



Nama Khoi Municipality

22 January 2026

The Mayor

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): QUARTERLY REPORT FOR THE PERIOD ENDING 31 December 2025 (QUARTERLY BUDGET STATEMENT) – 2025/26 FINANCIAL YEAR

1. PURPOSE

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

2. STRATEGIC OBJECTIVE

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

For the reporting period ending 31 December 2025, the 30-day reporting limit expires on 30 July 2025.

3. REPORT FOR THE PERIOD ENDING 31 December 2025

This report is based on financial information as at 31 December 2025. The C-Schedule is based on information from 1 July 2025 to 31 December 2025.

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

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Part1: Operating Revenue and Expenditure

	2025/26							2024/25		Q2 of 2024/25 to Q2 of 2025/26
	Budget	First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands										
Operating Revenue and Expenditure										
Operating Revenue	527,919	108,657	20.6%	130,476	24.7%	239,133	45.3%	134,934	54.6%	(3.3%)
Exchange Revenue										
Service charges - Electricity	159,927	33,776	21.1%	42,496	26.6%	76,272	47.7%	69,016	89.8%	(38.4%)
Service charges - Water	61,257	7,972	13.0%	14,215	23.2%	22,187	36.2%	12,562	37.4%	13.2%
Service charges - Waste Water Management	22,600	2,700	11.9%	4,324	19.1%	7,024	31.1%	4,268	37.9%	1.3%
Service charges - Waste Management	26,984	3,247	12.0%	5,081	18.8%	8,328	30.9%	4,812	36.0%	5.6%
Sale of Goods and Rendering of Services	4,389	118	2.7%	178	4.1%	296	6.7%	113	5.7%	57.1%
Agency services	98	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	23,281	9,926	42.6%	14,075	60.5%	24,001	103.1%	5,885	52.5%	139.2%
Interest earned from Current and Non Current Assets	16,933	5,707	33.7%	3,739	22.1%	9,446	55.8%	304	10.4%	1,130.6%
Dividends	-	-	-	-	-	-	-	-	-	-
Rent on Land	1,308	-	-	-	-	-	-	297	47.5%	(100.0%)
Rental from Fixed Assets	3,549	114	3.2%	593	16.7%	707	19.9%	481	28.1%	23.3%
Licence and permits	4,024	589	14.6%	814	20.2%	1,402	34.9%	870	92.8%	(6.5%)
Special rating levies	-	-	-	-	-	-	-	-	-	-
Operational Revenue	577	123	21.3%	168	29.1%	290	50.3%	146	73.6%	14.6%
Non-Exchange Revenue										
Property rates	59,953	9,355	15.6%	14,005	23.4%	23,360	39.0%	10,055	55.0%	39.3%
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	635	1	2%	96	15.1%	97	15.4%	0	6%	20,066.8%
Licences or permits	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	77,232	31,170	40.4%	25,319	32.8%	56,489	73.1%	25,399	74.7%	(.3%)
Interest	4,585	3,413	74.4%	4,802	104.7%	8,215	179.2%	325	14.1%	1,379.6%
Fuel Levy	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	446	-	571	-	1,017	-	400	-	42.9%
Gains on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Gains	60,588	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
Operating Expenditure	564,107	135,798	24.1%	112,837	20.0%	248,635	44.1%	98,636	38.1%	14.4%
Employee related costs	119,328	26,395	22.1%	29,311	24.6%	55,706	46.7%	23,728	46.5%	23.5%
Remuneration of councillors	8,045	1,916	23.8%	1,895	23.6%	3,810	47.4%	2,071	52.0%	(8.5%)
Bulk purchases - electricity	152,145	47,393	31.2%	34,264	22.5%	81,657	53.7%	43,299	60.5%	(20.9%)
Inventory consumed	54,491	13,533	24.8%	15,865	29.1%	29,399	54.0%	13,399	33.8%	18.4%
Debt impairment	42,900	34,950	81.5%	1,292	3.0%	36,242	84.5%	-	-	(100.0%)
Depreciation and amortisation	72,392	-	-	-	-	-	-	-	-	-
Interest	20,653	1,401	6.8%	1,571	7.6%	2,972	14.4%	1,271	14.2%	23.6%
Contracted services	45,075	6,906	15.3%	21,843	48.5%	28,749	63.8%	7,525	63.2%	190.3%
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	1,100	-	-	-	-	-	-	-	-	-
Operational costs	37,828	3,304	8.7%	6,796	18.0%	10,100	26.7%	7,342	39.3%	(7.4%)
Losses on disposal of Assets	-	-	-	-	-	-	-	-	-	-
Other Losses	10,152	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	(36,188)	(27,141)	-	17,639	-	(9,502)	-	36,298	-	-
Transfers and subsidies - capital (monetary allocations)	22,696	3,094	13.6%	7,821	34.5%	10,915	48.1%	5,922	22.5%	32.1%
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	(13,492)	(24,048)		25,460		1,412		42,219		

Notes on Revenue and Expenditure Report

The municipality changed billing systems in the previous financial year. With the two billing systems, there were some errors and misalignments that occurred. When comparing the Service Charges to the previous year's quarter, it is clear that billing is not fully aligned. The municipality had discussions with both service providers and decided to conduct an in-depth assessment of both systems.

Part 2: Capital Revenue and Expenditure

	2025/26							2024/25		Q2 of 2024/25 to Q2 of 2025/26
	Budget	First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands										
Capital Revenue and Expenditure										
Source of Finance	77,642	5,400	7.0%	8,493	10.9%	13,893	17.9%	8,696	31.7%	(2.3%)
National Government	47,139	2,690	5.7%	8,471	18.0%	11,161	23.7%	5,809	22.9%	45.8%
Provincial Government	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary alloc)(Departm Agencies,H	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	47,139	2,690	5.7%	8,471	18.0%	11,161	23.7%	5,809	22.9%	45.8%
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	30,503	2,709	8.9%	22	.1%	2,732	9.0%	2,886	160.3%	(99.2%)
Capital Expenditure Functional	77,642	5,400	7.0%	8,493	10.9%	13,893	17.9%	8,696	31.7%	(2.3%)
Municipal governance and administration	1,050	-	-	-	-	-	-	-	-	-
Executive and Council	-	-	-	-	-	-	-	-	-	-
Finance and administration	1,050	-	-	-	-	-	-	-	-	-
Internal audit	-	-	-	-	-	-	-	-	-	-
Community and Public Safety	-	-	-	-	-	-	-	-	-	-
Community and Social Services	-	-	-	-	-	-	-	-	-	-
Sport And Recreation	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-
Economic and Environmental Services	9,063	37	.4%	22	.2%	60	.7%	-	-	(100.0%)
Planning and Development	-	-	-	-	-	-	-	-	-	-
Road Transport	9,063	37	.4%	22	.2%	60	.7%	-	-	(100.0%)
Environmental Protection	-	-	-	-	-	-	-	-	-	-
Trading Services	67,529	5,362	7.9%	8,471	12.5%	13,833	20.5%	8,696	33.9%	(2.6%)
Energy sources	4,517	-	-	-	-	-	-	-	-	-
Water Management	9,695	-	-	-	-	-	-	-	-	-
Waste Water Management	53,317	5,362	10.1%	8,471	15.9%	13,833	25.9%	8,696	33.9%	(2.6%)
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

	2025/26							2024/25		Q2 of 2024/25 to Q2 of 2025/26
	Budget	First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands										
Cash Flow from Operating Activities										
Receipts	493,840	242,032	49.0%	252,095	51.0%	494,127	100.1%	154,623	91.1%	63.0%
Property rates	47,117	6	-	8	-	14	-	73,439	245.9%	(100.0%)
Service charges	236,208	9,473	4.0%	16,075	6.8%	25,548	10.8%	467,336	431.9%	(96.6%)
Other revenue	70,374	9,630	13.7%	1,339	1.9%	10,970	15.6%	(626,732)	(33,775.0%)	(100.2%)
Transfers and Subsidies - Operational	77,232	216,399	280.2%	228,071	295.3%	444,470	575.5%	186,257	773.1%	22.4%
Transfers and Subsidies - Capital	22,696	6,426	28.3%	6,574	29.0%	13,000	57.3%	53,970	338.0%	(87.8%)
Interest	40,213	98	.2%	28	.1%	126	.3%	354	12.5%	(92.1%)
Dividends	-	-	-	-	-	-	-	-	-	-
Payments	(529,180)	(146,276)	27.6%	(177,156)	33.5%	(323,432)	61.1%	(72,132)	45.3%	145.6%
Suppliers and employees	(508,527)	(146,276)	28.8%	(177,156)	34.8%	(323,432)	63.6%	(72,132)	47.7%	145.6%
Finance charges	(20,653)	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Operating Activities	(35,340)	95,756	(271.0%)	74,939	(212.1%)	170,695	(483.0%)	82,491	692.9%	(9.2%)
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	(89,289)	(6,287)	7.0%	(9,099)	10.2%	(15,386)	17.2%	(10,252)	37.4%	(11.2%)
Capital assets	(89,289)	(6,287)	7.0%	(9,099)	10.2%	(15,386)	17.2%	(10,252)	37.4%	(11.2%)
Net Cash from/(used) Investing Activities	(89,289)	(6,287)	7.0%	(9,099)	10.2%	(15,386)	17.2%	(10,252)	37.4%	(11.2%)
Cash Flow from Financing Activities										
Receipts	-	-	-	-	-	-	-	4,979	-	(100.0%)
Short term loans	-	-	-	-	-	-	-	4,979	-	(100.0%)
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-
Payments	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Financing Activities	-	-	-	-	-	-	-	4,979	-	(100.0%)
Net Increase/(Decrease) in cash held	(124,628)	89,469	(71.8%)	65,840	(52.8%)	155,309	(124.6%)	77,218	(11,080.3%)	(14.7%)
Cash/cash equivalents at the year begin:	253,877	-	-	89,469	35.2%	-	-	149,877	-	(40.3%)
Cash/cash equivalents at the year end:	129,249	89,469	69.2%	155,309	120.2%	155,309	120.2%	227,092	8,761.6%	(31.6%)

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.

Primary Bank

Nama Khoi Municipality (NC062) Bank Reconciliation Report

CashBook :19_Nedbank Main Account

Processing Month :6

Statement Number:11739-11806

Statement Date :08/12/2025

Reconciliation Summary

Cashbook Opening Balance	1,636,561.50
Payments for Period	-82,820,411.42
Receipts for Period	85,720,519.49
Item/Cashbook	4,536,669.57
Uncleared Payments	0
Uncleared Receipts	0
Unknown Items	0.00
Sub Total	4,536,669.57
Statement Balance	-4,536,669.57
Difference	0

Nama Khoi Municipality (NC062)
Bank Reconciliation Report

CashBook :19_Nedbank
Main Account

Processing Month :5

Statement Number:11654-11738

Statement Date :30/11/2025

Reconciliation Summary

Cashbook Opening Balance	2,214,693.00
Payments for Period	-36,831,705.84
Receipts for Period	36,253,574.34
Item/Cashbook	1,636,561.50
<hr/>	
Uncleared Payments	0.00
Uncleared Receipts	0.00
Unknown Items	0.00
Sub Total	1,636,561.50
<hr/>	
Statement Balance	-1,636,561.50
Difference	0

Reconciliation Summary

Cashbook Opening Balance	2 470 688.91
Payments for Period	-43 674 472.85
Receipts for Period	43,418 476.94
Item/Cashbook	2 214 693.00
<hr/>	
Undeared Payments	0
Undeared Receipts	0.00
	0.00
Unknown Items	
Sub Total	2 214 693.00
<hr/>	
Statement Balance	-2,214,693.00
Difference	

Reviewer:

Approver :

Date :30/11/2025

Ring Fenced Account

Nama Khoi Municipality (NC062)
Bank Reconciliation Report

CashBook :20_Nedbank Rural Account
Statement Number:1080-1236

Processing Month :6
Statement Date :31/12/2025

Reconciliation Summary

Cashbook Opening Balance	5,697,656.46
Payments for Period	(20,159,425.02)
Receipts for Period	28,512,756.73
Item/Cashbook	14,050,988.17

Uncleared Payments	0.00
Uncleared Receipts	0.00
Unknown Items	0.00
Sub Total	14,050,988.17

Statement Balance	-14,050,988.17
Difference	0.00

Nama Khoi Municipality (NC062)
Bank Reconciliation Report

**CashBook : - Nedbank Rural
 Account**

Processing Month :5

Statement Number:944-1068

**Statement Date :12/12/2025
 12:00:00 AM**

Reconciliation Summary

Cashbook Opening Balance	✔	11,747,200.25
Payments for Period		--21,687,020.92
Receipts for Period	✔	15,637,477.13
Item/Cashbook	✔	5,697,656.46
<hr/>		
Uncleared Payments	✔	0.00
Uncleared Receipts	✔	0.00
	✔	0.00
Unknown Items		
Sub Total	✔	5,697,656.46
<hr/>		
Statement Balance	✔	-5,697,656.46
Difference	✔	0.00

Nama Khoi Municipality (NC062)
Bank Reconciliation Report

CashBook : - Nedbank Rural
 Account
 Statement Number:795-944

Processing Month :4
 Statement Date :11/14/2025
 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	16,637,987.25
Payments for Period	--28,541,627.66
Receipts for Period	23,650,840.66
Item/Cashbook	11,747,200.25
<hr/>	
Uncleared Payments	0.00
Uncleared Receipts	0.00
Unknown Items	0.00
Sub Total	11,747,200.25
<hr/>	
Statement Balance	-11,747,200.25
Difference	0.00

Reviewer: Approver :

Date :11/14/2025 12:00:00 AM

Notes on Bank Reconciliations

The municipality opened the Ring Fenced account to track the performance of the service charges compared to the previous financial year. All service charges are paid into the ring-fenced account and are transferred to the primary Bank Account as and when payments for creditors and salaries are due, and therefore the balances as per the reconciliations should be counted together as it will be a duplication of funds and payments.

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.

Subject to correction

The following report shows the debtors outstanding on 31 December 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	11,425	6.5%	5,422	3.1%	3,861	2.2%	154,658	88.2%	175,366	35.5%
Trade and Other Receivables from Exchange Transactions - Electricity	17,782	25.3%	3,786	5.4%	2,259	3.2%	46,544	66.1%	70,370	14.2%
Receivables from Non-exchange Transactions - Property/Rates	9,316	8.3%	3,801	3.4%	2,906	2.6%	95,895	85.7%	111,917	22.7%
Receivables from Exchange Transactions - Waste Water Management	3,322	7.9%	1,433	3.4%	1,031	2.4%	36,410	86.3%	42,196	8.5%
Receivables from Exchange Transactions - Waste Management	4,865	6.1%	2,261	2.8%	1,652	2.1%	71,407	89.1%	80,184	16.2%
Receivables from Exchange Transactions - Property Rental Debtors	6	.7%	8	1.0%	2	.3%	746	97.9%	762	.2%
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-
Other	(6,474)	(49.2%)	239	1.8%	120	.9%	19,280	146.5%	13,165	2.7%
Total By Income Source	40,242	8.1%	16,950	3.4%	11,830	2.4%	424,940	86.0%	493,961	100.0%
Debtors Age Analysis By Customer Group										
Organs of State	1,473	9.8%	828	5.5%	800	5.3%	11,950	79.4%	15,051	3.0%
Commercial	12,380	15.0%	3,661	4.4%	1,693	2.0%	64,966	78.6%	82,700	16.7%
Households	26,388	6.7%	12,461	3.1%	9,337	2.4%	348,024	87.8%	396,210	80.2%
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	40,242	8.1%	16,950	3.4%	11,830	2.4%	424,940	86.0%	493,961	100.0%

Notes on Debtors

The municipality changed billing systems in March 2025, resulting in misalignment, especially in billing information and, therefore, debtor's age analysis balances. The municipality has written off the Water Board's Outstanding debt as part of the agreement between the organisations; however, the opening balances were not properly carried over to the new financial year.

The municipality have Debt Write-off committee that focuses on the outstanding debtors and have witten-off and entered into agreements with consumers to settle outstanding debt, these figures do not reflect on the age analysis, the municipality will implement corrective measures as per the recommendations from the Consultant that was appointed to analyse the financial system.

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	12,796	5.4%	-	-	4	-	226,072	94.6%	238,871	47.1%
Bulk Water	-	-	-	-	-	-	225,737	100.0%	225,737	44.5%
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	4,163	10.9%	5,501	14.4%	4,933	12.9%	23,721	61.9%	38,317	7.6%
Auditor-General	313	8.7%	2,135	59.6%	-	-	1,131	31.6%	3,579	.7%
Other	2	18.7%	-	-	-	-	7	81.3%	8	-
Medical Aid deductions	615	100.0%	-	-	-	-	-	-	615	.1%
Total	17,888	3.5%	7,636	1.5%	4,937	1.0%	476,667	94.0%	507,127	100.0%

Notes on Creditors

Please note creditors' report is subject to correction

The opening balances were not properly carried over to the new financial year, and therefore, the figures illustrated do not reflect the correct balances. The municipality informed the service provider.

The Creditors Age Analysis does not reflect the correct information, as the municipality already had the Eskom debt relief write-off, as well as the Water Board write-off.

Eskom balances should reflect R209 million less the first write-off of R69 million, with the second write-off in progress/process, meaning the municipality should, in actual fact, be owing Eskom R69 million +/-

The municipality successfully applied for the Water Incentive Scheme, which has seen R39 million be parked in the scheme to be written off over three years, and the municipality entering into an agreement to settle the outstanding balance of around R12 million in 12 months. The municipality is already compliant with the first two months.



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 E								Scoring and Rating																		
			Eskom And Bulk water current account						Compliance with a funded MTREF					FRP/BFP & Tariff Assessment				Electricity and water as collection tools				Quarterly collection of property rates and services charges										Maximization of Revenue Base		Oversight														
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating			
25.July25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	95%	Above Moderate	
26.August25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	95%	Above Moderate
27.September25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	90%	Above Moderate
28.October25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	90%	Above Moderate
29.November25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	90%	Above Moderate
30.December25	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Above Moderate	

Monthly Performance Report																						
Municipal Details			Part A				Part B				Part C					Part D			Scoring and Rating			
			Bulk water current account				Accounting Treatment and mSCOA Reporting				Monitor and report on implementation					FRPs & Implementation progress						
Month	Code Description	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18	Score	Rating
1.July 2025	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	Yes	N/A	N/A	Yes	100%	Complied
2.August 2025	Nama Khoi	NC062	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	N/A	Yes	N/A	N/A	Yes	89%	Moderate compliance
3.September 2025	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	No	N/A	N/A	Yes	94%	Moderate compliance
4.October 2025	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	No	No	Yes	Yes	N/A	N/A	Yes	83%	Moderate compliance
5.November 2025	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	Yes	N/A	N/A	Yes	89%	Moderate compliance
6.December 2025	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	No	No	Yes	Yes	N/A	N/A	Yes	89%	Moderate compliance

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 its 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 still has issues with aligning the two financial systems, which has resulted in the information, as per the quarterly verification, being incorrect. The municipality appointed a Consultant, and an in-depth assessment of the system was done on all the modules of the financial system. The municipality will table the findings and recommendations with the Financial Performance Report (Section 72)

Circular 124 Debt Relief

The monthly monitoring tool is submitted. The municipality's compliance rating has declined as a result of the information that was not readily available throughout the quarter

Water Incentive Scheme

The monthly monitoring tool is submitted. The municipality's compliance rating has declined from the previous quarter as a result of the information that was not readily available; the municipality did, however managed to make monthly payments.

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: 22 January 2026

NAMA KHOI MUNICIPALITY QUALITY CERTIFICATE

I, Refilwe Sebela the Acting Municipal Manager of Nama Khoi Municipality, at this moment certify that –

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

Print Name: Refilwe Sebela

Municipal Manager of Nama Khoi Municipality

Signature:

Date: 27 October 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

Attachments:

National Treasury Verification Documents