Nama Khoi Municipality

31 July 2026

The Mayor

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): QUARTERLY REPORT FOR THE PERIOD ENDING 30 June 2026 (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 30 June 2026, the 30-day reporting limit expires on 30 April 2026

3. REPORT FOR THE PERIOD ENDING 30 June 2026

This report is based on financial information as at 30 June 2026. The C-Schedule is based on information from 1 January 2026 to 30 June 2026.

The financial results for the period ended 30 June 2026 are summarised as follows:

Table of Contents

Page 3	Financial Performance
Page 5	Summary Report Capital funding sources
Page 6	Cash Flow Statement
Page 7	Bank Reconciliation
Page 13	Debtors Age analysis
Page 14	Creditors age analysis
Page 15	Other Financial Information
Page 20	Financial Implications/Recommendations
Page 22	Interdepartmental and Cluster Impact
Page 23	Quality Certificate
Page 24	Annexure A

NORTHERN CAPE: NAMA KHOI (NC062)
STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 4TH QUARTER ENDED 30 JUNE 2026 (PRELIMINARY RESULTS)

Part1: Operating Revenue and Expenditure

	2025/26												2024/25		
	Budget		First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year to Date		Fourth Quarter		Q4 of 2024/25 to Q4 of 2025/26
R thousands	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	
Operating Revenue and Expenditure															
Operating Revenue	**527,919**	**589,809**	**108,657**	**20.6%**	**130,476**	**24.7%**	**138,231**	**23.4%**	**109,825**	**18.6%**	**487,189**	**82.6%**	**104,451**	**86.8%**	**5.1%**
Exchange Revenue															
Service charges - Electricity	159,927	179,779	33,776	21.1%	42,496	26.6%	47,490	26.4%	47,793	26.6%	171,556	95.4%	39,538	108.8%	20.9%
Service charges - Water	61,257	63,470	7,972	13.0%	14,215	23.2%	15,353	24.2%	12,259	19.3%	49,799	78.5%	13,343	69.8%	(8.1%)
Service charges - Waste Water Management	22,600	16,359	2,700	11.9%	4,324	19.1%	4,115	25.2%	4,033	24.7%	15,172	92.7%	3,989	63.4%	1.1%
Service charges - Waste Management	26,984	18,972	3,247	12.0%	5,081	18.8%	4,948	26.1%	4,897	25.8%	18,172	95.8%	4,824	60.8%	1.5%
Sale of Goods and Rendering of Services	4,389	4,186	118	2.7%	178	4.1%	3,369	80.5%	76	1.8%	3,740	89.3%	89	10.2%	(14.7%)
Agency services	98	98	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest - Deemed Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	23,281	55,780	9,926	42.6%	14,075	60.5%	15,428	27.7%	15,446	27.7%	54,875	98.4%	11,137	111.9%	38.7%
Interest earned from Current and Non Current Assets	16,933	23,576	5,707	33.7%	3,739	22.1%	7,095	30.1%	5,344	22.7%	21,885	92.8%	12,806	83.5%	(58.3%)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land	1,308	1,308	-	-	-	-	-	-	-	-	-	-	-	55.3%	-
Rental from Fixed Assets	3,549	2,513	114	3.2%	593	16.7%	233	9.3%	242	9.6%	1,182	47.0%	73	35.3%	230.0%
Licences or permits	4,024	3,726	589	14.6%	814	20.2%	690	18.5%	743	19.9%	2,836	76.1%	578	72.4%	28.6%
Special rating levies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	577	651	123	21.3%	168	29.1%	166	25.5%	171	26.2%	628	96.4%	155	98.3%	10.1%
Non-Exchange Revenue															
Property rates	59,953	61,276	9,355	15.6%	14,005	23.4%	15,159	24.7%	11,007	18.0%	49,526	80.8%	13,644	82.8%	(19.3%)
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	635	599	1	.2%	96	15.1%	23	3.8%	15	2.4%	135	22.5%	0	.7%	8,118.6%
Licences or permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	77,232	77,227	31,170	40.4%	25,319	32.8%	18,177	23.5%	1,759	2.3%	76,424	99.0%	138	100.1%	1,178.4%
Interest Receivables	4,585	17,574	3,413	74.4%	4,802	104.7%	5,390	30.7%	5,444	31.0%	19,050	108.4%	3,713	101.4%	46.6%
Fuel Levy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue	-	2,125	446	-	571	-	595	28.0%	596	28.0%	2,208	103.9%	425	-	40.2%
Gains on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains	60,588	60,588	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenditure	**564,107**	**624,752**	**135,798**	**24.1%**	**112,837**	**20.0%**	**104,771**	**16.8%**	**89,088**	**14.3%**	**442,495**	**70.8%**	**109,754**	**67.2%**	**(18.8%)**
Employee related costs	119,328	118,575	26,395	22.1%	29,311	24.6%	29,569	24.9%	30,143	25.4%	115,418	97.3%	26,010	88.1%	15.9%
Remuneration of councillors	8,045	8,286	1,916	23.8%	1,895	23.6%	2,103	25.4%	1,965	23.7%	7,879	95.1%	1,772	96.4%	10.9%
Bulk purchases - electricity	152,145	165,000	47,393	31.2%	34,264	22.5%	33,592	20.4%	21,952	13.3%	137,201	83.2%	45,322	106.7%	(51.6%)
Inventory consumed	54,491	74,573	13,533	24.8%	15,865	29.1%	18,331	24.6%	11,983	16.1%	59,712	80.1%	14,374	80.9%	(16.6%)
Debt impairment	42,900	63,500	34,950	81.5%	1,292	3.0%	1,541	2.4%	1,325	2.1%	39,107	61.6%	-	-	(100.0%)
Depreciation, Amortisation and Impairment	72,392	57,829	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest,Dividends and Rent on Land	20,653	5,670	1,401	6.8%	1,571	7.6%	1,103	19.4%	1,092	19.3%	5,167	91.1%	1,477	23.5%	(26.0%)
Contracted services	45,075	82,788	6,906	15.3%	21,843	48.5%	14,476	17.5%	16,227	19.6%	59,452	71.8%	12,958	73.0%	25.2%
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off	1,100	2,500	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Cost and Other Cost	37,828	43,531	3,304	8.7%	6,796	18.0%	4,057	9.3%	4,402	10.1%	18,559	42.6%	7,842	73.2%	(43.9%)
Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses	10,152	2,500	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	**(36,188)**	**(34,944)**	**(27,141)**		**17,639**		**33,461**		**20,736**		**44,695**		**(5,303)**		
Transfers and subsidies - capital (monetary allocations)	22,696	22,696	3,094	13.6%	7,821	34.5%	1,634	7.2%	10,183	44.9%	22,732	100.2%	4,760	21.7%	113.9%
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	**(13,492)**	**(12,248)**	**(24,048)**		**25,460**		**35,094**		**30,920**		**67,426**		**(543)**		

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 first quarter, it is clear that billing is not fully aligned, and it has affected the year-to-date figures. The municipality had discussions with both service providers and decided to conduct an in-depth assessment of both systems. This was done, and progress has been made; however, certain billing issues still prevailed as with some expenditure items not aligning, resulting in the creditors' analysis not showing the correct figures. Constant engagement is still underway to resolve all errors before 30 June 2026.

Part 2: Capital Revenue and Expenditure

R thousands	2025/26												2024/25		Q4 of 2024/25 to Q4 of 2025/26
	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	
Capital Revenue and Expenditure															
Source of Finance	**77,642**	**92,694**	**5,400**	**7.0%**	**8,493**	**10.9%**	**8,183**	**8.8%**	**16,665**	**18.0%**	**38,741**	**41.8%**	**10,534**	**30.2%**	**58.2%**
National Government	47,139	47,139	2,690	5.7%	8,471	18.0%	1,453	3.1%	8,822	18.7%	21,437	45.5%	10,212	28.5%	(13.6%)
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary alloc)(Departm Agencies,H	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	**47,139**	**47,139**	**2,690**	**5.7%**	**8,471**	**18.0%**	**1,453**	**3.1%**	**8,822**	**18.7%**	**21,437**	**45.5%**	**10,212**	**28.5%**	**(13.6%)**
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	30,503	45,555	2,709	8.9%	22	.1%	6,729	14.8%	7,843	17.2%	17,304	38.0%	322	40.3%	2,339.0%
Capital Expenditure Functional	**77,642**	**92,694**	**5,400**	**7.0%**	**8,493**	**10.9%**	**8,183**	**8.8%**	**16,665**	**18.0%**	**38,741**	**41.8%**	**10,534**	**30.2%**	**58.2%**
Municipal governance and administration	**1,050**	**2,902**	**-**	**-**	**-**	**-**	**24**	**.8%**	**194**	**6.7%**	**219**	**7.5%**	**153**	**10.0%**	**26.8%**
Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	1,050	2,902	-	-	-	-	24	.8%	194	6.7%	219	7.5%	153	10.0%	26.8%
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and Public Safety	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Community and Social Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport And Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and Environmental Services	**9,063**	**9,063**	**37**	**.4%**	**22**	**.2%**	**23**	**.3%**	**-**	**-**	**83**	**.9%**	**-**	**-**	**-**
Planning and Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road Transport	9,063	9,063	37	.4%	22	.2%	23	.3%	-	-	83	.9%	-	-	-
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading Services	**67,529**	**80,729**	**5,362**	**7.9%**	**8,471**	**12.5%**	**8,135**	**10.1%**	**16,471**	**20.4%**	**38,439**	**47.6%**	**10,381**	**30.7%**	**58.7%**
Energy sources	4,517	4,517	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Management	9,695	19,200	-	-	-	-	6,682	34.8%	6,452	33.6%	13,134	68.4%	168	10.3%	3,733.4%
Waste Water Management	53,317	57,012	5,362	10.1%	8,471	15.9%	1,453	2.5%	10,019	17.6%	25,306	44.4%	10,212	31.2%	(1.9%)
Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Important Notification

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

Cash Flow Statement

Part 3: Cash Receipts and Payments

R thousands	2025/26 Budget Main appropriation	2025/26 Budget Adjusted Budget	2025/26 First Quarter Actual Expenditure	2025/26 First Quarter 1st Q as % of Main appropriation	2025/26 Second Quarter Actual Expenditure	2025/26 Second Quarter 2nd Q as % of Main appropriation	2025/26 Third Quarter Actual Expenditure	2025/26 Third Quarter 3rd Q as % of adjusted budget	2025/26 Fourth Quarter Actual Expenditure	2025/26 Fourth Quarter 4th Q as % of adjusted budget	2025/26 Year to Date Actual Expenditure	2025/26 Year to Date Total Expenditure as % of adjusted budget	2024/25 Fourth Quarter Actual Expenditure	2024/25 Fourth Quarter Total Expenditure as % of adjusted budget	Q4 of 2024/25 to Q4 of 2025/26
Cash Flow from Operating Activities															
Receipts	**493,840**	**608,472**	**242,032**	**49.0%**	**252,095**	**51.0%**	**238,385**	**39.2%**	**188,339**	**31.0%**	**920,850**	**151.3%**	**163,806**	**156.8%**	**15.0%**
Property rates	47,117	69,615	6	-	8	-	13	-	8	-	35	-	62,301	418.5%	(100.0%)
Service charges	236,208	275,944	9,473	4.0%	16,075	6.8%	18,400	6.7%	27,691	10.0%	71,639	26.0%	570,184	917.4%	(95.1%)
Other revenue	70,374	82,533	9,630	13.7%	1,339	1.9%	6,483	7.9%	2,105	2.5%	19,557	23.7%	(566,065)	(3,344.6%)	(100.4%)
Transfers and Subsidies - Operational	77,232	77,227	216,399	280.2%	228,071	295.3%	203,731	263.8%	158,449	205.2%	806,649	1,044.5%	97,286	314.5%	62.9%
Transfers and Subsidies - Capital	22,696	22,696	6,426	28.3%	6,574	29.0%	9,696	42.7%	-	-	22,696	100.0%	-	244.9%	-
Interest	40,213	80,456	98	.2%	28	.1%	62	.1%	86	.1%	273	.3%	100	7.9%	(13.5%)
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	**(529,180)**	**(606,242)**	**(146,276)**	**27.6%**	**(177,156)**	**33.5%**	**(156,794)**	**25.9%**	**(141,451)**	**23.3%**	**(621,677)**	**102.5%**	**(55,244)**	**59.1%**	**156.0%**
Suppliers and employees	(508,527)	(600,572)	(146,276)	28.8%	(177,156)	34.8%	(156,794)	26.1%	(141,451)	23.6%	(621,677)	103.5%	(55,244)	61.8%	156.0%
Finance charges	(20,653)	(5,670)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Operating Activities	**(35,340)**	**2,230**	**95,756**	**(271.0%)**	**74,939**	**(212.1%)**	**81,591**	**3,658.1%**	**46,887**	**2,102.2%**	**299,173**	**13,413.4%**	**108,563**	**317.6%**	**(56.8%)**
Cash Flow from Investing Activities															
Receipts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (> 90 days) and Long Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	**(89,289)**	**(106,598)**	**(6,287)**	**7.0%**	**(9,099)**	**10.2%**	**(6,471)**	**6.1%**	**(14,510)**	**13.6%**	**(36,367)**	**34.1%**	**(13,836)**	**37.9%**	**4.9%**
Capital assets	(89,289)	(106,598)	(6,287)	7.0%	(9,099)	10.2%	(6,471)	6.1%	(14,510)	13.6%	(36,367)	34.1%	(13,836)	37.9%	4.9%
Retention (Capital)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Investing Activities	**(89,289)**	**(106,598)**	**(6,287)**	**7.0%**	**(9,099)**	**10.2%**	**(6,471)**	**6.1%**	**(14,510)**	**13.6%**	**(36,367)**	**34.1%**	**(13,836)**	**37.9%**	**4.9%**
Cash Flow from Financing Activities															
Receipts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash from/(used) Financing Activities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Increase/(Decrease) in cash held	**(124,628)**	**(104,367)**	**89,469**	**(71.8%)**	**65,840**	**(52.8%)**	**75,120**	**(72.0%)**	**32,377**	**(31.0%)**	**262,806**	**(251.8%)**	**94,727**	**417.3%**	**(65.8%)**
Cash/cash equivalents at the year begin:	253,877	323,917	-	-	89,469	35.2%	479,226	147.9%	554,346	171.1%	-	-	824,376	-	(32.8%)
Cash/cash equivalents at the year end:	**129,249**	**219,550**	**89,469**	**69.2%**	**155,309**	**120.2%**	**554,346**	**252.5%**	**586,723**	**267.2%**	**586,723**	**267.2%**	**919,103**	**362.0%**	**(36.2%)**

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.

Primary Bank

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook : - Nedbank Main
Statement Number:12198-12276

Processing Month :12

Statement Date :7/14/2026 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	1,591,293.12
Payments for Period	--46,916,984.68
Receipts for Period	46,663,471.33
Item/Cashbook	1,337,779.77
Uncleared Payments	0.00
Uncleared Receipts	0.00
Unknown Items	0.00
Sub Total	1,337,779.77
Statement Balance	-1,337,779.77
Difference	0.00

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook :19_Nedbank Main Account

Statement Number:12126-12198

Processing Month :11

Statement Date :31/05/2026

Reconciliation Summary

Cashbook Opening Balance	1,330,976.80
Payments for Period	34 331 116 .32
Receipts for Period	34,591,432.64
Item/Cashbook	1 591 293.12
Uncleared Payments	0.00
Uncleared Receipts	0.00
	0.00
Unknown Items	
Sub Total	1 591 293.12
Statement Balance	-1,591,293.12
Difference	0

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook : - Nedbank Main

Statement Number:12054-12125

Processing Month :10

Statement Date :5/14/2026 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	5,422,665.18
Payments for Period	--42,848,808.46
Receipts for Period	38,757,120.08
Item/Cashbook	1,330,976.80
Uncleared Payments	0.00
Uncleared Receipts	0.00
	0.00
Unknown Items	
Sub Total	1,330,976.80
Statement Balance	-1,330,976.80
Difference	0.00

Ring Fenced Account

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook : - Nedbank Rural

Statement Number:1972-2129

Processing Month :12

Statement Date :7/14/2026 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	7,417,967.08
Payments for Period	--25,962,596.65
Receipts for Period	19,776,200.04
Item/Cashbook	1,231,570.47
Uncleared Payments	0.00
Uncleared Receipts	0.00
	0.00
Unknown Items	
Sub Total	1,231,570.47
Statement Balance	-1,231,570.47
Difference	0.00

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook : - Nedbank Rural Account

Statement Number:1825-1972

Processing Month :11

Statement Date :6/12/2026 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	6,942,947.79
Payments for Period	--20,770,539.21
Receipts for Period	21,245,558.50
Item/Cashbook	7,417,967.08
Uncleared Payments	0.00
Uncleared Receipts	0.00
Unknown Items	0.00
Sub Total	7,417,967.08
Statement Balance	-7,417,967.08
Difference	0.00

Nama Khoi Municipality (NC062)

Bank Reconciliation Report

CashBook : - Nedbank Rural

Statement Number:1681-1820

Processing Month :10

Statement Date :5/14/2026 12:00:00 AM

Reconciliation Summary

Cashbook Opening Balance	9,135,284.76
Payments for Period	--24,094,752.59
Receipts for Period	21,902,415.62
Item/Cashbook	6,942,947.79
Uncleared Payments	0.00
Uncleared Receipts	0.00
	0.00
Unknown Items	
Sub Total	6,942,947.79
Statement Balance	-6,942,947.79
Difference	0.00

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 shows in incorrect figures

The following report shows the debtors outstanding on 30 June 2026

Part 4: Debtor Age Analysis

	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to Debtors		Impairment -Bad Debts ito Council Policy	
R thousands	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	7,961	4.0%	7,409	3.7%	5,200	2.6%	179,324	89.7%	199,895	36.9%	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	8,937	13.8%	2,754	4.3%	1,941	3.0%	50,900	78.9%	64,532	11.9%	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	7,588	6.1%	4,453	3.6%	3,272	2.6%	109,617	87.7%	124,930	23.1%	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	2,756	5.9%	1,730	3.7%	1,274	2.7%	41,309	87.8%	47,069	8.7%	-	-	-	-
Receivables from Exchange Transactions - Waste Management	4,129	4.6%	2,875	3.2%	2,025	2.3%	80,356	89.9%	89,385	16.5%	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	5	.7%	9	1.2%	3	.4%	763	97.8%	780	.1%	-	-	-	-
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(6,712)	(44.0%)	362	2.4%	192	1.3%	21,418	140.3%	15,261	2.8%	-	-	-	-
Total By Income Source	**24,665**	**4.6%**	**19,593**	**3.6%**	**13,908**	**2.6%**	**483,686**	**89.3%**	**541,853**	**100.0%**	**-**	**-**	**-**	**-**
Debtors Age Analysis By Customer Group														
Organs of State	2,023	11.5%	1,066	6.1%	674	3.8%	13,754	78.5%	17,517	3.2%	-	-	-	-
Commercial	5,232	6.7%	2,664	3.4%	1,784	2.3%	68,795	87.7%	78,476	14.5%	-	-	-	-
Households	17,410	3.9%	15,862	3.6%	11,450	2.6%	401,137	90.0%	445,859	82.3%	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	**24,665**	**4.6%**	**19,593**	**3.6%**	**13,908**	**2.6%**	**483,686**	**89.3%**	**541,853**	**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 has a Debt Write-off committee that focuses on the outstanding debtors and has written 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 who 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	14,165	5.9%	-	-	-	-	226,075	94.1%	240,241	45.8%
Bulk Water	-	-	-	-	-	-	225,737	100.0%	225,737	43.1%
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	19,803	34.9%	288	.5%	8,379	14.8%	28,303	49.9%	56,773	10.8%
Auditor-General	-	-	-	-	-	-	901	100.0%	901	.2%
Other	11	55.7%	-	-	-	-	9	44.3%	20	-
Medical Aid deductions	683	100.0%	-	-	-	-	-	-	683	.1%
Total	**34,663**	**6.6%**	**288**	**.1%**	**8,379**	**1.6%**	**481,026**	**91.7%**	**524,356**	**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.

Please note creditors' report is subject to correction

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 ESKOM R69 million +/-as the municipality was successful in its first two years of the debt relief programme and has received the second write-off confirmation letter.

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 entered into an agreement to settle the outstanding balance of around R12 million in 36 months. The municipality is compliant with the first financial year

Other Financial Related Information

NAMA KHOI LOCAL MUNICIPALITY

APPENDIX B

DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDED 30 JUNE 2026

NATIONAL GOVERNMENT	OPENING BALANCE R	CORRECTION OF ERROR R	RESTATED BALANCE R	GRANTS RECEIVED R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	CLOSING BALANCE R
Finance Management Grant (FMG)	14,372	-	14,372	3,000,000	(14,372)	(3,000,000)		-
Municipal Infrastructure Grant (MIG)	6,177,479	-	6,177,479	12,696,000	(2,122,988)		(15,102,412)	1,648,079
Expanded Public Works Programme (EPWP)	-	-	-	1,601,000	-	(1,601,000)		-
Integrated National Electrification Programme (INEP)	-	-	-	-		-		-
Municipal Disaster Response Grant	22,947,080	-	22,947,080	-	-		(69,348)	22,877,732
Water Service Infrastructure Grant (WSIG)	1,475,378	-	1,475,378	10,000,000	(321,883)		(10,158,037)	995,458
Total	**30,614,309**	**-**	**30,614,309**	**27,297,000**	**(2,459,244)**	**(4,601,000)**	**(25,329,796)**	**25,521,269**
PROVINCIAL GOVERNMENT								
Libraries, Archives and Museums	753,380	-	753,380	1,650,000		(1,296,966)		1,106,414
Department of Water Affairs - WSACDBP	-	-	-	-				-
LG SETA	256,306	-	256,306	131,840				388,146
Department Sport, Arts and Culture	-	-	-	-				-
Swimming Pool	450,000	-	450,000	-				450,000
World Cup 2010	-	-	-	-				-
Municipal Drought Relief Grant	(504)	-	(504)	-				(504)
Fire Equipment	-	-	-	-				-
Housing	1,465,273	-	1,465,273	-		-		1,465,273
Total	**2,924,455**	**-**	**2,924,455**	**1,650,000**		**(1,296,966)**	**-**	**3,250,533**
OTHER GRANT PROVIDERS								
Wade Project	-	-	-	-	-	-	-	-
Donations	-	-	-		-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ALL SPHERES OF GOVERNMENT	**33,538,764**	**-**	**33,538,764**	**28,947,000**	**(2,459,244)**	**(5,897,966)**	**(25,329,796)**	**28,771,802**

NAMA KHOI MUNICIPALITY
VAT 201
VAT REG. 4890198585
VAT CATEGORY: C
ACCOUNTING BASE : PAYMENT BASE
VAT RECONCILIATION
Financial Year : 2025/2026
PERIOD : May 2026

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
	1	VAT JUL		14,551,984.39	1,898,084.92	40,361,165.47	34,649.61			1,898,084.92	
	2	VAT AUGUST		12,179,061.35	1,588,573.22	3,025,992.25	2,249,030.60			1,588,573.22	
	3	VAT SEPTEMBER		43,057,806.11	5,616,235.58	5,007,539.60	6,653,160.37			5,616,235.58	
	4	VAT OCT		24,937,209.81	3,252,679.54	4,120,730.66	3,603,292.75			3,252,679.54	
	5	VAT NOV		16,756,450.97	2,185,624.04	4,712,745.14	3,354,871.65			2,185,624.04	
	6	VAT DEC		24,248,131.34	3,162,799.74	30,726,285.68	1,344,568.66			3,162,799.74	
	7	VAT JAN		30,869,307.48	4,026,431.41	4,401,023.62	3,710,763.99			4,026,431.41	
	8	VAT FEB		25,255,186.03	3,294,154.70	8,988,128.70	3,219,898.91			3,294,154.70	
	9	VAT MARCH		33,652,958.45	4,389,516.32	29,657,136.71	3,428,027.99			4,389,516.32	
	10	VAT APRIL		17,657,687.34	2,303,176.61	2,941,253.60	3,062,607.44			2,303,176.61	
	11	VAT MAY		28,118,010.75	3,667,566.62	5,870,149.72	3,310,245.21			3,667,566.62	
Total Amount			R -	R 271,283,794.03	R 35,384,842.70	R 139,812,151.16	R 33,971,117.18	R -		R 35,384,842.70	

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 (-)
	1	VAT JUL	1,849,996.64	241,303.91	38,551,407.53	5,028,444.46				5,269,748.37	-3,371,663.45
	2	VAT AUGUST	2,660,158.84	346,977.24	9,114,419.45	1,188,837.32				1,535,814.56	52,758.66
	3	VAT SEPTEMBER	1,788,604.66	233,296.26	28,715,795.55	3,745,538.55				3,978,834.81	1,637,400.77
	4	VAT OCT	94,149.50	12,280.37	25,962,242.76	3,386,379.49				3,398,659.86	-145,980.32
	5	VAT NOV	2,170,362.49	283,090.76	21,627,626.88	2,820,994.81				3,104,085.57	-918,461.53
	6	VAT DEC	6,834,539.55	891,461.68	34,223,119.79	4,463,885.19				5,355,346.87	-2,192,547.13
	7	VAT JAN	14,665.03	1,912.83	32,396,719.61	4,225,659.08				4,227,571.91	-201,140.50
	8	VAT FEB	3,671,375.61	478,875.08	23,721,843.35	3,094,153.48				3,573,028.56	-278,873.86
	9	VAT MARCH	4220791.563	550,538.03	27,511,506.73	3,588,457.40				4,138,995.43	250,520.89
	10	VAT APRIL	4422338.647	576,826.78	25,783,677.04	3,363,088.31				3,939,915.09	-1,636,738.48
	11	VAT MAY	6085238033	79,372.67	21,708,591.55	2,831,555.42				2,910,928.09	756,638.53
Total Amount			R 28,335,506.34	R 3,695,935.61	R 289,316,950.24	R 37,736,993.51	R -	R -	R -	R 41,432,929.12	-R 6,048,086.42

VAT Reconciliation

OPENING BALANCE 01/07/25	327,015.77
TOTAL OUTPUT TAX	-35,384,842.70
TOTAL INPUT TAX	41,432,929.12
REFUNDS :DURING THE YEAR	-9,072,421.04
PAYMENTS DURING THE YEAR	2,697,318.85
CLOSING BALANCE 30/06/26: VAT PAYABLE/ REFUNDABLE	0.00

NAMA KHOI LOCAL MUNICIPALITY

Financial Year: 2025/2026

Consolidated Report on Various Deposits

Period: YTD ended 30 June 2026

Nedbank: Various Own Funding Accounts

Description		Loan (Fleet)	Interest	Total
Opening Balance 01 July 2025		*10,763,123.84*	*9,028,828.13*	*19,793,952.69*
Security Against Loan			5,000,000.00	5,000,000.00
Balance : 01 July 2025		10,763,123.84	4,028,828.13	14,791,951.97
Receipts		*4,200,000.00*	*29,989,699.34*	*34,189,699.34*
Deposits	Jul	4,200,000.00	1,903,181.34	6,103,181.34
Deposits	August		1,876,267.27	1,876,267.27
Deposits	September		1,829,995.97	1,829,995.97
Deposits	October		1,891,563.58	1,891,563.58
Deposits	November		1,819,274.42	1,819,274.42
Deposits	December		6,818,081.43	6,818,081.43
Deposits	January		1,806,052.71	1,806,052.71
Deposits	February		1,620,873.69	1,620,873.69
Deposits	March		5,166,967.70	5,166,967.70
Deposits	April		1,738,663.50	1,738,663.50
Deposits	May		1,774,175.35	1,774,175.35
Deposits	June		1,744,602.38	1,744,602.38
Withdrawal		*-10,227,570.59*	*-32,220,612.85*	*- 42,448,183.44*
Monthly operational needs	Jul		-1,278,311.70	- 1,278,311.70
Monthly operational needs	August		-2,120,294.27	- 2,120,294.27
Monthly operational needs	September		-1,312,372.88	- 1,312,372.88
Monthly operational needs	October		-1,400,000.00	- 1,400,000.00
Monthly operational needs	November		-5,000,000.00	- 5,000,000.00
Monthly operational needs	December		-3,500,000.00	- 3,500,000.00
Monthly operational needs	January		-3,500,000.00	- 3,500,000.00
Monthly operational needs	February	-4,758,734.00	-2,500,000.00	- 7,258,734.00
Monthly operational needs	March	-2,511,428.51		- 2,511,428.51
Monthly operational needs	April	-2,957,408.08	-4,000,000.00	- 6,957,408.08
Monthly operational needs	May		-5,009,634.00	- 5,009,634.00
Monthly operational needs	June		-2,600,000.00	- 2,600,000.00
Closing Balance: 30 June 2026		*4,735,553.25*	*6,797,914.62*	*11,535,468.59*

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 C			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 July 25	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	Yes	N/A	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	Yes	N/A	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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	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	Yes	N/A	Yes	Yes	Yes	N/A	N/A	Yes	Yes	No	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	Yes	N/A	N/A	Yes	Yes	No	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	Yes	N/A	N/A	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	93%	Above Moderate
31 January26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Above Moderate
32 February26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	No	No	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	N/A	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	90%	Above Moderate
33 March26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate
34 April26	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	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	95%	Above Moderate
35 May 26	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	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Above Moderate
36 June26	Nama Khoi	NC062	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	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	88%	Above Moderate

Notes on ESKOM Debt Relief

The municipality received the second write-off confirmation and completed the 36-month cycle

National Treasury

Water Debt Relief

Water Debt Relief Guideline

Municipal Finance Management Act No. 56 of 2003

Legend	
100%	Complied
60-99%	Moderate Compliance
0-59%	Not Compliant

Monthly Performance Report

Municipal Details			Part A: Bulk water current account				Part B: Accounting Treatment and mSCOA Reporting				Part C: Monitor and report on implementation							Part D: FRPs & Implementation progress			Scoring and Rating	
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
7.January 2026	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	Yes	Yes	Yes	Yes	89%	Moderate compliance
8.February 2026	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	Yes	N/A	N/A	Yes	94%	Moderate compliance
9.March 2026	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	94%	Moderate compliance
10.April 2026	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	No	Yes	Yes	N/A	Yes	Yes	Yes	Yes	94%	Moderate compliance
11. May 2026	Nama Khoi	NC062	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	94%	Moderate compliance
12. June 2026	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

Notes on Water Incentive Scheme

The municipality is compliant as per the table above and has made payment to Vaal Central Water as per the agreed-upon reconciliations.

Water and Electricity losses July to June 2026

Nama Khoi Bulk Losses (Jul - Jun 2026)				
Electricity		Water		
Component	Total	Component	Total	
Billing [kWh]	58,451,923.22	Billing [kL]	1,719,592.71	
Bulk [kWh] (Eskom)	67,662,824.05	Bulk [kL] (Vaal Central Water)	2,236,133.00	*BULK VCW ACCOUNTS NOT VERIFIABLE!!*
		Bulk [kL] (Netview Check Meters)	1,983,453.82	Netview Bulk Water Check Meters
Surplus/(Loss) kWh	-9,210,900.83	Surplus kL	-516,540.29	**Based on VCW Bulk Kl's**
Surplus/(Loss) %	**-13.61%**	Surplus %	**-23.10%**	**Based on VCW Bulk Kl's**
		(Loss) kL	-263,861.11	**Based on Netview Bulk Kl's**
		(Loss) %	**-13.30%**	**Based on Netview Bulk Kl's**

Surplus/(Loss) [R] [Excl VAT]		Surplus/(Loss) [R] [Excl VAT]		
Assumed Technical Losses	**-10.00%**			
Bulk [R] losses @ R2.41 (excl. VAT)	-R16,318,896	Bulk [R] surplus @ R26.10 (excl. VAT)	-R13,481,697	Based on VCW Bulk Kl's
Assumed Non -Technical Losses	**-3.61%**			
Billed [R] losses @ R3.31 (excl. VAT)	-R8,089,909	Bulk [R] loss @ R26.10 (excl. VAT)	-R6,886,772	Based on Netview Bulk Kl's
Total	**-R24,408,806**			

Additional Notes

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 in the previous quarter, and an in-depth assessment of the system was done on all the modules of the financial system. The issues are still not resolved, and to add to the issues, the municipality is currently in a disagreement with the Revenue Enhancement Partner, and it is related to the positive delta aspect and the funds that can be spent as per the Utility Agreement. The municipality also appointed an independent investigator to verify the figures and calculations of both institutions and provide a report on the findings before 30 June 2026

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, manage to make monthly payments based on the municipality's check meter data and is currently in dispute with the readings from Vaal Central Water

Funded Budget Plan and Cost Containment Report

Progress on the Funded Budget is completed as required; the 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: 29 April 2026**

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 2026 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: 31 July 2026

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