



Nama Khoi Municipality

27 July 2025

The Mayor

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): QUARTERLY REPORT FOR THE PERIOD ENDING
30 June 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 30 June 2025, the 30-day reporting limit expires on 30 July 2025.

3. REPORT FOR THE PERIOD ENDING 30 June 2025

This report is based on financial information as at 30 June 2025. The C-Schedule is based on information from 1 April 2025 to 30 June 2025.

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

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NORTHERN CAPE: NAMA KHOI (NC062)
STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 4TH QUARTER ENDED 30 JUNE 2025 (PRELIMINARY RESULTS)

Part1: Operating Revenue and Expenditure

	2024/25												2023/24		Q4 of 2023/24 to Q4 of 2024/25
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Fourth 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	4th 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%	104,451	13.7%	661,268	86.8%	79,542	101.3%	31.3%
Exchange Revenue															
Service charges - Electricity	120,611	141,221	39,246	32.5%	69,016	57.2%	5,871	4.2%	39,538	28.0%	153,671	108.8%	35,645	115.1%	10.9%
Service charges - Water	57,879	58,676	9,076	15.7%	12,562	21.7%	5,975	10.2%	13,343	22.7%	40,956	69.8%	11,759	90.0%	13.5%
Service charges - Waste Water Management	21,429	21,648	3,863	18.0%	4,268	19.9%	1,601	7.4%	3,989	18.4%	13,722	63.4%	3,675	72.8%	8.5%
Service charges - Waste Management	25,847	25,847	4,484	17.3%	4,812	18.6%	1,605	6.2%	4,824	18.7%	15,725	60.8%	4,238	69.7%	13.8%
Sale of Goods and Rendering of Services	3,922	4,204	109	2.8%	113	2.9%	120	2.9%	89	2.1%	431	10.2%	216	59.6%	(59.0%)
Agency services	94	94	-	-	-	-	-	-	-	-	-	-	-	111.9%	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	22,299	22,299	5,830	26.1%	5,885	26.4%	2,100	9.4%	11,137	49.9%	24,951	111.9%	5,735	102.4%	94.2%
Interest earned from Current and Non Current Assets	4,425	16,219	156	3.5%	304	6.9%	278	1.7%	12,806	79.0%	13,544	83.5%	1,224	102.4%	946.3%
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	1,253	1,253	299	23.8%	297	23.7%	98	7.8%	-	-	693	55.3%	281	94.5%	(100.0%)
Rental from Fixed Assets	3,399	3,399	475	14.0%	481	14.1%	170	5.0%	73	2.2%	1,199	35.3%	512	62.0%	(85.7%)
Licence and permits	1,664	3,854	674	40.5%	870	52.3%	667	17.3%	578	15.0%	2,789	72.4%	821	124.2%	(29.7%)
Special rating levies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	408	553	154	37.7%	146	35.9%	88	15.9%	155	28.1%	544	98.3%	160	119.1%	(2.8%)
Non-Exchange Revenue															
Property rates	57,427	57,427	21,540	37.5%	10,055	17.5%	2,296	4.0%	13,644	23.8%	47,535	82.8%	11,317	115.0%	20.6%
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	603	608	3	0.5%	0	0.1%	1	0.1%	0	-	4	0.7%	32	47.8%	(99.5%)
Licences or permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	73,321	339,364	29,403	40.1%	25,399	34.6%	284,678	83.9%	138	-	339,618	100.1%	1,877	98.4%	(92.7%)
Interest	4,392	4,392	293	6.7%	325	7.4%	122	2.8%	3,713	84.5%	4,452	101.4%	1,461	135.6%	154.2%
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	-	484	-	400	-	124	-	425	-	1,433	-	589	-	(27.8%)
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	60,588	60,588	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenditure	454,758	526,195	74,622	16.4%	98,636	21.7%	70,821	13.5%	109,754	20.9%	353,834	67.2%	93,763	74.6%	17.1%
Employee related costs	105,613	114,509	25,412	24.1%	23,728	22.5%	25,752	22.5%	26,010	22.7%	100,902	88.1%	24,513	103.3%	6.1%
Remuneration of councillors	7,282	7,661	1,718	23.6%	2,071	28.4%	1,825	23.8%	1,772	23.1%	7,386	96.4%	1,808	101.5%	(2.0%)
Bulk purchases - electricity	125,880	135,000	32,804	26.1%	43,299	34.4%	22,628	16.8%	45,322	33.6%	144,053	106.7%	38,525	98.1%	17.6%
Inventory consumed	50,096	50,221	3,547	7.1%	13,399	26.7%	9,303	18.5%	14,374	28.6%	40,623	80.9%	12,509	89.2%	14.9%
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%	1,477	7.5%	4,657	23.5%	3,859	80.5%	(61.7%)
Contracted services	22,216	41,360	6,524	29.4%	7,525	33.9%	3,193	7.7%	12,958	31.3%	30,200	73.0%	5,422	90.8%	139.0%
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	1,000	1,000	-	-	-	-	-	-	-	-	-	-	1	0.1%	(100.0%)
Operational costs	27,434	35,545	3,439	12.5%	7,342	26.8%	7,389	20.8%	7,842	22.1%	26,012	73.2%	7,126	92.3%	10.0%
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses	3,421	9,724	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	4,803	235,450	41,466	-	36,298	-	234,973	-	(5,303)	-	307,434	-	(14,221)	-	-
Transfers and subsidies - capital (monetary allocations)	26,322	60,765	-	-	5,922	22.5%	2,506	4.1%	4,760	7.8%	13,189	21.7%	5,784	31.3%	(17.7%)
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	31,125	296,215	41,466		42,219		237,480		(543)		320,622		(8,437)		
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax	31,125	296,215	41,466		42,219		237,480		(543)		320,622		(8,437)		
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		(543)		320,622		(8,437)		
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		(543)		320,622		(8,437)		

Notes on Revenue and Expenditure Report

The municipality changed billing systems in March 2025, which resulted in the billing data not reflecting on the core financial system, meaning the information for the third and fourth quarters was understated. The municipality did engage with both service providers and has managed correct and align the data between the two systems with the exception of a few errors that will be corrected before the submission of the Annual Financial Statements, it must be noted that these correction was unfortunately after the submission of the June 2025 data strings and the quarterly verification reports does not include the corrections.

Part 2: Capital Revenue and Expenditure

	2024/25												2023/24		Q4 of 2023/24 to Q4 of 2024/25
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Fourth 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	4th 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%	10,534	14.8%	21,470	30.2%	6,384	32.7%	65.0%
National Government	26,322	60,765	224	.9%	5,809	22.1%	1,054	1.7%	10,212	16.8%	17,299	28.5%	6,323	30.8%	61.5%
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%	10,212	16.8%	17,299	28.5%	6,323	30.8%	61.5%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1,800	10,356	-	-	2,886	160.3%	963	9.3%	322	3.1%	4,171	40.3%	61	37.6%	427.6%
Capital Expenditure Functional	28,122	71,121	224	.8%	8,696	30.9%	2,017	2.8%	10,534	14.8%	21,470	30.2%	6,384	32.7%	65.0%
Municipal governance and administration	1,800	1,800	-	-	-	-	26	1.4%	153	8.5%	179	10.0%	-	42.2%	(100.0%)
Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	1,800	1,800	-	-	-	-	26	1.4%	153	8.5%	179	10.0%	-	-	(100.0%)
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport And Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and Environmental Services	-	-	-	-	-	-	-	-	-	-	-	-	61	75.0%	(100.0%)
Planning and Development	-	-	-	-	-	-	-	-	-	-	-	-	61	75.0%	(100.0%)
Road Transport	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading Services	26,322	69,321	224	.9%	8,696	33.0%	1,991	2.9%	10,381	15.0%	21,291	30.7%	6,323	30.8%	64.2%
Energy sources	-	-	-	-	-	-	-	-	-	-	-	-	-	41.4%	-
Water Management	-	1,627	-	-	-	-	-	-	168	10.3%	168	10.3%	-	-	(100.0%)
Waste Water Management	26,322	67,694	224	.9%	8,696	33.0%	1,991	2.9%	10,212	15.1%	21,123	31.2%	6,323	30.1%	61.5%
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		Q4 of 2023/24 to Q4 of 2024/25
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Fourth 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	4th 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%	163,806	22.0%	1,165,110	156.8%	88,542	135.2%	85.0%
Property rates	55,018	55,637	61,874	112.5%	73,439	133.5%	35,223	63.3%	62,301	112.0%	232,838	418.5%	-	32.9%	(100.0%)
Service charges	205,264	205,017	419,103	204.2%	467,336	227.7%	424,227	206.9%	570,184	278.1%	1,880,850	917.4%	-	45.3%	(100.0%)
Other revenue	4,096	65,696	(756,637)	(18,473.3%)	(626,732)	(15,301.7%)	(247,854)	(377.3%)	(566,065)	(861.6%)	(2,197,288)	(3,344.6%)	86,259	-	(756.2%)
Transfers and Subsidies - Operational	79,315	368,436	426,931	538.3%	186,257	234.8%	448,330	121.7%	97,286	26.4%	1,158,804	314.5%	2,141	-	4,443.0%
Transfers and Subsidies - Capital	26,322	36,322	35,000	133.0%	53,970	205.0%	-	-	-	-	88,970	244.9%	-	-	-
Interest	4,425	11,925	200	4.5%	354	8.0%	283	2.4%	100	.8%	937	7.9%	141	3.8%	(29.5%)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(347,969)	(462,256)	(85,538)	24.6%	(72,132)	20.7%	(60,317)	13.0%	(55,244)	12.0%	(273,231)	59.1%	(110,486)	126.5%	(50.0%)
Suppliers and employees	(330,744)	(442,473)	(85,538)	25.9%	(72,132)	21.8%	(60,317)	13.6%	(55,244)	12.5%	(273,231)	61.8%	(110,486)	133.3%	(50.0%)
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%	108,563	38.7%	891,879	317.6%	(21,944)	175.9%	(594.7%)
Cash Flow from Investing Activities															
Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors (not used)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,836)	19.5%	(26,954)	37.9%	-	(1.6%)	(100.0%)
Capital assets	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,836)	19.5%	(26,954)	37.9%	-	(1.6%)	(100.0%)
Net Cash from/(used) Investing Activities	(28,122)	(71,121)	(258)	.9%	(10,252)	36.5%	(2,608)	3.7%	(13,836)	19.5%	(26,954)	37.9%	-	(1.1%)	(100.0%)
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%	94,727	45.2%	874,883	417.3%	(21,944)	813.8%	(531.7%)
Cash/cash equivalents at the year begin:	4,242	44,220	-	-	149,877	3,532.9%	227,092	513.5%	824,376	1,864.2%	-	-	174,828	100.0%	371.5%
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%	919,103	362.0%	919,103	362.0%	152,883	255.7%	501.2%

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.

BANK	Ned bank	Rural	Ned bank	Rural	Nedbank	Rural	Ned bank	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		27,881,422.64		26,189,507.89		31,856,795.15		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

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 30 June 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	%
Debtors Age Analysis By Income Source										
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%
Total By Income Source	16,531	3.7%	11,021	2.5%	10,980	2.4%	409,774	91.4%	448,307	100.0%
Debtors Age Analysis By Customer Group										
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	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	16,531	3.7%	11,021	2.5%	10,980	2.4%	409,774	91.4%	448,307	100.0%

Notes on Debtors

The municipality changed billing systems in March 2025, which resulted in the billing data not reflecting on the core financial system, meaning the information for the third and fourth quarters was understated. The municipality did engage with both service providers and has managed correct and align the data between the two systems with the exception of a few errors that will be corrected before the submission of the Annual Financial Statements, it must be noted that these correction was unfortunately after the submission of the June 2025 data strings and the quarterly verification reports does not include the corrections.

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	%
Creditor Age Analysis										
Bulk Electricity	15,092	6.3%	40	-	1,912	.8%	224,157	92.9%	241,201	48.3%
Bulk Water	-	-	-	-	-	-	225,737	100.0%	225,737	45.2%
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	12,238	40.0%	369	1.2%	706	2.3%	17,317	56.5%	30,630	6.1%
Auditor-General	169	16.0%	-	-	-	-	889	84.0%	1,058	.2%
Other	-	-	-	-	-	-	7	100.0%	7	-
Medical Aid deductions	618	100.0%	-	-	-	-	-	-	618	.1%
Total	28,117	5.6%	409	.1%	2,618	.5%	468,106	93.8%	499,251	100.0%

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 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

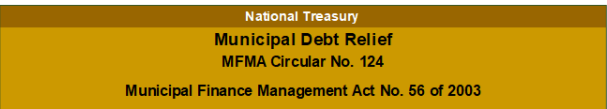
Collection Rate

National Treasury					Municipal Details				
Municipal Debt Relief					Northern Cape				
MFMA Circular No. 124									
Municipal Finance Management Act No. 56 of 2003									
Code		District		Municipality	Period Monitored		No. Of Wards		
N012				Nama Khoi	June		6		

Collection Rate Assessment																				
Aggregate Collection	Summary - Quarter 1					Summary - Quarter 2					Summary - Quarter 3					Summary - Quarter 4				
	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q2	Billing	Collection	R - Billing not collected	% Collection	Q1	Billing	Collection	R - Billing not collected	% Collection	Q1
1. Collection for whole demarcation	65,101,595	52,919,079	12,182,486	81%	81%	72,420,042	49,306,492	23,114,150	68%	68%	76,320,131	48,794,946	27,525,182	64%	64%	70,325,766	57,552,204	12,763,561	82%	82%
2. Collection excl Eskom supplied areas	50,045,379	51,056,321	5,889,059	90%	90%	58,170,674	45,602,696	12,568,178	78%	78%	62,258,408	46,438,919	16,822,579	73%	73%	62,888,172	50,383,855	6,454,917	80%	80%
3. Collection: Property Rates	10,695,158	11,853,286	4,811,872	71%	71%	17,876,187	15,870,390	2,005,827	89%	89%	17,127,695	11,438,347	5,722,808	67%	67%	11,402,866	9,000,827	2,381,939	79%	79%
4. Total average collection: Electricity (Municipal supplied areas)	23,767,203	20,012,913	(2,245,710)	109%	109%	24,663,667	19,915,259	4,768,367	81%	81%	28,374,911	24,235,095	4,119,343	69%	69%	37,045,933	30,488,965	556,568	98%	98%
5. Total average collection: Water	12,463,850	8,707,242	3,756,608	70%	70%	17,012,288	7,680,778	9,331,521	45%	45%	16,338,596	7,588,442	11,767,125	39%	39%	12,885,563	5,364,366	7,520,198	41%	41%
6. Total average collection: Wastewater	5,356,544	2,805,310	2,551,234	52%	52%	6,701,215	2,773,696	2,927,825	49%	49%	5,248,295	2,892,483	2,356,786	59%	59%	4,166,258	2,365,053	1,801,205	80%	80%
7. Total average collection: Refuse	6,848,810	3,540,328	3,308,482	52%	52%	7,147,275	3,066,469	4,080,806	43%	43%	6,239,528	2,672,707	3,568,821	43%	43%	5,030,746	4,182,965	847,781	89%	89%
8. Total average collection: Interest	-	-	-	#DIV/0!	0%	-	-	-	#DIV/0!	0%	-	-	-	#DIV/0!	0%	-	-	-	#DIV/0!	0%

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.



Province		
NC		
Code	District	Code Description
NC062	Namakwa	Nama Khoi

Monthly Performance Report																																																
Municipal Details			Part A								Part B				Part C		Part D				Part E								Part F																			
			Eskom And Bulk water current account								Compliance with a funded MT REF				FRP/BFP & Tariff Assessment		Electricity and water as sold-on tools				Quarterly collection of property rates and service charges								Maximization of Revenue Base				Oversight							Compliance Status								
Month	Code Desr	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	K062	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	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance		
2.August	Nama Khoi	K062	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	Yes	N/A	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance	
3.September	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	98%	Non Compliance	
4.October	Nama Khoi	K062	No	Yes	Yes	Yes	Yes	Yes	No	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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Non Compliance	
5.November	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	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	
6.December	Nama Khoi	K062	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	No	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance	
7.January	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance	
8.February	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Non Compliance	
9.March	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	96%	Non Compliance	
10.April	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	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	
11.May	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Non Compliance
12.June	Nama Khoi	K062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	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	No	Yes	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 c

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

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.

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: 27 July 2025

NAMA KHOI MUNICIPALITY QUALITY CERTIFICATE

I, Don Malan 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 30 June 2025 has been prepared by Section 52 of the Municipal Finance Management Act and regulations made under that Act.

Print Name: Don Malan

Municipal Manager of Nama Khoi Municipality

Signature:

Date: 28 July 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