



Nama Khoi Municipality

14 September 2026

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MONTHLY REPORT FOR THE PERIOD ENDING 31August 2026 (MONTHLY BUDGET STATEMENT) – 2025/2026 FINANCIAL YEAR.

1. PURPOSE

71. (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to Mr R Kritzinger the Mayor of the municipality and the relevant Provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the financial affairs for that month and the financial year up to the end of that month:

2. STRATEGIC OBJECTIVE

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

For the reporting period ended 31August 2026

3. QUERIES AND SUGGESTIONS

***The financial services division will appreciate it if all queries and suggestions can be addressed to the Chief Financial Officer in writing.**

Please note that the municipality wishes to notify the reader that the information is subject to correction. The municipality has been experiencing issues with the alignment of the different systems, and it has resulted in misalignment of certain figures as indicated in the report

4. REPORT FOR THE PERIOD ENDING 31August 2026

This report is based on financial information as of 31August 2026 and is available during preparation.

The financial results for the period ended 31August 2026 are summarised as follows:

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

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NC062 Nama Khoi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		174,242	196,139	—	16,238	32,051	32,690	(639)	-2%	196,139
Service charges - Water		50,087	65,628	—	3,946	7,236	10,938	(3,702)	-34%	65,628
Service charges - Waste Water Management		15,238	16,916	—	(669)	(1,205)	2,819	(4,024)	-143%	16,916
Service charges - Waste management		18,256	19,617	—	2,222	3,822	3,270	552	17%	19,617
Sale of Goods and Rendering of Services		3,740	4,329	—	68	222	721	(499)	-69%	4,329
Agency services		—	101	—	—	—	17	(17)	-100%	101
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		55,058	57,677	—	5,560	10,951	9,613	1,338	14%	57,677
Interest from Current and Non Current Assets		21,885	24,378	—	64	74	4,063	(3,989)	-98%	24,378
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	1,353	—	—	—	225	(225)	-100%	1,353
Rental from Fixed Assets		1,182	2,598	—	104	183	433	(250)	-58%	2,598
Licence and permits		2,835	3,853	—	237	445	642	(197)	-31%	3,853
Special rating levies		—	—	—	—	—	—	—	—	—
Construction Contract Revenue		—	—	—	—	—	—	—	—	—
Development Charges		—	—	—	—	—	—	—	—	—
Operational Revenue		639	673	—	62	121	112	9	8%	673
Non-Exchange Revenue										
Property rates		49,623	63,359	—	4,976	8,077	10,560	(2,483)	-24%	63,359
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		414	620	—	0	7	103	(97)	-94%	620
Licence and permits		—	—	—	—	—	—	—	—	—
Transfers and subsidies - Operational		77,033	80,245	—	329	31,115	13,374	17,741	133%	80,245
Interest		19,068	18,172	—	1,936	3,836	3,029	807	27%	18,172
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		2,216	2,197	—	2,439	4,707	366	4,340	1185%	2,197
Gains on disposal of Fixed and Intangible Assets		—	—	—	—	—	—	—	—	—
Other Gains		82,991	104,543	—	—	—	17,424	(17,424)	-100%	104,543
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		574,507	662,397	—	37,512	101,642	110,399	(8,758)	-8%	662,397
Expenditure By Type										
Employee related costs		120,581	124,207	—	10,161	20,914	20,701	213	1%	124,207
Remuneration of councillors		7,879	8,847	—	655	1,310	1,474	(164)	-11%	8,847
Bulk purchases - electricity		162,805	180,015	—	17,953	32,052	30,003	2,050	7%	180,015
Inventory consumed		80,940	79,756	—	638	3,972	13,293	(9,321)	-70%	79,756
Debt impairment		33,386	52,545	—	293	332	8,757	(8,426)	-96%	52,545
Depreciation, amortisation and impairment		51,520	59,795	—	—	—	9,966	(9,966)	-100%	59,795
Interest, Dividends and Rent on Land		27,474	5,863	—	295	1,105	977	128	13%	5,863
Contracted services		57,659	109,948	—	4,353	6,849	18,325	(11,476)	-63%	109,948
Transfers and subsidies		—	—	—	—	—	—	—	—	—
Irrecoverable debts written off		39,026	2,585	—	—	—	431	(431)	-100%	2,585
Operational costs		22,354	46,799	—	566	1,745	7,800	(6,055)	-78%	46,799
Disposal of Fixed and Intangible Assets		—	—	—	—	—	—	—	—	—
Other Losses		13,310	2,585	—	—	—	431	(431)	-100%	2,585
Total Expenditure		616,934	672,944	—	34,914	68,278	112,157	(43,879)	-39%	672,944
Surplus/(Deficit)		(42,427)	(10,547)	—	2,598	33,363	(1,758)	35,121	(0)	(10,547)

Explanation on YTD variance % - e.g. 104% means that the municipality billed 4% more than what was budgeted and 98% means the municipality billed 2% less than what was budgeted.

Variances to be discussed in the Institutional and Finance Committee

Notes on the Table above

The YTD actual figures do not reflect the correct amounts, and the issues between the billing systems do not appear to be 100% corrected. The municipality and the Service Providers have consistently worked on correcting the alignment between the two systems, and improvements in the errors have been made, as is evident in the monthly reported figures; however, comparing the YTD Actual and the YTD Budget figures is unrealistic, as it will point out that the municipality did not bill as per the anticipated budget. It must be noted that the municipality has appointed an independent Financial System Expert to investigate and propose a plan to correct all errors and to ensure that the municipality complies with all the necessary MSCOA and other legislation.

Notes on the Table above

The municipality must ensure that the classification of expenditure items is correctly mapped to avoid spending that might lead to unauthorised expenditure

NC062 Nama Khoi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - EXECUTIVE MAYOR COUNCIL		471	453	–	43	85	75	10	13.2%	453
Vote 2 - MUNICIPAL MANAGER		1,605	1,928	–	–	–	321	(321)	-100.0%	1,928
Vote 3 - CORPORATE SERVICES		670	1,863	–	64	135	311	(176)	-56.6%	1,863
Vote 4 - FINANCIAL SERVICES		198,003	176,603	–	14,496	26,741	29,434	(2,692)	-9.1%	176,603
Vote 5 - COMMUNITY SERVICES: COMM DEV		6,479	42,870	–	2,571	4,249	7,145	(2,896)	-40.5%	42,870
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - COMMUNITY SERVICES: PUBLSAFETY		3,340	4,067	–	250	472	678	(206)	-30.3%	4,067
Vote 8 - INFRASTRUCTURE;ENG TECHNICAL		389,268	473,784	–	20,089	69,958	78,964	(9,006)	-11.4%	473,784
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	599,837	701,568	–	37,512	101,642	116,928	(15,286)	-13.1%	701,568
Expenditure by Vote	1									
Vote 1 - EXECUTIVE MAYOR COUNCIL		15,356	16,966	–	1,189	2,316	2,828	(512)	-18.1%	16,966
Vote 2 - MUNICIPAL MANAGER		9,276	13,600	–	433	868	2,267	(1,399)	-61.7%	13,600
Vote 3 - CORPORATE SERVICES		29,908	68,405	–	2,320	3,992	11,401	(7,409)	-65.0%	68,405
Vote 4 - FINANCIAL SERVICES		106,066	105,290	–	4,781	10,623	17,548	(6,925)	-39.5%	105,290
Vote 5 - COMMUNITY SERVICES: COMM DEV		98,816	49,195	–	1,866	3,774	8,199	(4,425)	-54.0%	49,195
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - COMMUNITY SERVICES: PUBLSAFETY		9,894	11,925	–	776	1,554	1,987	(434)	-21.8%	11,925
Vote 8 - INFRASTRUCTURE;ENG TECHNICAL		347,617	407,563	–	23,549	45,152	67,927	(22,775)	-33.5%	407,563
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	616,934	672,944	–	34,914	68,278	112,157	(43,879)	-39.1%	672,944
Surplus/ (Deficit) for the year	2	(17,097)	28,624	–	2,598	33,363	4,771	28,593	599.3%	28,624

The Capital expenditure report shown in Annexure B has been prepared based on the format required by the National Treasury.

Please note Capital Expenditure is subject to correction. Errors have been submitted to the Service Provider

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<u>Capital Expenditure - Functional Classification</u>										
<i>Governance and administration</i>		304	5,186	-	-	-	864	(864)	-100%	5,186
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		304	5,186	-	-	-	864	(864)	-100%	5,186
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	9,318	-	-	-	1,553	(1,553)	-100%	9,318
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	9,318	-	-	-	1,553	(1,553)	-100%	9,318
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		83	13,700	-	-	2	2,283	(2,282)	-100%	13,700
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		83	13,700	-	-	2	2,283	(2,282)	-100%	13,700
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		39,221	95,090	-	-	930	15,848	(14,918)	-94%	95,090
Energy sources		-	28,517	-	-	-	4,753	(4,753)	-100%	28,517
Water management		12,916	29,300	-	-	-	4,883	(4,883)	-100%	29,300
Waste water management		26,305	37,273	-	-	930	6,212	(5,282)	-85%	37,273
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	39,607	123,294	-	-	932	20,549	(19,617)	-95%	123,294
<u>Funded by:</u>										
National Government		23,022	39,171	-	-	-	6,528	(6,528)	-100%	39,171
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		23,022	39,171	-	-	-	6,528	(6,528)	-100%	39,171
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		16,585	84,123	-	-	932	14,020	(13,088)	-93%	84,123
Total Capital Funding		39,607	123,294	-	-	932	20,549	(19,617)	-95%	123,294

Notes On Capital Expenditure

Progress on projects is discussed in the Technical Monthly report that is submitted to the Infrastructure Committee

CASH FLOW STATEMENT ON 31August 2026

NC062 Nama Khoi - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		35	55,232	–	4	7	9,205	(9,199)	-100%	55,232
Service charges		71,639	294,874	–	28,809	57,064	49,146	7,918	16%	294,874
Other revenue		19,557	93,031	–	4,164	8,871	15,505	(6,634)	-43%	93,031
Transfers and Subsidies - Operational		835,393	80,245	–	7,354	64,884	13,374	51,510	385%	80,245
Transfers and Subsidies - Capital		22,696	39,171	–	500	16,200	6,529	9,672	148%	39,171
Interest		–	85,030	–	27,115	27,125	14,172	12,953	91%	85,030
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(608,483)	(664,103)	–	(17,400)	(37,955)	(76,181)	(38,226)	50%	(664,103)
Finance charges		113	(5,863)	–	–	–	(977)	(977)	100%	(5,863)
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		340,950	(22,382)	–	50,546	136,196	30,773	(105,423)	-343%	(22,382)
CASH FLOWS 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 (Greater than 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–
Payments										
Capital assets		40,211	(141,788)	–	–	(5,620)	(23,631)	(18,012)	76%	(141,788)
Retention (Capital)		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		40,211	(141,788)	–	–	(5,620)	(23,631)	(18,012)	76%	(141,788)
CASH FLOWS 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		381,160	(164,170)	–	50,546	130,576	7,141			(164,170)
Cash/cash equivalents at beginning:		323,917	323,917	–	–	–	53,986			323,917
Cash/cash equivalents at month/year end:		705,078	159,747	–	50,546	130,576	61,127			159,747

Notes on the Cash Flow Statement

The Cash Flow Statement does not appear to reflect the correct data and does not correspond with the actual bank accounts. The bank reconciliations reflect the correct information and will be submitted separately to this report.

Debtors Age Analysis - Annexure B -Table SC3

The debtor's age analysis report shown in Annexure B has been prepared based on the format required by the National Treasury. The following report shows the debtor's outstanding on 31August 2026.

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

NC062 Nama Khoi - Supporting Table SC2 Monthly Budget Statement - aged debtors - M02 August

NCU6z Nama Khoi - Supporting Table SCZ Monthly Budget Statement - aged debtors - M02 August													
Description	NT Code	Budget Year 2026/27										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200									-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-		
Receivables from Non-exchange Transactions - Property Rates	1400									-	-		
Receivables from Exchange Transactions - Waste Water Management	1500									-	-		
Receivables from Exchange Transactions - Waste Management	1600									-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900									-	-		
Total By Income Source	2000	-	-	-	-	-	-	-	-	-	-	-	-
2025/26 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200									-	-		
Commercial	2300									-	-		
Households	2400									-	-		
Other	2500									-	-		
Total By Customer Group	2600	-	-	-	-	-	-	-	-	-	-	-	-

Notes on Debtors' Age Analysis

The debtors' age analysis does not appear to show, this is as result of misalignment of the two financial systems.

The municipality has communicated the issue of the debtors' age analysis to the Main Financial Service Provider, and processes are underway to correct the debtors' age analysis.

The municipality is also in the process of implementing credit control procedures, which will result in write-offs as well as limiting the services of consumers with long outstanding accounts.

The municipality has identified consumers to be added to a similar programme to the debt relief and water incentive scheme.

It must be noted that the blocking of prepaid services for outstanding accounts has commenced.

CREDITORS Age Analysis - Annexure B -Table SC4

The creditor's age analysis report shown in Annexure B has been prepared based on the format required by the National Treasury.

The following report shows the creditor's outstanding on 31 August 2026.

NC062 Nama Khoi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2026/27								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	20,820	1	0	-	-	-	4	156,166	176,991	246,059
Bulk Water	0200	-	-	-	-	-	-	-	225,737	225,737	225,737
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	6,193	381	4,823	405	5,123	1,674	12,113	14,284	44,997	29,835
Auditor General	0800	-	-	97	-	-	-	12	889	998	1,038
Other	0900	39	4	-	-	-	-	3	7	52	7
Medical Aid deductions	0950	888	-	683	-	-	-	-	-	1,572	606
Total By Customer Type	1000	27,941	386	5,603	405	5,123	1,674	12,131	397,082	450,346	503,282

Creditors Analysis

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 reached the first year and have received a write-off of R13 million and also the interest incurred.



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							Maximization of Revenue Base		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									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	No	No	No	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	No	No	No	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	76%	Moderate compliance	
26.August25	Nama Khoi	NC062	No	No	No	Yes	Yes	Yes	Yes	Yes	No	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	No	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	76%	Moderate compliance	
27.September25	Nama Khoi	NC062	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	N/A	N/A	No	Yes	Yes	Yes	No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	73%	Moderate compliance	
28.October25	Nama Khoi	NC062	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate	
29.November25	Nama Khoi	NC062	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate	
30.December25	Nama Khoi	NC062	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	85%	Above Moderate	
31.January26	Nama Khoi	NC062	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	85%	Above Moderate	
32.February26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate	
33.March26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate	
34.April26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate	
35.May26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	N/A	N/A	N/A	N/A	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate
36.June26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	88%	Above Moderate	
37.July26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	93%	Above Moderate	
38.August26	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	N/A	N/A	Yes	No	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes	Yes	Yes	No	Yes	N/A	Yes	Yes	Yes	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	90%	Above Moderate	

Notes on the table above

The municipality is still compliant with the debt relief, but does have issues with the financial system, as it does not give the correct information to draft all the required reports for the debt relief programme; outstanding reports Annexure C and D will be submitted once the issues have been resolved between the Financial System Providers.

The municipality received its second write-off letter

NAMA KHOI LOCAL MUNICIPALITY				
Financial Year: 2026/2027				
Consolidated Report on Various Deposits				
Period: YTD ended 31 August 2026				
Nedbank: Various Own Funding Accounts				
Description		Loan (Fleet)	Interest	Total
<u>Opening Balance 01 July 2026</u>		4,735,553.25	6,797,914.62	11,533,467.87
Security Against Loan Balance : 01 July 2026			5,000,000.00	5,000,000.00
		4,735,553.25	1,797,914.62	6,533,467.87
<u>Receipts</u>		0.00	3,603,018.65	3,603,018.65
Deposits Deposits	Jul		1,756,526.78	
	August		1,846,491.87	
<u>Withdrawal</u>		4,462,690.00	2,701,271.00	7,163,961.00
Monthly operational needs Monthly operational needs	Jul	4,462,690.00		
	August		2,701,271.00	
<u>Closing Balance: 31 Aug 2026</u>		272,863.25	7,699,662.27	7,972,525.52

NAMA KHOI LOCAL MUNICIPALITY APPENDIX B DISCLOSURE OF GRANTS AND SUBSIDIES FOR THE YEAR ENDED 31 AUG 2026								
	OPENING BALANCE R	CORRECTION OF ERROR R	RESTATE BALANCE R	GRANTS RECEIVED R	GRANTS REPAID R	TRANSFERRED TO REVENUE (OPERATING) R	TRANSFERRED TO REVENUE (CAPITAL) R	CLOSING BALANCE R
NATIONAL GOVERNMENT								
Finance Management Grant (FMG)	-	-	-	3,000,000		(72,632)		2,927,368
Municipal Infrastructure Grant (MIG)	1,648,079	-	1,648,079	5,700,000				7,348,079
Expanded Public Works Programme (EPWP)	-	-	-	427,000				427,000
Integrated National Electrification Programme (INEP)	-	-	-	500,000				500,000
Municipal Disaster Response Grant	22,877,732	-	22,877,732					22,877,732
Water Service Infrastructure Grant (WSIG)	995,458	-	995,458	10,000,000				10,995,458
Total	19,627,000	-	19,627,000	19,627,000	19,627,000	19,627,000	19,627,000	42,148,269
PROVINCIAL GOVERNMENT								
Libraries, Archives and Museums	1,106,414	-	1,106,414			(256,373)		850,042
Department of Water Affairs - WSACDBP	-	-	-					-
LG SETA	303,938	-	303,938					303,938
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	3,325,121	-	3,325,121	-	-	(256,373)	-	3,068,749
OTHER GRANT PROVIDERS								
Wade Project	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
ALL SPHERES OF GOVERNMENT	22,952,121	-	22,952,121	19,627,000	19,627,000	19,370,627	19,627,000	45,217,018

Notes on the above tables

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



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				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
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
13.July 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
14.August 2026	Nama Khoi	NC062	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	No	No	N/A	No	N/A	N/A	Yes	83%	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 for defaulters all over the municipal jurisdiction.

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

Updated and verified the indigent register.

Replacement of faulty meters needs to be fast-tracked.

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

Expenditure by type:

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

Cost containment measures and controls must be adhered to.

Repairs and maintenance must be done in a manner that ensures the same asset does not keep being repaired.

Should get a balance between technology and manual labour.

Must ensure that bulk accounts are verified and correct.

Get a balance on the overtime and standby hours.

Capital Expenditure:

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

Must ensure that Procurement Plans aligns to the IDP, Budget and SDBIP.

Business plans are submitted on time

SCM processes start before the start of the financial year

Implementation plans are carefully monitored

Cash Flow Statement:

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

Debtors Analysis

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

Creditors Analysis

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

General Note

The municipality is still having issues with the alignment of the data between the two financial systems, and it is resulting in the monthly report being one-dimensional with no comparison between the actual figures and the budgeted figures, debtors and creditors are not updated, and the cash flow is not linked to the transactions as per the bank.

The municipality appointed a financial system analyst/consultant to assess the issues and errors on the Financial System, a report with recommendations will be submitted to the Financial Committee.

The municipality has experienced some cash flow issues and will need to enforce credit control procedures more aggressively.

Circular 124 Debt Relief

The monthly monitoring tool is submitted. Outstanding information is related to the ongoing issues the municipality is having with the alignment of the two financial systems.

Water Incentive Scheme

The municipality made the necessary monthly payment as required.

Funded Budget Plan and Cost Containment Report

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

6. Interdepartmental and cluster impact

This report is prepared to achieve MFMA compliance.

7. Comments of the Head: Legal Services

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

8. Conclusion

This report was compiled in accordance compliance with section 71 of the MFMA, by providing a statement to the Council containing certain financial particulars.

Prepared By:

Heinri Cloete

Chief Financial Officer

NAMAKHOI MUNICIPALITY QUALITY CERTIFICATE

I, Refilwe the Acting Municipal Manager of Nama Khoi Municipality, hereby certify that –

- The monthly report on the implementation of the municipal budget and financial state affairs for the month ending 31 August 2026 has been prepared by the Municipal Finance Management Act 71 and regulations made under that Act.

Print Name: Refilwe Sebela

Acting Municipal Manager of Nama Khoi Municipality

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

Annexure A

Reports and reportable matters

Monthly reports statements – Section 71 MFMA

- (1) The accounting officer of a municipality must no later than 10 working days after the end of each month submit to the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and the financial year up to the end of that month:
 - (a) Actual revenue, per revenue source
 - (b) Actual borrowings
 - (c) Actual expenditure per vote
 - (d) Actual capital expenditure per vote
 - (e) The amount of any allocations received
 - (f) Actual expenditure on those allocations, excluding expenditure on –
 - (i) Its share of the local government equitable share, and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
 - (g) When necessary, an explanation of –
 - (i) Any material variances from the municipality projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget
- (2) The statement must include –
 - (a) A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
 - (b) The prescribed information relating to the state of the budget of each municipal entity the municipality in terms of section 87 (10)
- (3) The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the municipality's approved budget

- (4) The statement to the provincial treasury must be in the format of a signed document and the electronic format.
- (5) The accounting officer of a municipality that has received an allocation referred to in subsection (1) (e) during any particular month must by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets per municipality and municipal entity
- (7) The provincial treasury must, within 31days after the end of each quarter, make public as prescribed, a consolidated statement in the prescribed format on the state of municipalities' budget per municipality and municipal entity. The MEC for finance must submit such consolidated statements to the provincial legislature no later than 45 days after the end of each quarter.

NAMA KHOI MUNICIPALITY SCHEDULE C MONTHLY BUDGET STATEMENT	
General information and contact information	
Main tables	Consolidated Monthly Statements
Table C1-SUM	Summary
Table C2-FinPer SC	Financial Performance (standard classification)
Table C2C	Financial Performance (standard classification)
Table C3-Fin Per V	Financial Performance (revenue and expenditure by municipal vote)
Table C3C	Financial Performance (revenue and expenditure by municipal vote)
Table C4-FinPerRE	Financial Performance (revenue and expenditure)
Table C5-CAPEX	Capital Expenditure (municipal vote, standard classification)
Table C5C	Capital Expenditure (municipal vote, standard classification)
Table C6-FinPos	Financial Position
Table C7-Cflow	Cash Flow
Supporting Tables	
Table SC1	Material variance explanations
Table SC2	Monthly Budget Statement – Performance Indicators
Table SC3	Monthly Budget Statement – Aged debtors
Table SC4	Monthly Budget Statement – Aged creditors
Table S5	Monthly Budget Statement – Investment portfolio
Table SC6	Monthly Budget Statement – Transfer and grant receipts
Table SC7	Monthly Budget Statement – Transfer and grant expenditure
Table SC8	Monthly Budget Statement – Councillor and staff benefits
Table SC9	Monthly Budget Statement – Actual and revised targets for cash receipts
Table SC10	Monthly Budget Statement – Parent Municipality Financial Performance
Table SC11	Monthly Budget Statement – Summary of municipal entities
Table SC 12	Consolidated Monthly Budget Statement – Capital expenditure trend
Table SC13 a	Consolidated Monthly Budget Statement – Capital expenditure on new assets by asset class
Table SC b	Consolidated Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
Table SC c	Consolidated Monthly Budget Statement – Expenditure on repairs and maintenance by asset class
Table SC d	Consolidated Monthly Budget Statement – depreciation by asset class
Table SC71	Charts