



**Nama Khoi Municipality**

**27 July 2025**

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING 30 June 2025 (MONTHLY BUDGET STATEMENT) – 2024/2025 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 Mr R Kritzinger 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 30 June 2025

## **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 30 June 2025**

**This report is based on financial information, as of 30 June 2025, and is available during preparation.**

The financial results for the period ended 30 June 2025 are summarised as follows:

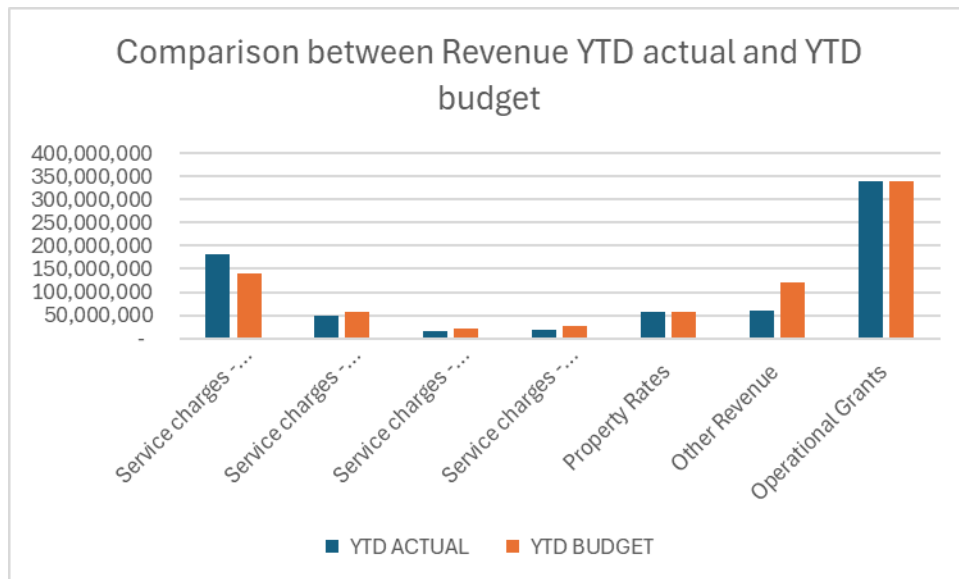
Statement of Financial Performance (SFP) (Annexure B – TABLE C4)

## Table of Contents

Page 3	Table C4-Financial Performance
Page 4	Expenditure by Type
Page 5	Table C3 – Revenue and Expenditure by Vote
Page 8	Capital Expenditure
Page 9	Cash Flow Statement
Page 10	Bank Reconciliation
Page 12	Debtors Age Analysis
Page 14	Collection Rate
Page 15	Creditors age analysis
Page 16	Employee Related Cost
Page 17	Other Required Financial Information as per Treasury Guidelines
Page 16	Financial Implications/Recommendations
Page 21	Interdepartmental and Cluster Impact
Page 24	Quality Certificate
Page 25	Annexure A
Page 26	C-Schedule Table of contents

Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June						
Description	Budget Year 2024/25		YearTD actual	YearTD budget	YTD variance	YTD variance
	Original Budget	Adjusted Budget				
<b>Revenue</b>						
Service charges - Electricity	120,610,505	141,220,962	181,433,587	141,220,962	40,212,625	128
Service charges - Water	57,879,354	58,675,664	50,404,531	58,675,664	- 8,271,133	86
Service charges - Waste Water Management	21,428,961	21,647,671	16,284,896	21,647,671	- 5,362,775	75
Service charges - Waste management	25,847,033	25,847,033	18,919,757	25,847,033	- 6,927,276	73
Sale of Goods and Rendering of Services	3,922,066	4,204,211	460,468	4,204,211	- 3,743,743	11
Agency services	93,786	93,786	-	93,786	- 93,786	-
Interest earned from Receivables	22,299,427	22,299,427	32,042,148	22,299,427	9,742,721	144
Interest from Current and Non Current Assets	4,425,355	16,218,944	13,544,388	16,218,944	- 2,674,556	84
Rent on Land	1,252,978	1,252,978	693,446	1,252,978	- 559,532	55
Rental from Fixed Assets	3,399,035	3,399,035	1,232,760	3,399,035	- 2,166,275	36
Licence and permits	1,664,099	3,854,044	3,015,130	3,854,044	- 838,914	78
Operational Revenue	408,205	552,914	640,349	552,914	87,435	116
Property rates	57,426,530	57,426,530	56,202,427	57,426,530	- 1,224,103	98
Fines, penalties and forfeits	603,022	607,809	5,136	607,809	- 602,673	1
Transfers and subsidies - Operational	73,321,000	339,363,535	339,617,720	339,363,535	254,185	100
Interest	4,391,925	7,391,925	6,828,998	7,391,925	- 562,927	92
Operational Revenue	-	-	1,742,035	-	1,742,035	
Other Gains	60,588,000	60,588,000	-	60,588,000	- 60,588,000	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>459,561,281</b>	<b>764,644,468</b>	<b>723,067,776</b>	<b>764,644,468</b>	<b>- 41,576,692</b>	<b>95</b>
<b>Expenditure By Type</b>						
Employee related costs	105,612,784	114,509,121	100,857,217	114,509,106	- 13,651,889	88
Remuneration of councillors	7,282,094	7,661,429	7,386,080	7,661,429	- 275,349	96
Bulk purchases - electricity	125,880,000	135,000,000	144,052,703	135,000,000	9,052,703	107
Inventory consumed	50,096,000	50,221,000	40,620,772	50,221,000	- 9,600,228	81
Debt impairment	22,200,000	39,000,000	-	39,000,000	- 39,000,000	-
Depreciation and amortisation	72,391,567	72,391,567	-	72,391,567	- 72,391,567	-
Interest	17,225,338	19,782,776	4,663,187	19,782,776	- 15,119,589	24
Contracted services	22,215,720	41,359,515	30,141,832	41,359,515	- 11,217,683	73
Irrecoverable debts written off	1,000,000	1,000,000	-	1,000,000	- 1,000,000	-
Operational costs	27,434,094	35,545,129	25,753,129	35,545,129	- 9,792,000	72
Other Losses	3,420,552	9,724,196	-	9,724,196	- 9,724,196	-
<b>Total Expenditure</b>	<b>454,758,149</b>	<b>526,194,733</b>	<b>353,474,919</b>	<b>526,194,718</b>	<b>- 172,719,799</b>	<b>67</b>
<b>Surplus/(Deficit)</b>	<b>4,803,132</b>	<b>238,449,735</b>	<b>369,592,857</b>	<b>238,449,750</b>	<b>131,143,107</b>	

	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance
<b>Revenue</b>						
Service charges - Electricity	120,610,505	141,220,962	181,433,587	141,220,962	40,212,625	128
Service charges - Water	57,879,354	58,675,664	50,404,531	58,675,664	- 8,271,133	86
Service charges - Waste Water Management	21,428,961	21,647,671	16,284,896	21,647,671	- 5,362,775	75
Service charges - Waste management	25,847,033	25,847,033	18,919,757	25,847,033	- 6,927,276	73
Sale of Goods and Rendering of Services	3,922,066	4,204,211	460,468	4,204,211	- 3,743,743	11
Agency services	93,786	93,786	-	93,786	- 93,786	-
Interest earned from Receivables	22,299,427	22,299,427	32,042,148	22,299,427	9,742,721	144
Interest from Current and Non Current Assets	4,425,355	16,218,944	13,544,388	16,218,944	- 2,674,556	84
Rent on Land	1,252,978	1,252,978	693,446	1,252,978	- 559,532	55
Rental from Fixed Assets	3,399,035	3,399,035	1,232,760	3,399,035	- 2,166,275	36
Licence and permits	1,664,099	3,854,044	3,015,130	3,854,044	- 838,914	78
Operational Revenue	408,205	552,914	640,349	552,914	87,435	116
Property rates	57,426,530	57,426,530	56,202,427	57,426,530	- 1,224,103	98
Fines, penalties and forfeits	603,022	607,809	5,136	607,809	- 602,673	1
Transfers and subsidies - Operational	73,321,000	339,363,535	339,617,720	339,363,535	254,185	100
Interest	4,391,925	7,391,925	6,828,998	7,391,925	- 562,927	92
Operational Revenue	-	-	1,742,035	-	1,742,035	
Other Gains	60,588,000	60,588,000	-	60,588,000	- 60,588,000	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>459,561,281</b>	<b>764,644,468</b>	<b>723,067,776</b>	<b>764,644,468</b>	<b>- 41,576,692</b>	<b>95</b>



**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.**

Variances to be discussed in the Institutional and Finance Committee

### **Matters of Concern**

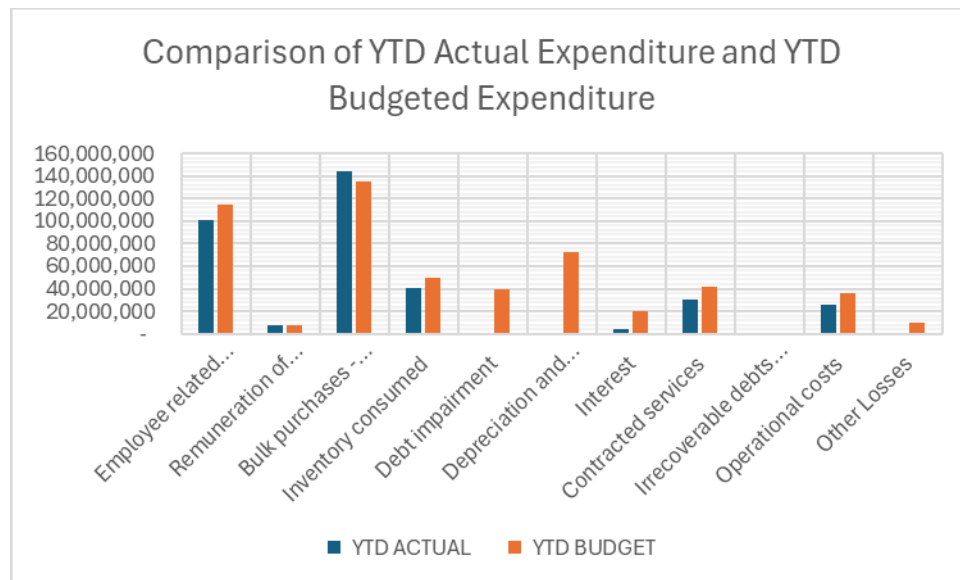
The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

**Service Charges** – The municipality has seen an improvement in the billing of electricity, which is due to the meter changes and investigations on meter accounts by the Rural Maintenance Programme. Other services, such as water, have also shown a little improvement with the municipality installing check meters all over the municipal areas water services should also have a billing of 90%.

**Other Revenue** – The municipality must still make some corrective journal entries in certain revenue items and must still process the ESKOM write-off to reflect in the Creditors as well as revenue gained.

**Rental revenue** is lower than the anticipated budget; the municipality is in the process of updating all contracts and will be monitoring it through the IMIS contract management system.

Expenditure By Type	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %
Employee related costs	105,612,784	114,509,121	100,857,217	114,509,106	- 13,651,889	88
Remuneration of councillors	7,282,094	7,661,429	7,386,080	7,661,429	- 275,349	96
Bulk purchases - electricity	125,880,000	135,000,000	144,052,703	135,000,000	9,052,703	107
Inventory consumed	50,096,000	50,221,000	40,620,772	50,221,000	- 9,600,228	81
Debt impairment	22,200,000	39,000,000	-	39,000,000	- 39,000,000	-
Depreciation and amortisation	72,391,567	72,391,567	-	72,391,567	- 72,391,567	-
Interest	17,225,338	19,782,776	4,663,187	19,782,776	- 15,119,589	24
Contracted services	22,215,720	41,359,515	30,141,832	41,359,515	- 11,217,683	73
Irrecoverable debts written off	1,000,000	1,000,000	-	1,000,000	- 1,000,000	-
Operational costs	27,434,094	35,545,129	25,753,129	35,545,129	- 9,792,000	72
Other Losses	3,420,552	9,724,196	-	9,724,196	- 9,724,196	-
<b>Total Expenditure</b>	<b>454,758,149</b>	<b>526,194,733</b>	<b>353,474,919</b>	<b>526,194,718</b>	<b>- 172,719,799</b>	<b>67</b>



### Notes on variances above/under 10%

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

**Inventory Consumed** – The municipality has not made all payments as required to the Water Board; however, since March 2025, after discussions with the Water Board, where issues relating to the outstanding account and the monthly billing were had, the municipality has started to settle the monthly account.

**Interest paid**- the municipality paid less interest due to the participation in the ESKOM Debt Relief Programme, and will not incur further interest on the water account due to participation in the Water Incentive Scheme

**Contract Services and Other expenditures** are linked to the available funds and is lower as the municipality is focusing on the bulk purchases.

**Other losses** will be updated with the finalisation of the Annual Financial System.

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) - M12 June						
Vote Description	Budget Year 2024/25					
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>Revenue by Vote</b>						
Vote 1 - MAYOR COUNCIL	388,156	388,156	410,649	388,156	22,493	106
Vote 2 - MUNICIPAL MANAGER	1,707,595	1,707,595	1,890,149	1,707,595	182,554	111
Vote 3 - CORPORATE SERVICES	3,230,501	3,460,322	1,304,802	3,460,322	- 2,155,520	38
Vote 4 - FINANCIAL SERVICES	94,696,445	411,976,274	410,301,576	411,976,274	- 1,674,698	100
Vote 5 - COMMUNITY SERVICES: COMM DEV	46,372,341	18,626,970	23,765,810	18,626,970	5,138,840	128
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY	1,851,555	3,878,689	3,016,716	3,878,689	- 861,973	78
Vote 7 - INFRASTRUCTURE;ENG TECHNICAL	337,636,688	386,189,323	295,566,592	386,189,323	- 90,622,731	77
<b>Total Revenue by Vote</b>	<b>485,883,281</b>	<b>826,227,329</b>	<b>736,256,294</b>	<b>826,227,329</b>	<b>- 89,971,035</b>	<b>89</b>
<b>Expenditure by Vote</b>						
Vote 1 - MAYOR COUNCIL	12,914,388	14,230,854	13,914,218	14,230,851	- 316,633	98
Vote 2 - MUNICIPAL MANAGER	11,596,959	12,929,375	11,117,247	12,929,375	- 1,812,128	86
Vote 3 - CORPORATE SERVICES	30,030,344	33,725,545	18,903,355	33,725,543	- 14,822,188	56
Vote 4 - FINANCIAL SERVICES	50,595,496	62,137,623	43,906,411	62,137,620	- 18,231,209	71
Vote 5 - COMMUNITY SERVICES: COMM DEV	63,968,799	72,039,841	19,124,348	72,039,837	- 52,915,489	27
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY	11,489,116	13,483,464	10,208,400	13,483,462	- 3,275,062	76
Vote 7 - INFRASTRUCTURE;ENG TECHNICAL	274,163,047	317,648,031	236,300,941	317,648,030	- 81,347,089	74
<b>Total Expenditure by Vote</b>	<b>454,758,149</b>	<b>526,194,733</b>	<b>353,474,920</b>	<b>526,194,718</b>	<b>- 172,719,798</b>	<b>67</b>
<b>Surplus/ (Deficit) for the year</b>	<b>31,125,132</b>	<b>300,032,596</b>	<b>382,781,374</b>	<b>300,032,611</b>	<b>82,748,763</b>	

**Reasons for variances above/under 10%**

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

Variance is as per the discussions above

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) - M12 June

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE MAYOR COUNCIL		78	-	-	-	-	-	-		-
Vote 2 - MUNICIPAL MANAGER		329	-	-	-	-	-	-		-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-		-
Vote 4 - FINANCIAL SERVICES		(1,048)	1,800	1,800	78	4,577	1,800	2,777	154%	1,800
Vote 5 - COMMUNITY SERVICES: COMM DEV		-	-	-	-	-	-	-		-
Vote 6 - COMMUNITY SERVICES: PUBLSAFETY		-	-	-	-	-	-	-		-
Vote 7 - INFRASTRUCTURE;ENG TECHNICAL		10,997	26,322	65,589	9,675	16,725	65,589	(48,864)	-75%	65,589
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	10,356	28,122	67,389	9,753	21,302	67,389	(46,087)	-68%	67,389
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE MAYOR COUNCIL		(342)	-	-	-	-	-	-		-
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		786	-	3,732	168	168	3,732	(3,564)	-95%	3,732
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	444	-	3,732	168	168	3,732	(3,564)	-95%	3,732
Total Capital Expenditure		10,800	28,122	71,121	9,921	21,470	71,121	(49,651)	-70%	71,121
Capital Expenditure - Functional Classification										
Governance and administration		(264)	1,800	1,800	78	179	1,800	(1,621)	-90%	1,800
Executive and council		(264)	-	-	-	-	-	-		-
Finance and administration		-	1,800	1,800	78	179	1,800	(1,621)	-90%	1,800
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		329	-	-	-	-	-	-		-
Planning and development		329	-	-	-	-	-	-		-
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		10,735	26,322	69,321	9,843	21,291	69,321	(48,030)	-69%	69,321
Energy sources		-	-	-	-	-	-	-		-
Water management		1,294	-	1,627	168	168	1,627	(1,459)	-90%	1,627
Waste water management		9,441	26,322	67,694	9,675	21,123	67,694	(46,571)	-69%	67,694
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	10,800	28,122	71,121	9,921	21,470	71,121	(49,651)	-70%	71,121
Funded by:										
National Government		10,735	26,322	60,765	9,675	17,299	60,765	(43,466)	-72%	60,765
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		10,735	26,322	60,765	9,675	17,299	60,765	(43,466)	-72%	60,765
Borrowing	6	78	-	-	-	-	-	-		-
Internally generated funds		(13)	1,800	10,356	246	4,171	10,356	(6,185)	-60%	10,356
Total Capital Funding		10,800	28,122	71,121	9,921	21,470	71,121	(49,651)	-70%	71,121

Project and Capital expenditure progress is discussed in the Infrastructure Committee meetings



## CASH FLOW STATEMENT ON 30 June 2025

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		48,287	55,018	55,637	12,583	45,992	55,637	(9,644)	-17%	55,637
Service charges		260,094	205,264	205,017	120,442	352,486	205,017	147,469	72%	205,017
Other revenue		10,843	4,096	65,696	1,472	4,766	65,696	(60,930)	-93%	65,696
Transfers and Subsidies - Operational		69,379	79,315	368,436	–	98,424	368,436	(270,011)	-73%	368,436
Transfers and Subsidies - Capital		20,272	26,322	36,322	–	12,710	36,322	(23,612)	-65%	36,322
Interest		30,885	4,425	11,925	23,803	34,621	11,925	22,696	190%	11,925
Dividends		–	–	–	–	–	–	–		–
<b>Payments</b>										
Suppliers and employees		(570,506)	(330,744)	(442,473)	(14,522)	(271,977)	(307,473)	(35,496)	12%	(442,473)
Interest		(3,384)	(17,225)	(19,783)	–	–	(19,783)	(19,783)	100%	(19,783)
Transfers and Subsidies		–	–	–	–	–	–	–		–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(134,129)</b>	<b>26,472</b>	<b>280,778</b>	<b>143,779</b>	<b>277,023</b>	<b>415,778</b>	<b>138,754</b>	<b>33%</b>	<b>280,778</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		1,710	–	(220)	–	(1,710)	(1,710)	–		(220)
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
<b>Payments</b>										
Capital assets		(26,954)	(28,122)	(71,121)	(13,138)	(26,954)	(71,121)	(44,167)	62%	(71,121)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(25,244)</b>	<b>(28,122)</b>	<b>(71,341)</b>	<b>(13,138)</b>	<b>(28,663)</b>	<b>(72,831)</b>	<b>(44,167)</b>	<b>61%</b>	<b>(71,341)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		20,972	–	–	–	–	–	–		–
Borrowing long term/refinancing		(1,274)	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	(8,768)	(100,857)	–	(100,857)	#DIV/0!	–
<b>Payments</b>										
Repayment of borrowing		731	–	–	(254)	(254)	–	254	#DIV/0!	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>20,428</b>	<b>–</b>	<b>–</b>	<b>(9,022)</b>	<b>(101,111)</b>	<b>–</b>	<b>101,111</b>	<b>#DIV/0!</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(138,945)</b>	<b>(1,650)</b>	<b>209,436</b>	<b>121,620</b>	<b>147,249</b>	<b>342,947</b>			<b>209,436</b>
Cash/cash equivalents at beginning:		46,846	4,242	44,220	–	44,220	44,220			44,220
Cash/cash equivalents at month/year end:		(92,099)	2,592	253,657	121,620	191,469	387,167			253,657

### Notes on the Cash Flow Statement

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

Bank Reconciliation

Nama Khoi Municipality (NC062)  
Bank Reconciliation Report

CashBook : - NEDBANK 2024/2025      Processing Month :12

Reconciliation Summary		
Cashbook Opening Balance	✔	2,589,735.5
Payments for Period		--41,435,353.27
Receipts for Period	✔	37,892,087.77
Item/Cashbook	✔	-95,3529
Uncleared Payments	✔	1,316,811.07
Uncleared Receipts	✔	0.00
	✔	0.00
Unknown Items		
Sub Total	✔	363,282.07
Statement Balance	✔	-363,282.07
Difference		0

BANK	Nedbank	Rural	Nedbank	Rural	Nedbank	Rural	Nedbank	Rural	Nedbank	Rural	Grand Total
Description	March		April		May		June		Total		
Receipts 2024 / 25											
Service charges	16,160,104.00	3,947,888.59	9,208,940.06	10,321,499.44	11,208,155.83	14,766,445.46	9,279,423.57	18,898,009.60	45,856,623.46	47,933,843.09	93,790,466.55
Transfers :	5,088,078.74		10,800,000.00		28,726,587.13	6,455,900.52	26,224,868.92		70,839,534.79	6,455,900.52	77,295,435.31
Interest	19,633.49		62,060.97		14,576.72		8,914.76		105,185.94	0.00	105,185.94
Grants	19,236,371.59		33,400.76						19,269,772.35	0.00	19,269,772.35
SARS							2,300,548.72		2,300,548.72	0.00	2,300,548.72
	40,504,187.82	3,947,888.59	20,104,401.79	10,321,499.44	39,949,319.68	21,222,345.98	37,813,755.97	18,898,009.60	138,371,665.26	54,389,743.61	192,761,408.87
Description	March		April		May		June		Total		
Receipts 2023 / 24											
Service charges	19,452,914.99		20,705,390.13		23,024,871.78		22,866,019.70		86,049,196.60	0.00	86,049,196.60
Transfers :	3,207,839.92		6,883,630.75		2,482,866.11		8,299,841.67		20,909,763.75		20,909,763.75
Interest	20,260.31		57,455.52		48,150.18		35,585.30		161,451.31		161,451.31
Grants	24,938,795.25		48,585.00						25,642,728.73		25,642,728.73
SARS			186,361.24		633,619.82		655,348.48		1,475,329.54		1,475,329.54
	47,619,810.47	0.00	27,881,422.64	0.00	26,189,507.89	0.00	31,856,795.15	0.00	134,238,469.93	0.00	134,238,469.93
Service charges		655,077.60		-1,174,950.63		2,949,729.51		5,311,413.47		7,741,269.95	7,741,269.95

### Comparison of Actual receipts for the period March to June 2023-24 and 2024-25

The preliminary results show that the municipality bank R7 741 269 more for the same period compared to last year, which is mainly due to electricity corrections and replacement of meters. The municipality expected these results to improve, as certain debtors have been found to have incorrect readings and, as a result, have been paying less than they had to pay. Corrections to the tariff structure were introduced in line with the Cost of Supply Study that was conducted.

## 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 30 June 2025.

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

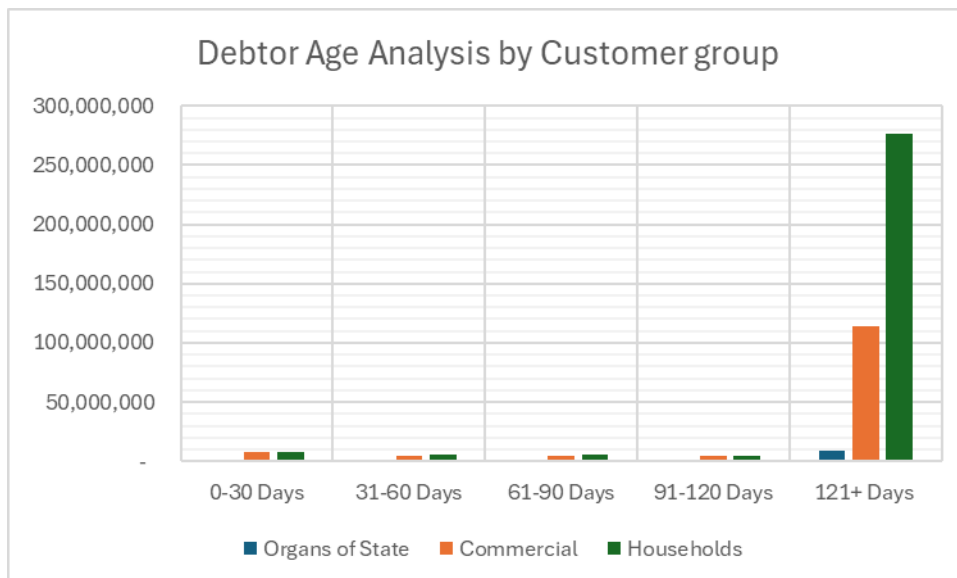
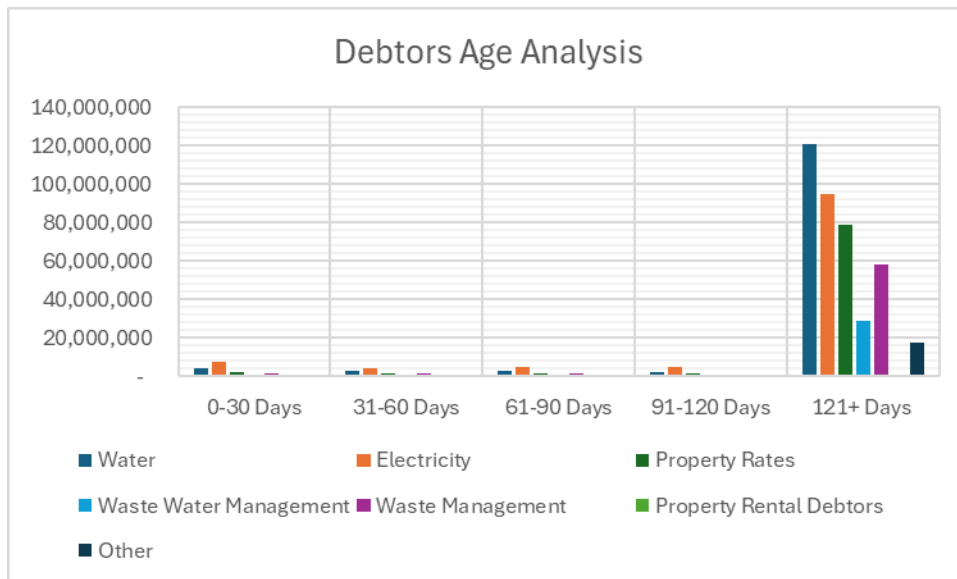
Debtors Age Analysis 30 June 2025						
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days	Total
<b>Debtors Age Analysis By Income Source</b>						
Water	4,401,211	2,923,066	2,742,910	2,231,869	121,190,004	133,489,060
Electricity	7,423,179	4,198,170	4,618,677	4,771,608	94,799,147	115,810,781
Property Rates	2,201,301	1,631,802	1,480,096	1,335,464	78,796,281	85,444,944
Waste Water Management	965,930	802,426	740,699	635,438	28,764,495	31,908,988
Waste Management	1,376,805	1,214,559	1,157,301	991,597	58,080,020	62,820,282
Property Rental Debtors	15,675	12,659	11,921	10,601	427,293	478,149
Other	249,785	238,620	228,139	180,716	17,559,625	18,456,885
<b>Total By Income Source</b>	<b>16,633,886</b>	<b>11,021,302</b>	<b>10,979,743</b>	<b>10,157,293</b>	<b>399,616,865</b>	<b>448,409,089</b>
<b>Debtors Age Analysis By Customer Group</b>						
Organs of State	1,092,411	781,582	628,261	559,840	8,821,381	11,883,475
Commercial	7,395,622	4,331,060	4,808,503	4,910,972	114,099,085	135,545,242
Households	8,145,853	5,908,660	5,542,979	4,686,481	276,696,399	300,980,372
<b>Total By Customer Group</b>	<b>16,633,886</b>	<b>11,021,302</b>	<b>10,979,743</b>	<b>10,157,293</b>	<b>399,616,865</b>	<b>448,409,089</b>

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

### Notes on Debtors' Age Analysis

As indicated above, the municipality changed its billing systems in March 2025 and has been struggling with the reconciliation of billing data, which has affected the monthly reports and data strings as required. The change of billing systems also had an effect on the customer accounts, as the payment date and format of the account, amongst other things, were changed. The municipal official had to learn a new billing system within a year of the implementation of Promun 3, and lots of customer complaints were received.

With the above taken into account, the municipality is positive that the financial situation will improve once all the system errors have been cleared, and from the banking data and the electricity billing, it is already clear that there is improvement. It must also be noted that the municipality had engaged with the highest outstanding debtors, and the necessary plans to collect outstanding monies are in place, with certain businesses already starting to make payments and agreeing to payment plans. The municipality will also be writing off the Water Board's outstanding account as per the agreement reached, whereby both parties will be writing off each other's accounts and agreeing to settle the monthly account.



## Notes on Collection Rate

The municipality had a decline in the collection rate for the second and third quarters. This is a result of implementing the 70/30 auxiliary service rule, meaning 30 % of every electricity purchase goes to outstanding debt of customers with outstanding balances and no electricity blocking; this resulted in consumers not paying their outstanding balances and agreements, the municipality also change billing systems in March 2025 that also impacted in consumers not receiving the correct invoices on time and further resulted in a decrease in collection, however, the situation change in the fourth quarter as the municipality improve and is back to the 80% as required by the Eskom Debt Relief Programme.

### Collection Rate per Quarter

**National Treasury**

**Municipal Debt Relief**

**MFMA Circular No. 124**

**Municipal Finance Management Act No. 56 of 2003**

Municipal Details					
Northern Cape					
Code		District		Municipality	
NC062				Nama Khoi	
				Period Monitored	
				June	
					No.Of Wards
					6

Collection Rate Assessment																				
Aggregate Collection	Summary - Quarter 1				Q1	Summary - Quarter 2				Q2	Summary - Quarter 3				Q1	Summary - Quarter 4				Q1
	Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	65,101,565	52,919,079	12,182,486	81%	81%	72,420,642	49,306,492	23,114,150	68%	68%	76,320,131	48,794,949	27,525,182	64%	64%	70,525,766	57,532,204	12,993,561	82%	82%
2.Collection excl Eskom supplied areas	56,945,379	51,056,321	5,889,059	90%	90%	58,170,874	45,602,696	12,568,178	78%	78%	63,259,498	46,436,919	16,822,579	73%	73%	62,668,172	56,263,655	6,404,517	90%	90%
3.Collection: <b>Property Rates</b>	16,665,158	11,853,286	4,811,872	71%	71%	17,876,187	15,870,360	2,005,827	89%	89%	17,127,855	11,405,247	5,722,608	67%	67%	11,402,666	9,020,827	2,381,839	79%	79%
4.Total average collection: <b>Electricity</b> (Municipal supplied areas)	23,767,203	26,012,913	(2,245,710)	109%	109%	24,683,667	19,915,299	4,768,367	81%	81%	28,374,911	24,255,069	4,119,843	85%	85%	37,045,503	36,488,965	556,538	98%	98%
5.Total average collection: <b>Water</b>	12,463,850	8,707,242	3,756,608	70%	70%	17,012,298	7,680,778	9,331,521	45%	45%	19,336,568	7,569,442	11,767,125	39%	39%	12,860,593	5,334,396	7,526,198	41%	41%
6.Total average collection: <b>Wastewater</b>	5,356,544	2,805,310	2,551,234	52%	52%	5,701,215	2,773,586	2,927,629	49%	49%	5,249,269	2,892,483	2,356,786	55%	55%	4,186,258	2,505,053	1,681,205	60%	60%
7.Total average collection: <b>Refuse</b>	6,848,810	3,540,328	3,308,482	52%	52%	7,147,275	3,066,469	4,080,806	43%	43%	6,231,528	2,672,707	3,558,821	43%	43%	5,030,746	4,182,965	847,781	83%	83%
8.Total average collection: <b>Interest</b>	-	-	-	#DIV/0!	0%	-	-	-	#DIV/0!		-	-	-	#DIV/0!		-	-	-	#DIV/0!	

## 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 30 June 2025.

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Choose name from list - Supporting Table 004 Monthly Budget Statement - aged creditors - W12 June										
Description	NT Code	Budget Year 2024/25								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	15,092	40	1,912	-	-	-	39	224,118	241,201
Bulk Water	0200	-	-	-	-	-	-	-	225,737	225,737
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	12,238	369	706	9	8,909	2	5,788	2,611	30,632
Auditor General	0800	169	-	-	-	-	-	-	889	1,058
Other	0900	-	-	-	-	-	4	1	1	7
Medical Aid deductions		618	-	-	-	-	-	-	-	618
Total By Customer Type	1000	28,117	409	2,618	9	8,909	6	5,828	453,356	499,253

## Creditors Analysis

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 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, but this does not reflect on the creditors' age analysis. The municipality is also very close to the second write-off and has maintained to requirements of the ESKOM write-off requirements. The correct outstanding amount to ESKOM after July 2025 should reflect on R70 million +/-.

The municipality has payment agreements with other creditors.

The correct information regarding the outstanding debt to the Water Board should reflect as per the information below:

Nama Khoi Municipality agrees to the proposal of Vaal Central to write off the amount of R204 833 289( Capital) and R 57 265 059 interest.

**Nama Khoi Municipality's outstanding amount of R 39 256 248 will be written off over 36 months in terms of the condition of the water incentive scheme.**

Nama Khoi Municipality pays the outstanding amount of R 12 272 983 to Vaal Central over 12 months as per the payment plan

Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June						
Summary of Employee and Councillor remuneration	Budget Year 2024/25					
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>Councillors (Political Office Bearers plus Other)</b>						
Basic Salaries and Wages	6,058,142	6,398,987	6,128,877	6,398,987	- 270,110	96
Medical Aid Contributions	-	45,093	98,765	45,093	53,672	219
Motor Vehicle Allowance	-	96,816	96,816	96,816	-	100
Cellphone Allowance	734,400	715,371	705,375	715,371	- 9,996	99
Other benefits and allowances	489,552	405,162	356,247	405,162	- 48,915	88
<b>Sub Total - Councillors</b>	<b>7,282,094</b>	<b>7,661,429</b>	<b>7,386,080</b>	<b>7,661,429</b>	<b>- 275,349</b>	<b>96</b>
<b>Senior Managers of the Municipality</b>						
Basic Salaries and Wages	4,855,922	4,880,213	2,655,147	4,880,213	- 2,225,066	54
Pension and UIF Contributions	12,751	12,752	7,262	12,751	- 5,489	57
Performance Bonus	855,697	316,614	316,611	316,614	- 3	100
Motor Vehicle Allowance	558,451	558,452	520,390	558,452	- 38,062	93
Cellphone Allowance	94,943	108,515	58,827	108,514	- 49,687	54
Housing Allowances	141,713	141,713	146,389	141,713	4,676	103
Other benefits and allowances	859	861	478	859	- 381	56
Scarcity	556,034	556,035	332,192	556,034	- 223,842	60
<b>Sub Total - Senior Managers of Municipality</b>	<b>7,076,370</b>	<b>6,575,156</b>	<b>4,037,296</b>	<b>6,575,150</b>	<b>- 2,537,854</b>	<b>61</b>
<b>Other Municipal Staff</b>						
Basic Salaries and Wages	61,967,477	65,452,940	59,851,179	65,452,940	- 5,601,761	91
Pension and UIF Contributions	9,225,567	9,450,135	8,116,718	9,450,135	- 1,333,417	86
Medical Aid Contributions	4,073,120	5,962,311	4,186,331	5,962,311	- 1,775,980	70
Overtime	8,386,437	9,396,723	9,940,326	9,396,722	543,604	106
Performance Bonus	4,797,550	5,079,724	4,219,528	5,079,723	- 860,195	83
Motor Vehicle Allowance	2,994,790	4,055,466	3,549,579	4,055,466	- 505,887	88
Cellphone Allowance	229,896	253,332	233,022	253,332	- 20,310	92
Housing Allowances	687,240	704,069	625,173	704,069	- 78,896	89
Other benefits and allowances	2,608,030	3,119,382	3,077,096	3,119,377	- 42,281	99
Payments in lieu of leave	1,500,000	1,807,432	1,456,822	1,807,432	- 350,610	81
Long service awards	150,000	414,071	433,939	414,070	19,869	105
Post-retirement benefit obligations	1,380,750	1,380,750	-	1,380,750	- 1,380,750	-
Acting and post related allowance	535,557	857,630	1,130,207	857,629	272,578	132
<b>Sub Total - Other Municipal Staff</b>	<b>98,536,414</b>	<b>107,933,965</b>	<b>96,819,920</b>	<b>107,933,956</b>	<b>- 11,114,036</b>	<b>90</b>
<b>Total Parent Municipality</b>	<b>112,894,878</b>	<b>122,170,550</b>	<b>108,243,296</b>	<b>122,170,535</b>	<b>- 13,927,239</b>	<b>89</b>
<b>Total Employee Cost</b>	<b>119,971,248</b>	<b>128,745,706</b>	<b>112,280,592</b>	<b>128,745,685</b>		
<b>Revenue</b>	<b>459,561,281</b>	<b>764,644,468</b>	<b>723,067,776</b>	<b>764,644,468</b>		
<b>Expenditure</b>	<b>454,758,149</b>	<b>526,194,733</b>	<b>353,474,919</b>	<b>526,194,718</b>		
<b>%Employee Cost to Revenue</b>	<b>26</b>	<b>17</b>	<b>16</b>	<b>17</b>		
<b>%Employee Cost to Expenditure</b>	<b>26</b>	<b>24</b>	<b>32</b>	<b>24</b>		

### ***Employee-related cost to total expenditure –***

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements.

The municipality is within the norm of 25-40%





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 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					
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	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	Yes	N/A	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance		
3.September	Nama Khoi	NC062	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	N/A	N/A	Yes	Yes	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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	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	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	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	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	No	93%	Non Compliance		
7.January	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	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	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	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	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	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	88%	Non Compliance			
10.April	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	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	95%	Non Compliance			
11.May	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance				
12.June	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	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				

Notes on the table above

The municipality is still compliant with the debt relief with a few exceptions; however, the municipality does have a funded budget plan that is monitored every month, and progress is submitted to the various departments. The municipality is also having challenges with the Water Board, but the municipality has been invited to apply for the Water Incentive Scheme.

The municipality has moved the billing of service to the Rural Maintenance system, which has resulted in a portion of the billing taking place in the Promun 3 Financial System and the rest in the Rural Maintenance system. The two service providers have engaged and shared information, which has enabled the municipality to produce the C-Schedule containing billing information. However, there are still some minor errors that will be corrected as month 13 errors and will be reflected in the Annual Financial Statements. The outstanding information relating to the debt relief programme will also be submitted in due course.

NAMA KHOI MUNICIPALITY											
VAT 201											
VAT REG. 4890198585											
VAT CATEGORY: C											
ACCOUNTING BASE : PAYMENT BASE											
VAT RECONCILIATION											
Financial Year : 2024/2025											
PERIOD : JUNE 2025											
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		Other and imported services	VAT Value	Control
	12	VAT JUNE		14,503,581.04	1,891,771.44	4,079,811.71	1,601,127.28		2,012,647.20	3,904,418.64	
	1	VAT JUL		23,073,279.76	3,009,558.23	36,572,677.85	84,869.58			3,009,558.23	
	2	VAT AUGUST		13,589,064.78	1,772,486.71	3,308,000.00	209,474.33			1,772,486.71	
	3	VAT SEPTEMBER		19,628,923.35	2,560,294.35	28,298,839.81	193,164.74			2,560,294.35	
	4	VAT OCT		14,801,950.69	1,930,689.22	7,970,586.04	233,262.13			1,930,689.22	
	5	VAT NOV		25,975,674.99	3,388,131.52	5,161,871.12	257,047.44			3,388,131.52	
	6	VAT DEC		25,570,630.73	3,335,299.66	23,691,991.23	178,406.37			3,335,299.66	
	7	VAT JAN		12,660,997.99	1,651,434.52	3,075,579.96	230,636.22			1,651,434.52	
	8	VAT FEB		24,884,783.99	3,245,841.39	4,413,344.89	164,851.28			3,245,841.39	
	9	VAT MARCH		10,004,764.94	1,304,969.34	285,201,535.27	19,633.49			1,304,969.34	
	10	VAT APRIL		4,001,292.75	521,907.75		62,060.97			521,907.75	
	11	VAT MAY		2,949,413.89	384,706.16		9,024,255.68			384,706.16	
Total Amount			R -	R 191,644,358.89	R 24,997,090.29	R 401,774,237.88	R 12,258,789.51	R -		R 27,009,737.49	
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 (- )
	12	VAT JUNE	5,479,462.04	714,712.44	12,369,199.06	1,613,373.79			13,547.45	2,341,633.68	1,562,784.96
	1	VAT JUL	257,582.21	33,597.68	27,784,403.96	3,624,052.69				3,657,650.37	-648,092.14
	2	VAT AUGUST	0.00		17,281,009.00	2,267,088.13				2,267,088.13	-494,601.42
	3	VAT SEPTEMBER	0.00		15,824,576.15	2,064,075.15				2,064,075.15	-496,219.20
	4	VAT OCT	2,915,300.60	380,256.60	23,094,577.76	3,012,336.23				3,392,592.83	-1,461,903.61
	5	VAT NOV	4,214,849.21	549,762.94	18,972,401.92	2,474,661.12				3,024,424.06	-363,707.46
	6	VAT DEC	2,110,555.13	275,289.80	32,678,587.83	4,262,424.50				4,537,714.30	-1,202,414.64
	7	VAT JAN	789,011.78	102,914.58	17,394,157.79	2,268,803.19				2,371,717.77	-720,283.25
	8	VAT FEB	0.00		18,011,852.31	2,349,372.04				2,349,372.04	-896,469.35
	9	VAT MARCH	2,289,620.10	298,646.10	6,598,355.15	860,655.02				1,159,301.12	-145,668.22
	10	VAT APRIL	0.00		21,638,833.17	2,822,456.50				2,822,456.50	-2,300,548.75
	11	VAT MAY	617,809.44	80,583.84	20,732,067.60	2,704,182.73				2,784,766.57	-2,400,060.41
Total Amount			R 18,674,190.51	R 2,435,763.98	R 232,480,021.69	R 30,323,481.09	R -	R -	R 13,547.45	R 32,772,792.52	R 5,763,055.03
VAT Reconciliation											
OPENING BALANCE 01/07/24											572,051.45
TOTAL OUTPUT TAX											-27,009,737.49
TOTAL INPUT TAX											32,772,792.52
REFUNDS :DURING THE YEAR											-7,399,895.26
PAYMENTS DURING THE YEAR											3,464,849.19
CLOSING BALANCE 30/06/25: VAT PAYABLE/ REFUNDABLE											2,400,060.41

NAMA KHOI LOCAL MUNICIPALITY						
GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 JUNE 2025						
	OPENING BALANCE R	GRANTS RECEIVED R	GRANTS REPAYED R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	CLOSING BALANCE R
NATIONAL GOVERNMENT						
Finance Management Grant (FMG)	-	3,000,000	-	(2,835,628)		164,372
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		(1,890,000)		-
Integrated National Electrification Programme (INEP)	-					-
Water Service Infrastructure Grant (WSIG)	15,484,283	5,000,000	(5,484,283)	(9,341,216)		5,658,784
Total	15,191,575	17,600,000	(5,496,139)	(15,599,365)	-	12,000,635
PROVINCIAL GOVERNMENT						
Libraries, Archives and Museums	512,697	1,635,000		(1,394,417)	-	753,280
LG SETA	228,576	-	-	-	-	228,576
Swimming Pool	450,000	-	-	-	-	450,000
Municipal Disaster Recovery Grant	817,356	-	-	-	-	817,356
Municipal Disaster Response Grant		24,444,000		(1,496,920)		22,947,080
Housing	1,465,273		-	-	-	1,465,273
Total	3,473,902	26,079,000	-	(2,891,338)	-	26,661,565
OTHER GRANT PROVIDERS						
Donations	-		-	-	-	-
Total	-	-	-	-	-	-
ALL SPHERES OF GOVERNMENT	18,665,477	43,679,000	(5,496,139)	(18,490,703)	-	38,662,200

<p style="text-align: center;"><b>NAMA KHOI LOCAL MUNICIPALITY</b>  Financial Year: 2024/2025  Consolidated Report on Various Deposits  Period: YTD ended 30 June 2025  Nedbank: Various Own Funding Accounts</p>						
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					5,000,000.00	5,000,000.00
Balance : 01 July 2024		14,963,123.84			679,764.75	15,642,888.59
<u>Receipts</u>		18,000,000.00	0.00	0.00	35,755,679.80	53,755,679.80
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
Deposits	April				4,009,282.58	4,009,282.58
Deposits	May				2,187,485.49	2,187,485.49
Deposits	June				1,857,825.69	1,857,825.69
<u>Withdrawal</u>		-22,200,000.00	0.00	0.00	-32,406,616.42	- 54,606,616.42
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
Monthly operational needs	April					-
Monthly operational needs	May	-4,200,000.00			-3,500,000.00	- 7,700,000.00
Monthly operational needs	June				-1,228,657.00	- 1,228,657.00
<u>Closing Balance: 30 June 2025</u>		10,763,123.84	0.00	2,000.72	9,028,828.13	19,793,952.69

### Notes on the above tables

VAT reports show the municipality either has tax obligations or tax refunds monthly. the more payments the municipality the likelihood of a refund is more however, it also means that the municipality receives less cash from consumers, meaning a decline in collection rate.

Interest report shows the various call accounts the municipality has, where interest from grants is transferred and used for operational needs

Grant reports show the movement of expenditure and income received for the different grants; the municipality has had issues with disputes and appeals with certain grants, which resulted in a delay in appointment for service providers, which resulted in a delay in spending of the grant.

## Donations made from January to June 2025

DONATION JANUARY TO JUNE 2025		
OFFICE	AMOUNT	DESCRIPTION
OFFICE OF THE SPEAKER	4,248	Donation - 5 indigent households
OFFICE OF THE MAYOR	1,500	Donation - funeral
OFFICE OF THE SPEAKER	5,000	Donation - Steinkopf family returning a loved one
OFFICE OF THE MAYOR	900	Donation - ST Anna school
OFFICE OF THE SPEAKER	4,005	Braai wood, Wors, buns, Tomato sauce and fat spread bought
OFFICE OF THE MAYOR	5,453	Chocolate bar (41.5g), Red rose (single), Red lint (Valentinesday)
OFFICE OF THE MAYOR	5,000	Donation - funeral
OFFICE OF THE MAYOR	2,022	Vark chops, Lam chops, Wors
OFFICE OF THE SPEAKER	6,087	CANSA Relay black t-shirts
OFFICE OF THE MAYOR	26,087	Donation - Financial aid treatment fees
OFFICE OF THE SPEAKER	800	Donation - Transport (Financial assistance)
OFFICE OF THE SPEAKER	2,000	Donation - Medical assistance
OFFICE OF THE SPEAKER	1,200	Donation - Transport (Financial assistance)
OFFICE OF THE SPEAKER	2,200	Donation - Transport (Financial assistance)
OFFICE OF THE SPEAKER	1,487	Toilet pot and hardware
OFFICE OF THE MAYOR	5,000	Donation - Transport (Financial assistance)
OFFICE OF THE MAYOR	1,800	Skaap chops aankope (Namaqua recovery halfway house nababeep 3 jaar herdenking)
OFFICE OF THE MAYOR	5,000	Donation - Student accomodation and Transport
OFFICE OF THE MAYOR	1,000	Donation - Chess team financial assistance
OFFICE OF THE SPEAKER	5,000	Donation - Charity drive
OFFICE OF THE SPEAKER	5,000	Donation - Netball Club
OFFICE OF THE MAYOR	2,151	Mothersday Function
OFFICE OF THE MAYOR	1,000	Donasie - Fundraiser
OFFICE OF THE MAYOR	1,528	Donation - Funeral
OFFICE OF THE MAYOR	5,000	Donation - Womensday celebrations
OFFICE OF THE MAYOR	5,000	Donation - Funeral (Assist bereived family financial)
OFFICE OF THE MAYOR	5,000	Donation - Okiep male voices
OFFICE OF THE SPEAKER	2,500	Donation - Financial assistance to yearly affiliation
OFFICE OF THE SPEAKER	5,477	Donation - Dr van Niekerk hospital
OFFICE OF THE MAYOR	3,500	Donation - Financial assistance to rugby player
OFFICE OF THE SPEAKER	5,000	Donation - Disabled persons parcels
OFFICE OF THE MAYOR	2,590	Donation - Kabouterland Kampvuur
OFFICE OF THE SPEAKER	2,500	Donation - For Educational enhancement of children
OFFICE OF THE MAYOR	2,500	Donation - Food for the less fortunate
OFFICE OF THE MAYOR	3,300	Donation - School for special needs children
OFFICE OF THE MAYOR	5,000	Donation - Elderly house Namaqualand
OFFICE OF THE SPEAKER	7,764	Procurement of food items for a wellness program of the municipality
OFFICE OF THE MAYOR	5,000	Donation - For rehabilitation of 1 person
OFFICE OF THE SPEAKER	5,000	Donation - Young controllers
OFFICE OF THE MAYOR	4,174	Donation - Roof fixings
OFFICE OF THE MAYOR	2,000	Donation - Chemo patient
OFFICE OF THE SPEAKER	2,500	Donation - Transport aid to kathu for rugby week
OFFICE OF THE MAYOR	2,000	Donation - Disabled people in Steinkopf care centre
OFFICE OF THE MAYOR	5,000	Donation - Rugby development for 1 player
OFFICE OF THE MAYOR	5,000	Donation - Rugby tournament in kathu for participating learners
OFFICE OF THE SPEAKER	5,000	Donation - Assist family with funeral arrangements
OFFICE OF THE SPEAKER	3,380	Donation - People living with disabilities awareness
OFFICE OF THE SPEAKER	5,000	Donation - Radio NFM soupdrive
OFFICE OF THE SPEAKER	5,000	Donation - Education (Procure copy paper)
OFFICE OF THE SPEAKER	4,580	Donation - to support school learners from under priviledge families
OFFICE OF THE SPEAKER	5,000	Donation - School library upgrade
OFFICE OF THE SPEAKER	5,000	Donation - Calvino Watt's medicine drive
OFFICE OF THE MAYOR	5,000	Donation - Tuition fees assistance
OFFICE OF THE SPEAKER	4,000	Donation - Tracksuits for learners
OFFICE OF THE SPEAKER	5,000	Donation - G Schoeman cravenweek team
OFFICE OF THE SPEAKER	5,000	Donation - Nama Mining and general services
OFFICE OF THE MAYOR	4,000	Donation - Entry fee for tournament
OFFICE OF THE MAYOR	5,000	Donation - Rugby week
OFFICE OF THE MAYOR	4,300	Donation - Training
OFFICE OF THE MAYOR	2,252	Donation - Funeral
OFFICE OF THE MAYOR	5,000	Donation - Randall danster vir deelname aan namakwaland sparweek (Rugby)
OFFICE OF THE MAYOR	1,322	Donation - Funeral
OFFICE OF THE MAYOR	5,000	Donation - Financial assistance education
OFFICE OF THE MAYOR	1,734	Donation - Funeral
OFFICE OF THE MAYOR	5,000	Donation - Soccer tournament in Okiep
OFFICE OF THE MAYOR	3,285	Donation - Funeral
OFFICE OF THE MAYOR	2,000	Donation - Aankoop van blommerangers
OFFICE OF THE MAYOR	5,000	Donation - Soup kitchen
OFFICE OF THE MAYOR	3,600	Donation - School clothes bought
OFFICE OF THE MAYOR	5,000	Donation - Miss unseen International competition
OFFICE OF THE MAYOR	5,000	Donation - Psychiatric patient (Transport cost)
OFFICE OF THE MAYOR	5,000	Donation - Home for th aged
OFFICE OF THE MAYOR	4,070	Donation - Netball gear
OFFICE OF THE MAYOR	5,000	Donation - Daycare cost for children
OFFICE OF THE MAYOR	19,826	Blankets for winter drive
OFFICE OF THE MAYOR	21,479	Food hampers
OFFICE OF THE SPEAKER	5,000	Donation - outreachd program
OFFICE OF THE SPEAKER	3,815	Donation - Funeral
OFFICE OF THE MAYOR	5,000	Doantion - Annual soup drive campaign
OFFICE OF THE MAYOR	5,000	Donation - Player representing in Griquas team

## **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 for defaulters all over the municipal jurisdiction.

Distribution of correct consumer accounts and the timely correction of errors should they occur.

Updated and verified the indigent register.

Replacement of faulty meters needs to be fast-tracked.

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

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 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 the budget, corrections must be made 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 for 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**

The municipality had problems aligning the two financial systems since the change to the Rural Maintenance billing system. It resulted in the monthly reporting since February not reflecting all the required information; this was corrected, except for a few errors, which will be corrected with the month 13 AFS journals. The municipality had improved on the collection rate in the fourth quarter of the year, as per the collection rate report and the cash flow comparison.

**Circular 124 Debt Relief**

The monthly monitoring tool is submitted.

It must be noted that the municipality awaits the feedback on the Water Incentive Scheme.

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

Progress on the Funded Budget is completed as required, report will be submitted as required.

### **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:**

Heinri Cloete

Chief Financial Officer

## **NAMAKHOI MUNICIPALITY QUALITY CERTIFICATE**

I, Don Malan the Acting 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 30 June 2025 has been prepared by the Municipal Finance Management Act 71 and regulations made under that Act.

**Print Name: DON MALAN**

Acting Municipal Manager of Nama Khoi Municipality

A signed Quality Certificate is a separate document due to the document being signed by the CFO, Municipal Manager, and Mayor Manually



## **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 31 days 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.

<b>NAMA KHOI MUNICIPALITY SCHEDULE C MONTHLY BUDGET STATEMENT</b>	
<b>General information and contact information</b>	
<b>Main tables</b>	<b>Consolidated Monthly Statements</b>
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
<b>Supporting Tables</b>	
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