4%)
Non-Exchange Revenue													
Property rates	57,427	57,427	21,540	37.5%	10,055	17.5%	2,296	4.0%	33,891	59.0%	3,809	95.3%	(39.7%)
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	603	608	3	5%	0	1%	1	1%	4	7%	70	42.2%	(99.2%)
Licences or permits	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	73,321	339,364	29,403	40.1%	25,399	34.6%	284,678	83.9%	339,480	100.0%	20,923	95.7%	1,260.6%
Interest	4,392	4,392	293	6.7%	325	7.4%	122	2.8%	740	16.8%	1,415	100.7%	(91.4%)
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	484	-	400	-	124	-	1,008	-	226	-	(45.1%)
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	60,588	60,588	-	-	-	-	-	-	-	-	(2)	-	(100.0%)
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenditure	454,758	526,195	74,622	16.4%	98,636	21.7%	70,821	13.5%	244,080	46.4%	80,836	53.2%	(12.4%)
Employee related costs	105,613	114,509	25,412	24.1%	23,728	22.5%	25,752	22.5%	74,892	65.4%	23,865	77.5%	7.9%
Remuneration of councillors	7,282	7,661	1,718	23.6%	2,071	28.4%	1,825	23.8%	5,614	73.3%	1,475	76.7%	23.7%
Bulk purchases - electricity	125,880	135,000	32,804	26.1%	43,299	34.4%	22,628	16.8%	98,731	73.1%	34,151	66.0%	(33.7%)
Inventory consumed	50,096	50,221	3,547	7.1%	13,399	26.7%	9,303	18.5%	26,250	52.3%	11,486	64.8%	(19.0%)
Debt impairment	22,200	39,000	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation	72,392	72,392	-	-	-	-	-	-	-	-	-	-	-
Interest	17,225	19,783	1,178	6.8%	1,271	7.4%	731	3.7%	3,180	16.1%	1,389	58.1%	(47.4%)
Contracted services	22,216	41,360	6,524	29.4%	7,525	33.9%	3,193	7.7%	17,243	41.7%	4,124	64.5%	(22.6%)
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	1,000	1,000	-	-	-	-	-	-	-	-	-	-	-
Operational costs	27,434	35,545	3,439	12.5%	7,342	26.8%	7,389	20.8%	18,170	51.1%	4,345	65.8%	70.1%
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses	3,421	9,724	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	4,803	235,450	41,466	-	36,298	-	234,973	-	312,737	-	7,648	-	-
Transfers and subsidies - capital (monetary allocations)	26,322	60,765	-	-	5,922	22.5%	2,506	4.1%	8,428	13.9%	2,723	15.4%	(8.0%)
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	31,125	296,215	41,466		42,219		237,480		321,165		10,371		
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	31,125	296,215	41,466		42,219		237,480		321,165		10,371		
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	31,125	296,215	41,466		42,219		237,480		321,165		10,371		
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	31,125	296,215	41,466		42,219		237,480		321,165		10,371		

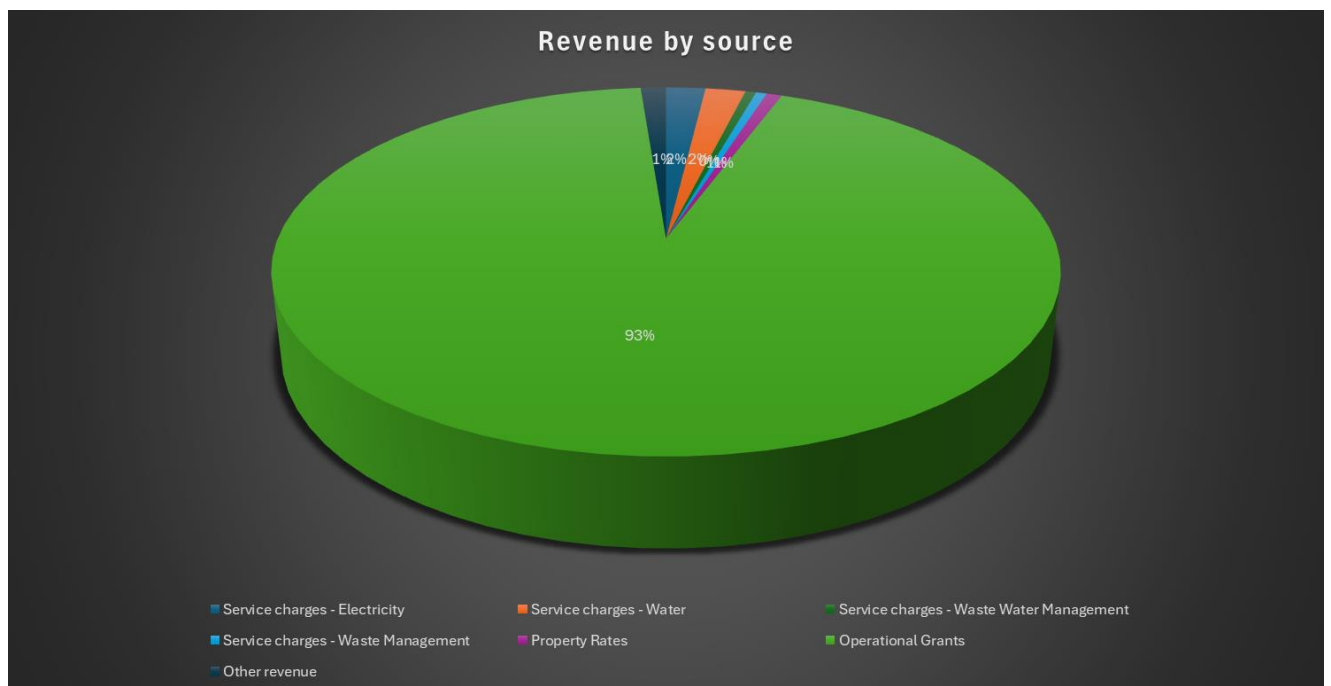
### CHART 1

The following chart shows the revenue by source actual year-to-date figures, CHART as per the information above



### Chart 2

The following chart shows the revenue per source as a percentage for Quarter 3 2024/25.



**Notes on Revenue:**

**The figures above are rounded off to thousands**

The municipality's revenue for quarter 2 2024/25 financial year amounted to R134,933,643.

The municipality's revenue for quarter 3 2024/25 financial year amounted to R305,794,379.

The biggest contributor to the increase in revenue for quarter 3 was the allocation of the De Beers money received, followed by water services and electricity services revenue.

There was also a decrease in revenue for property rates.

The biggest contributor to revenue was operational grants with 93% of the revenue, followed by electricity-and water services with 2% per service.

**The Following must be noted:**

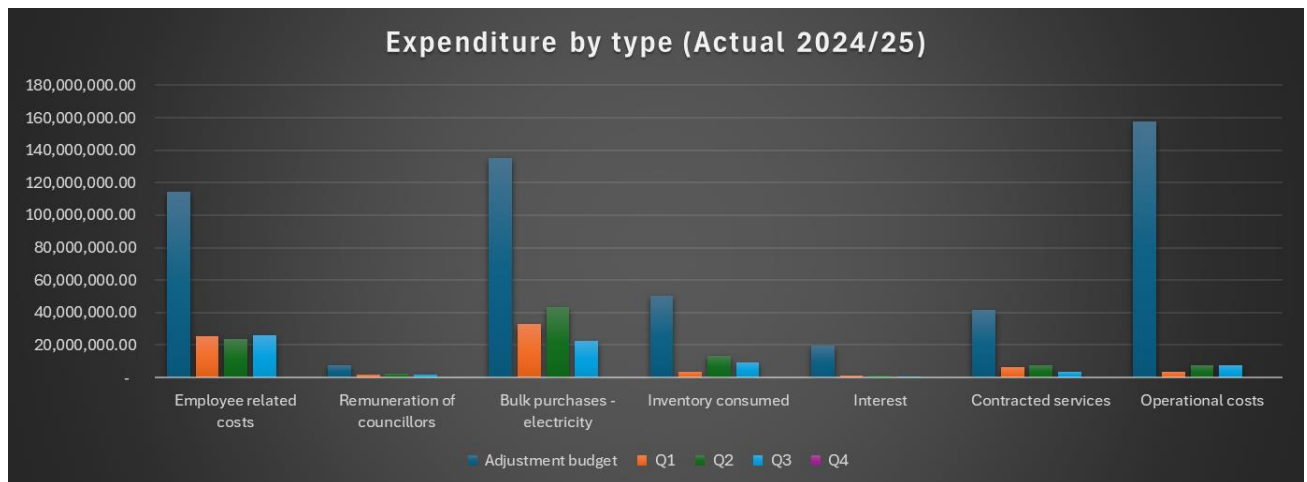
The municipality has moved the billing of services to the Rural Maintenance system, this has resulted in a portion of the billing taken place in the Promun 3 Financial System and the rest in the Rural Maintenance system. However, the two systems must still be aligned and the figures as per the Aggregated information is not a true reflection of the quarterly figures.

The municipality did engage with both Service Providers and all parties are currently busy to align figures and a new C-Schedule with the correct figures will be drafted and submitted in due course.

## Expenditure by Type

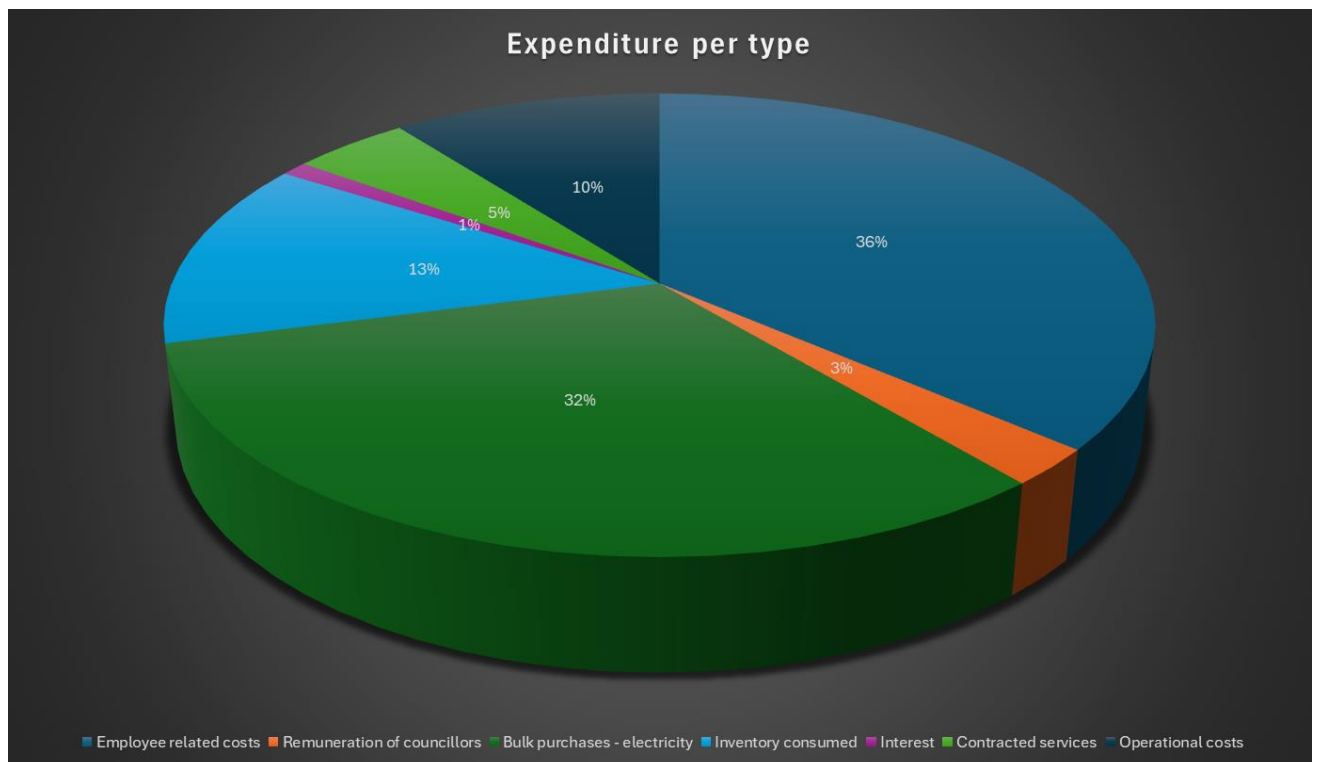
**CHART 3:**

The following chart shows the expenditure by type actual year-to-date figures, Chart as per the information above



**Chart 4**

The following chart shows the expenditure per type percentage to total expenditure



**Notes on expenditure:**

**Depreciation and debt impairment** – The asset Register is not linked to the Financial System; therefore, no monthly depreciation is done during the year. The calculations is done year-end while populating the annual financial statements.

**Debt Impairment** – This is not done monthly.

Expenditure for quarter 2 amounted to R 98,636,048.

Expenditure for quarter 3 amounted to R 70,821,226.

The biggest contributors to the decrease from quarter 2 was the bulk purchases for electricity and inventory consumed.

Bulk purchases – electricity contributed 32% of expenditure while Employee related cost contributed 36% of expenditure incurred for the second quarter.

## Part 2: Capital Revenue and Expenditure

	2024/25										2023/24		Q3 of 2023/24 to Q3 of 2024/25
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	
R thousands													
Capital Revenue and Expenditure													
Source of Finance	28,122	71,121	224	.8%	8,696	30.9%	2,017	2.8%	10,936	15.4%	6,763	19.5%	(70.2%)
National Government	26,322	60,765	224	.9%	5,809	22.1%	1,054	1.7%	7,087	11.7%	2,368	13.4%	(55.5%)
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary alloc)(Departm Agencies, H	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	26,322	60,765	224	.9%	5,809	22.1%	1,054	1.7%	7,087	11.7%	2,368	13.4%	(55.5%)
Borrowing	-	-	-	-	-	-	-	-	-	-	78	-	(100.0%)
Internally generated funds	1,800	10,356	-	-	2,886	160.3%	963	9.3%	3,849	37.2%	4,318	37.1%	(77.7%)
Capital Expenditure Functional	28,122	71,121	224	.8%	8,696	30.9%	2,017	2.8%	10,936	15.4%	6,763	19.5%	(70.2%)
Municipal governance and administration	1,800	1,800	-	-	-	-	26	1.4%	26	1.4%	2,529	42.2%	(99.0%)
Executive and Council	-	-	-	-	-	-	-	-	-	-	2,529	42.2%	(100.0%)
Finance and administration	1,800	1,800	-	-	-	-	26	1.4%	26	1.4%	-	-	(100.0%)
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport And Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and Environmental Services	-	-	-	-	-	-	-	-	-	-	129	63.9%	(100.0%)
Planning and Development	-	-	-	-	-	-	-	-	-	-	129	63.9%	(100.0%)
Road Transport	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading Services	26,322	69,321	224	.9%	8,696	33.0%	1,991	2.9%	10,911	15.7%	4,106	15.7%	(51.5%)
Energy sources	-	-	-	-	-	-	-	-	-	-	1,738	41.4%	(100.0%)
Water Management	-	1,627	-	-	-	-	-	-	-	-	-	-	-
Waste Water Management	26,322	67,694	224	.9%	8,696	33.0%	1,991	2.9%	10,911	16.1%	2,368	13.1%	(15.9%)
Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-

## Important Notification

Capital Expenditure is drafted in the Technical monthly/quarterly reports to the Infrastructure Committee



## Cash Flow Statement

### Part 3: Cash Receipts and Payments

	2024/25										2023/24		Q3 of 2023/24 to Q3 of 2024/25
	Budget		First Quarter		Second Quarter		Third Quarter		Year to Date		Third Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	3rd Q as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	Actual Expenditure	Total Expenditure as % of adjusted budget	
R thousands													
Cash Flow from Operating Activities													
Receipts	374,441	743,033	186,471	49.8%	154,623	41.3%	660,209	88.9%	1,001,303	134.8%	119,504	109.4%	452.5%
Property rates	55,018	55,637	61,874	112.5%	73,439	133.5%	35,223	63.3%	170,536	306.5%	7,128	32.9%	394.1%
Service charges	205,264	205,017	419,103	204.2%	467,336	227.7%	424,227	206.9%	1,310,666	639.3%	38,040	45.3%	1,015.2%
Other revenue	4,096	65,696	(756,637)	(18,473.3%)	(626,732)	(15,301.7%)	(247,854)	(377.3%)	(1,631,224)	(2,483.0%)	51,013	-	(585.9%)
Transfers and Subsidies - Operational	79,315	368,436	426,931	538.3%	186,257	234.8%	448,330	121.7%	1,061,518	288.1%	23,290	-	1,825.0%
Transfers and Subsidies - Capital	26,322	36,322	35,000	133.0%	53,970	205.0%	-	-	88,970	244.9%	12	-	(100.0%)
Interest	4,425	11,925	200	4.5%	354	8.0%	283	2.4%	838	7.0%	20	.5%	1,297.5%
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(347,969)	(462,256)	(85,538)	24.6%	(72,132)	20.7%	(60,317)	13.0%	(217,987)	47.2%	(99,364)	87.4%	(39.3%)
Suppliers and employees	(330,744)	(442,473)	(85,538)	25.9%	(72,132)	21.8%	(60,317)	13.6%	(217,987)	49.3%	(99,364)	91.7%	(39.3%)
Finance charges	(17,225)	(19,783)	-	-	-	-	-	-	-	-	-	20.8%	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Operating Activities	26,472	280,778	100,933	381.3%	82,491	311.6%	599,892	213.7%	783,316	279.0%	20,140	212.1%	2,878.6%
Cash Flow from Investing Activities													
Receipts	-	-	-	-	-	-	-	-	-	-	(63)	-	(100.0%)
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors (not used)	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	(63)	-	(100.0%)
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,118)	18.4%	109	(1.6%)	(2,501.7%)
Capital assets	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,118)	18.4%	109	(1.6%)	(2,501.7%)
Net Cash from/(used) Investing Activities	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,118)	18.4%	45	(1.1%)	(5,880.0%)
Cash Flow from Financing Activities													
Receipts	-	-	4,979	-	4,979	-	-	-	9,958	-	-	-	-
Short term loans	-	-	4,979	-	4,979	-	-	-	9,958	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Financing Activities	-	-	4,979	-	4,979	-	-	-	9,958	-	-	-	-
Net Increase/(Decrease) in cash held	(1,650)	209,657	105,654	(6,401.6%)	77,218	(4,678.7%)	597,284	284.9%	780,156	372.1%	20,185	982.2%	2,859.1%
Cash/cash equivalents at the year begin:	4,242	44,220	-	-	149,877	3,532.9%	227,092	513.5%	-	-	154,633	100.0%	46.9%
Cash/cash equivalents at the year end:	2,592	253,877	105,654	4,076.3%	227,092	8,761.6%	824,376	324.7%	824,376	324.7%	174,828	292.4%	371.5%

**Notes on Cash Flow Statement**

The Cash Flow Statement does not reflect the correct opening and closing balances, the Bank reconciliation, Grant Reconciliation, and Interest Reconciliation reflect the correct amount as per the bank account.

Nama Khoi Municipality (NC062)  
**Bank Reconciliation Report**

CashBook : - NEDBANK 2024/2025

Processing Month :9

**Reconciliation Summary**

Cashbook Opening Balance	✓	8,731,124.08
Payments for Period		--31,518,221.25
Receipts for Period	✓	37,374,701.67
Item/Cashbook	✓	14,587,604.50
Undeared Payments	✓	73,035.87
Undeared Receipts	✓	-39,041.32
	✓	-389,969.85
Unknown Items		
Sub Total	✓	14,231,629.20
Statement Balance	✓	-14,231,629.20
Difference	✓	0.00

# NAMA KHOI LOCAL MUNICIPALITY

Financial Year: 2024/2025

## Consolidated Report on Various Deposits

Period: YTD ended 31 March 2025

Nedbank: Various Own Funding Accounts

Description		Loan (Fleet)	Equitable Share	Car Allowance	Interest	Total
<u>Opening Balance 01 July 2024</u>		14,963,123.84	0.00	2,000.72	5,679,764.75	20,644,889.31
Security Against Loan Balance : 01 July 2024		14,963,123.84			5,000,000.00 679,764.75	5,000,000.00 15,642,888.59
<u>Receipts</u>		18,000,000.00	0.00	0.00	27,701,086.04	45,701,086.04
Deposits	Jul				23,412,804.32	23,412,804.32
Deposits	August				412,029.60	412,029.60
Deposits	September				368,674.55	368,674.55
Deposits	October				299,233.19	299,233.19
Deposits	November				252,697.12	252,697.12
Deposits	December				205,822.40	205,822.40
Deposits	January	8,000,000.00			891,706.26	8,891,706.26
Deposits	February				1,719,701.20	1,719,701.20
Deposits	March	10,000,000.00			138,417.40	10,138,417.40
<u>Withdrawal</u>		-18,000,000.00	0.00	0.00	-27,677,959.42	- 45,677,959.42
Monthly operational needs	Jul				-7,000,000.00	- 7,000,000.00
Monthly operational needs	August				-5,500,000.00	- 5,500,000.00
Monthly operational needs	September				-10,000,000.00	- 10,000,000.00
Monthly operational needs	October	-8,000,000.00			-2,100,000.00	- 10,100,000.00
Monthly operational needs	November					-
Monthly operational needs	December					-
Monthly operational needs	January					-
Monthly operational needs	February	-10,000,000.00				- 10,000,000.00
Monthly operational needs	March				-3,077,959.42	- 3,077,959.42
<u>Closing Balance: 28 FEB 2024</u>		14,963,123.84	0.00	2,000.72	5,702,891.37	20,668,015.93

## NAMA KHOI LOCAL MUNICIPALITY

### GRANTS AND SUBSIDIES FOR THE YEAR ENDED 31 MARCH 2025

	OPENING BALANCE R	GRANTS RECEIVED R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	CLOSING BALANCE R
<b>NATIONAL GOVERNMENT</b>						
Finance Management Grant (FMG)	-	3,000,000	-	(2,740,923)		259,077
Municipal Infrastructure Grant (MIG)	11,856	7,710,000	(11,856)	(1,532,521)		6,177,479
Expanded Public Works Programme (EPWP)	-	1,890,000		(1,761,051)		128,949
Integrated National Electrification Programme (INEP)	-					-
Water Service Infrastructure Grant (WSIG)	15,484,283	5,000,000	(5,484,283)	(4,863,075)		10,136,925
<b>Total</b>	<b>15,191,575</b>	<b>17,600,000</b>	<b>(5,496,139)</b>	<b>(10,897,570)</b>	<b>-</b>	<b>16,702,430</b>
<b>PROVINCIAL GOVERNMENT</b>						
Libraries, Archives and Museums	512,797	1,635,000		(1,030,714)	-	1,117,083
LG SETA	228,576	-	-	-	-	228,576
Swimming Pool	450,000	-	-	-	-	450,000
Drought Relief	817,356	-	-	(817,356)	-	-
Municipal Disaster Response Grant		24,444,000		(759,232)		23,684,768
Housing	1,465,273		-	-	-	1,465,273
<b>Total</b>	<b>3,473,902</b>	<b>26,079,000</b>	<b>-</b>	<b>(2,607,302)</b>	<b>-</b>	<b>26,945,700</b>
<b>OTHER GRANT PROVIDERS</b>						
Donations	-		-	-		-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ALL SPHERES OF GOVERNMENT</b>	<b>18,665,477</b>	<b>43,679,000</b>	<b>(5,496,139)</b>	<b>(13,504,872)</b>	<b>-</b>	<b>43,648,130</b>

## **Debtors Age Analysis**

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 debtors outstanding on 31 March 2025

### **Part 4: Debtor Age Analysis**

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	4,363	3.3%	2,924	2.2%	2,743	2.1%	123,422	92.5%	133,452	29.8%
Trade and Other Receivables from Exchange Transactions - Electricity	7,423	6.4%	4,198	3.6%	4,619	4.0%	99,571	86.0%	115,810	25.8%
Receivables from Non-exchange Transactions - Property Rates	2,180	2.6%	1,632	1.9%	1,480	1.7%	80,132	93.8%	85,423	19.1%
Receivables from Exchange Transactions - Waste Water Management	945	3.0%	802	2.5%	741	2.3%	29,400	92.2%	31,888	7.1%
Receivables from Exchange Transactions - Waste Management	1,359	2.2%	1,214	1.9%	1,157	1.8%	59,071	94.1%	62,802	14.0%
Receivables from Exchange Transactions - Property Rental Debtors	14	3.0%	13	2.7%	12	2.5%	438	91.8%	477	.1%
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-
Other	247	1.3%	239	1.3%	228	1.2%	17,740	96.1%	18,454	4.1%
<b>Total By Income Source</b>	<b>16,531</b>	<b>3.7%</b>	<b>11,021</b>	<b>2.5%</b>	<b>10,980</b>	<b>2.4%</b>	<b>409,774</b>	<b>91.4%</b>	<b>448,307</b>	<b>100.0%</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	1,092	9.2%	782	6.6%	628	5.3%	9,381	78.9%	11,883	2.7%
Commercial	6,174	4.6%	4,262	3.2%	4,809	3.6%	119,010	88.6%	134,255	29.9%
Households	9,265	3.1%	5,978	2.0%	5,544	1.8%	281,382	93.1%	302,168	67.4%
Other	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>16,531</b>	<b>3.7%</b>	<b>11,021</b>	<b>2.5%</b>	<b>10,980</b>	<b>2.4%</b>	<b>409,774</b>	<b>91.4%</b>	<b>448,307</b>	<b>100.0%</b>

## **Notes on Debtors**

The municipality continues to assist consumers by addressing old outstanding debt.

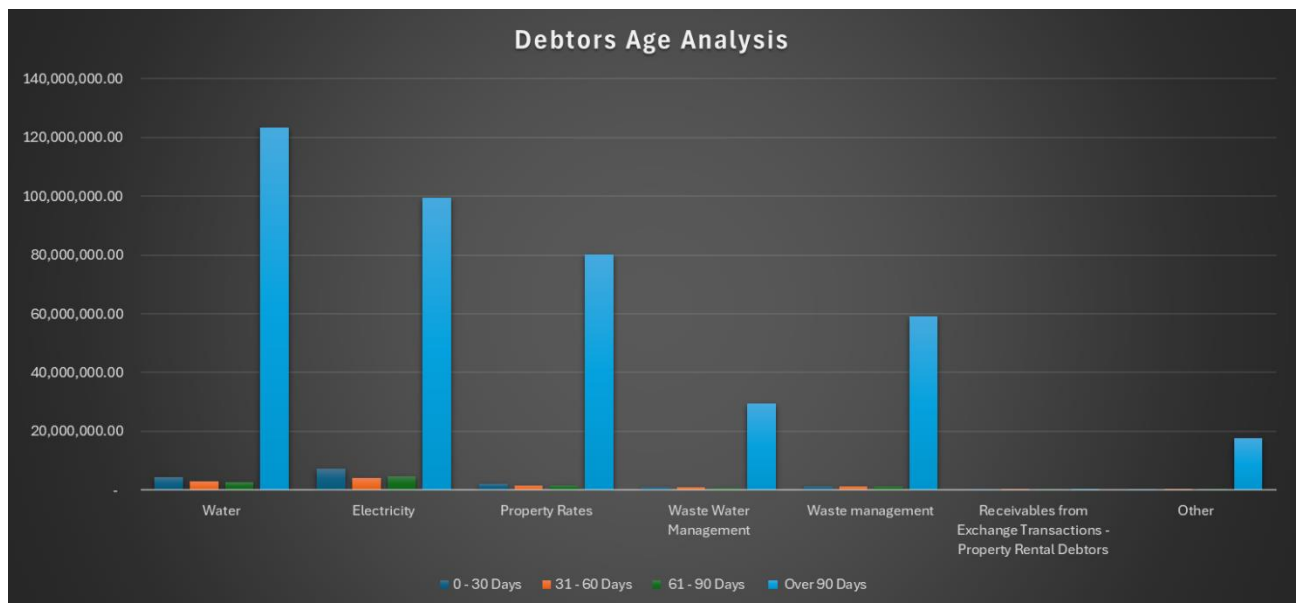
The municipal write-off committee deals with old outstanding debt, the committee encourages the community to use prepaid meters.

The municipality concluded the TID rollover process which was used to conduct a consumer audit on the user's meters, the audit identified meters with low or no consumption and the municipality is in the process of replacing the identified meters.

The municipality is also busy with the implementation of Revenue Enhancement initiatives, with the Syntell programme already implemented, the municipality will be implementing the Rural Maintenance revenue enhancement programme in the next quarter.

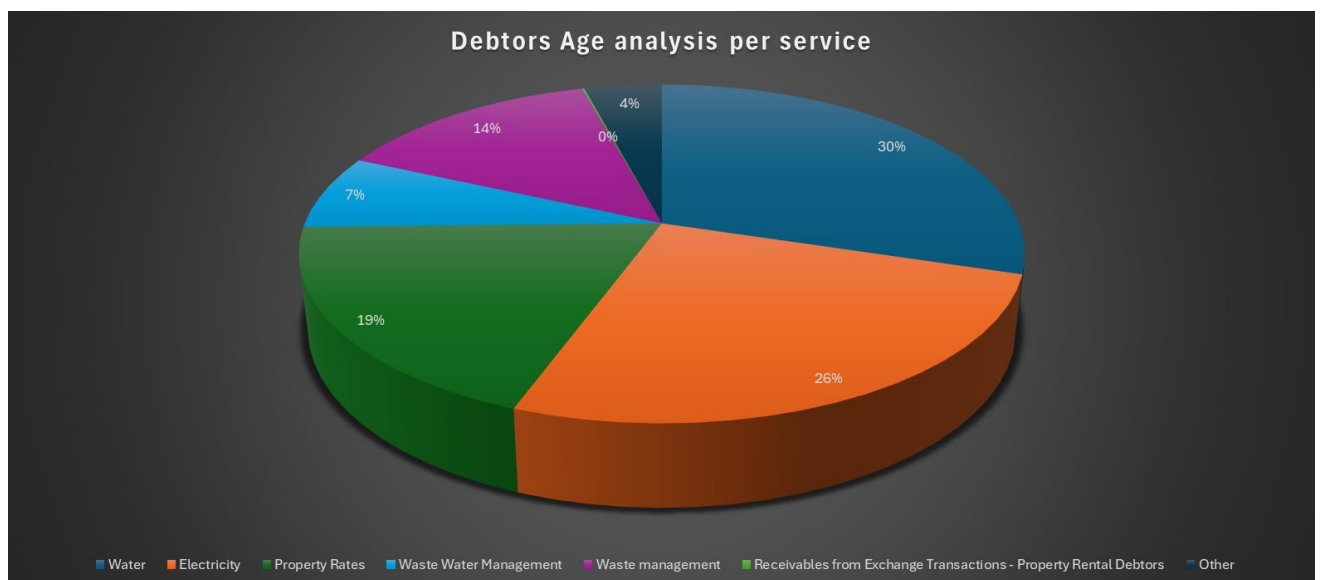
### Chart 9 – Debtors per revenue source

The following chart shows the debtors outstanding per revenue source, Chart as per information above Q3 (31 March 2025).



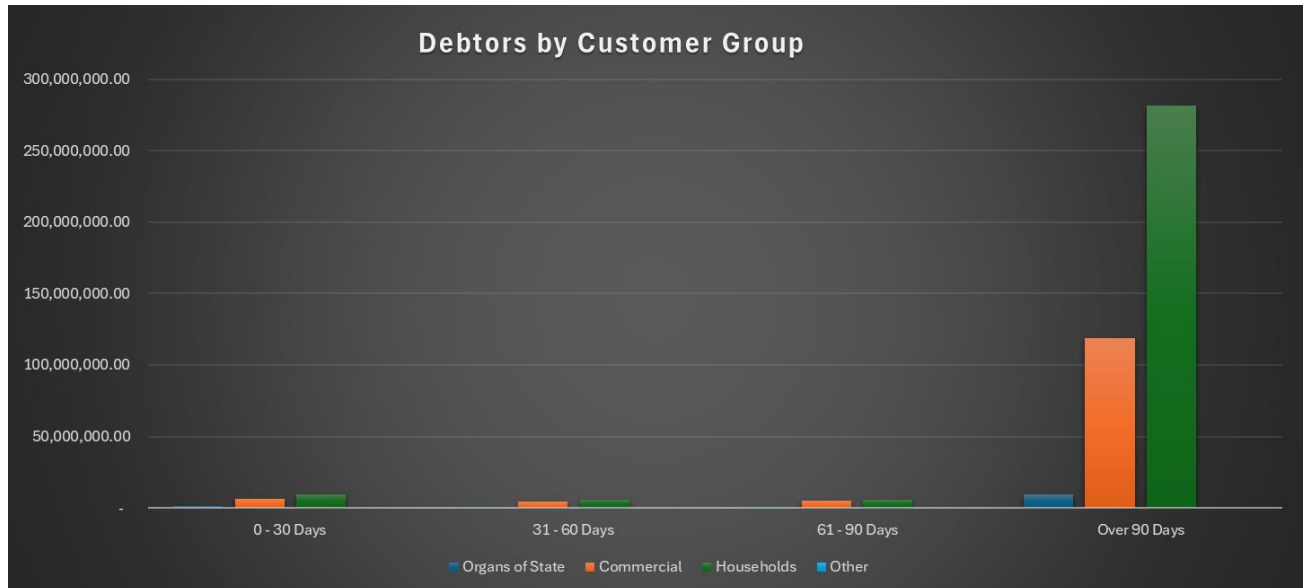
The following chart shows the different services outstanding as a percentage by debtors 31 March 2025.

### CHART 10



### **CHART 11**

The following chart shows the debtors outstanding per category, Chart as per information 31 March 2025.





## Creditors age analysis – Annexure B

### Part 5: Creditor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Creditor Age Analysis</b>										
Bulk Electricity	-	-	-	-	-	-	224,157	100.0%	224,157	47.5%
Bulk Water	-	-	-	-	-	-	225,737	100.0%	225,737	47.8%
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	2,906	15.2%	27	.1%	6,965	36.5%	9,169	48.1%	19,067	4.0%
Auditor-General	-	-	-	-	-	-	2,413	100.0%	2,413	.5%
Other	-	-	2	18.9%	4	51.2%	2	29.9%	8	-
Medical Aid deductions	613	100.0%	-	-	-	-	-	-	613	.1%
<b>Total</b>	<b>3,519</b>	<b>.7%</b>	<b>29</b>	<b>-</b>	<b>6,969</b>	<b>1.5%</b>	<b>461,478</b>	<b>97.8%</b>	<b>471,995</b>	<b>100.0%</b>

### Notes on Creditors

Please note creditors' report is subject to correction

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

The municipality applied for the Debt Relief Program and was successful in the application, furthermore, payments thus have been made in consultation with ESKOM, the municipality received the approved letter for the first 1/3 of the Eskom Debt to be written off.

The municipality has payment agreements with other creditors.

The municipality received an offer to enter into a Debt Write Off Programme with the Water Board, the municipality also has a proposed Debt Write Off/Offset Agreement that it will table to Vaal Central Water for their consideration.

The municipality has moved the billing of service to the Rural Maintenance system, this has resulted in a portion of the billing taken place in the Promun 3 Financial System and the rest in the Rural Maintenance system, however, the two system must still be aligned and the figures as per the C-Schedule is not a true reflection of the monthly figures.

The municipality did engage with both Service Providers and all parties are currently busy to align figures and a new C-Schedule with the correct figures will be drafted and submitted in due course.

## Collection Rate

Summary - Quarter 2					Summary - Quarter 3				
Billing	Collection	R - Billing not collected	% Collection	Q2	Billing	Collection	R - Billing not collected	% Collection	Q1
72,420,642	49,306,492	23,114,150	68%	68%	54,881,230	29,406,161	25,475,069	54%	54%
58,170,874	45,602,696	12,568,178	78%	78%	44,106,414	27,284,062	16,822,352	62%	62%
17,876,187	15,870,360	2,005,827	89%	89%	12,108,628	6,994,845	5,113,783	58%	58%
24,683,667	19,915,299	4,768,367	81%	81%	19,140,115	12,509,025	6,631,090	65%	65%
17,012,298	7,680,778	9,331,521	45%	45%	15,031,285	5,907,106	9,124,179	39%	39%
5,701,215	2,773,586	2,927,629	49%	49%	3,839,520	1,980,147	1,859,373	52%	52%
7,147,275	3,066,469	4,080,806	43%	43%	4,761,682	2,015,037	2,746,645	42%	42%

### Notes on table above

From the comparison above there is a sharp decline in the collection rate of the municipality.

The municipality stop the blocking of electricity and introduced the auxiliary services whereby the 70/30 principle was introduced, meaning that the consumer only gets 70% with electricity and 30 % goes to outstanding debt each time a consumer with an outstanding debt purchases electricity, from the figures above the initiatives is not very effective.

## Debt Relief Monitoring



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				Part F																				
			Eskom And Bulk water current account				Compliance with a funded MTREF				FRP/BFP & Tariff Assessment		Electricity and water as collection tools				Quarterly collection of property rates and service 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	Compliance Status
1. July	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance	
2. August	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance	
3. September	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance	
4. October	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance	
5. November	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance	
6. December	Nama Khoi	NC062	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance	
7. January	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance	
8. February	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance	
9. March	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	88%	Non Compliance
10. April	Nama Khoi	NC062																																									0%	Non Compliance	
11. May	Nama Khoi	NC062																																									0%	Non Compliance	
12. June	Nama Khoi	NC062																																									0%	Non Compliance	

### Notes on the table above

The municipality is still compliant with the debt relief with a few exceptions like the unfunded budget status, however, the municipality does have a funded budget plan that is monitored on a monthly basis and progress is submitted to the various departments. The municipality is also having challenges with the Water Board, however the offset of accounts is in progress. Compliance issues such as the documents to be uploaded on the gomuni portal must be prioritised.

## 4. Financial Implications/Recommendations

### Revenue by Type:

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

- Credit control and debt collection using pre-paid water meters not only in Eskom areas but also defaulters all over the municipal jurisdiction.
- Distribution of correct consumer accounts and timely correction of errors should they occur.
- Keeping an updated and verified indigent register.
- Replacement of faulty meters needs to be tracked.
- Implementation of green energy initiatives should be carefully monitored to ensure the municipality does not make a loss.

### Expenditure by type:

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

- Cost containment measures and controls must be adhered to.
- Repairs and maintenance must be done in a manner that ensures the same asset does not keep being repaired.
- We should get a balance between technology and manual labour.
- Must ensure that bulk accounts are verified and correct.
- Get a balance on the overtime and standby hours.

### Capital Expenditure:

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

- Must ensure that Procurement Plans align with the IDP, Budget, and SDBIP.
- Business plans are submitted on time
- SCM processes start before the start of the financial year
- Implementation plans are carefully monitored

### Cash Flow Statement:

Expenditure should be linked to the cash flow budget, once cash is less than budget corrections must be done to avoid the municipality running into cash flow problems. The municipality should strive to use the cash received wisely and for the intended purpose as planned. The municipality should strive to spend less cash than it has received to avoid going into a negative cash balance. Revenue/Cash recovery must be structured so that the old outstanding funds received will be used to either settle outstanding creditors or fund projects that can enhance revenue recovery.

## **Debtors Analysis**

The municipality needs to ensure better distribution of information to the community as well as Councillors. The distribution of monthly accounts should be 100% correct and all methods of distributing accounts should be explored with the best methods being introduced for the different wards. The municipality must also establish a better workflow between departments to ensure the community won't end up with unnecessary accounts.

## **Creditors Analysis**

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

## **General Note**

Central Vaal Water has not been paid as required.

Strict adherence to Credit Control Measures is required.

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

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

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

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

The municipality introduced the 70/30 auxiliary services which means the customer with outstanding debt will only receive 70% worth of electricity and 30 % will go to the outstanding debt, however, with the analysis of the previous quarter there is a decline in the collection rate which might have an impact on the debt relief.

The municipality appointed Rural Maintenance Pty Ltd to assist the municipality with debt collection and debt management, the action plan and initiatives will be reported on in the following months reporting.

## **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 had a decline in compliance of the debt relief programme

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

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

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

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

### **5. Interdepartmental and cluster impact**

This report is prepared to achieve MFMA compliance.

### **6. Comments of the Head: Legal Services**

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

### **7. Conclusion**

This report is in accordance compliance with section 52 of the MFMA, by providing a statement to the Council containing certain financial particulars.

#### **PREPARED BY:**

**Heinri Cloete**

**Chief Financial Officer**

**Budget & Treasury**

**DATE: 30 April 2025**

## **NAMA KHOI MUNICIPALITY QUALITY CERTIFICATE**

I, Jan I Swartz the Acting Municipal Manager of Nama Khoi Municipality, at this moment certify that

—

- A quarterly report on the implementation of the municipality's budget and financial state affairs for the quarter ending 31 March 2025 has been prepared by Section 52 of the Municipal Finance Management Act and regulations made under that Act.

Print Name: JI Swartz

Municipal Manager of Nama Khoi Municipality

Signature: .....

Date: 30 April 2025

## **Annexure A**

### **Reports and reportable matters**

#### **The Mayor of a municipality–**

- (a) must provide general political guidance, over the fiscal and financial affairs of the municipality.
- (b) In providing such general political guidance, may monitor and to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- (c) Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget
- (d) Must, within 31 days report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
- (e) Must exercise the other powers and perform the other duties assigned to the Mayor in terms of this Act or delegated by the council to the Mayor