ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE

5.1 QUARTERLY BUDGET STATEMENT – S52(d) REPORT: 30 JUNE 2026

File No. xxx]
[Chief Financial Officer/LM/AL]
[Municipal Standing Committee]
[JUNE 2026]

PURPOSE

To submit to the committee for noting the Section 52(d) report for the quarter ended 30 June 2026.

LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act s 52(d)
Municipal Finance Management Regulations
National Treasury Circulars

BACKGROUND /PURPOSE

Section 52 (d) stipulates that "the mayor of the municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of the municipality".

Section 71(1) (a) – (g) of the Municipal Finance Management Act (MFMA) inter alia, states:

"The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to 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 following particulars for the month and for the financial year up to the end of that month.

FINANCIAL PERFORMANCE

The quarterly section 52(d) report is compiled and serves as a tool to monitor financial performance within the Municipality. The Summary Statement of Financial Performance shown in Annexure 1, Table C4, is prepared similarly to the prescribed budget format, detailing revenue by source type and expenditure per vote.

SECTION 1 – EXECUTIVE SUMMARY

1.1 Introduction

Municipal budget regulations require that this report must be in Section 52(d) of the MFMA format, which requires that this report must be prepared in the following manner:

- Actual Revenue per revenue source.
- Actual expenditure per vote.
- Actual Capital Expenditure per vote.
- The amount of allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
  - Any material variances from the municipality's projected revenue per source and the municipality's expenditure projections per vote.

- Any material variances from the SDBIP, and
- Remedial or corrective steps taken or to be taken by the municipality

2. The statement must include: -

- Projections of the municipality's revenue and expenditure for the rest of the financial year and any revisions from initial projections.

3. The amounts reflected in the statement must be compared with the corresponding amounts budgeted for in the municipality's approved budget.

This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognized by matching revenues to expenses (the matching principle) when the transaction occurs rather than when payment is received or made.

This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position

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Table C1- Monthly Budget Statement Summary

The table below reflects the summary of the municipality's budget against year-to-date collections or expenditures.

EC123 Great Kei - Table C1 Monthly Budget Statement Summary - M12 June

Description	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
R thousands									
Financial Performance									
Property rates	35 180	54 888	53 388	3 511	40 001	53 388	(13 387)	-25%	53 388
Service charges	18 224	17 891	20 301	1 774	22 164	20 301	1 863	9%	20 301
Investment revenue	6 525	6 733	6 733	1 814	6 671	6 733	(62)	-1%	6 733
Transfers and subsidies - Operational	60 484	61 753	60 753	351	61 240	60 753	487	0	60 753
Other own revenue	7 874	12 065	11 880	1 081	10 336	11 880	(1 545)	-13%	11 880
Total Revenue (excluding capital transfers and contributions)	**128 287**	**153 330**	**153 056**	**8 532**	**140 412**	**153 056**	**(12 644)**	**-8%**	**153 056**
Employee costs	64 366	55 678	57 181	4 758	56 908	57 181	(273)	-0%	57 181
Remuneration of Councillors	5 923	5 738	6 057	492	5 955	6 057	(101)	-2%	6 057
Depreciation and amortisation	18 966	20 848	11 985	–	6 678	11 985	(5 307)	-44%	11 985
Interest	1 329	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	14 789	16 555	19 595	1 744	19 151	19 595	(444)	-2%	19 595
Transfers and subsidies	–	450	270	–	197	270	(73)	-27%	270
Other expenditure	30 039	33 699	36 279	4 029	28 576	36 279	(7 703)	-21%	36 279
Total Expenditure	**135 411**	**132 968**	**131 367**	**11 023**	**117 465**	**131 367**	**(13 901)**	**-11%**	**131 367**
Surplus/(Deficit)	**(7 125)**	**20 362**	**21 689**	**(2 491)**	**22 946**	**21 689**	**1 257**	**6%**	**21 689**
Transfers and subsidies - capital (monetary allocations)	39 766	39 267	58 267	5 632	40 633	58 267	(17 634)	-30%	58 267
Transfers and subsidies - capital (in-kind)	3 500	–	–	–	2 800	–	2 800	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions	**36 142**	**59 629**	**79 956**	**3 141**	**66 379**	**79 956**	**(13 578)**	**-17%**	**79 956**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**36 142**	**59 629**	**79 956**	**3 141**	**66 379**	**79 956**	**(13 578)**	**-17%**	**79 956**
Capital expenditure & funds sources									
Capital expenditure	**50 945**	**45 277**	**62 056**	**4 126**	**42 800**	**62 056**	**(19 256)**	**-31%**	**62 056**
Capital transfers recognised	40 591	33 585	50 267	4 023	33 157	50 267	(17 111)	-34%	50 267
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**10 353**	**11 691**	**11 789**	**103**	**9 644**	**11 789**	**(2 145)**	**-18%**	**11 789**
Total sources of capital funds	**50 945**	**45 277**	**62 056**	**4 126**	**42 800**	**62 056**	**(19 256)**	**-31%**	**62 056**
Financial position									
Total current assets	107 778	88 817	88 817		135 764				88 817
Total non current assets	394 828	486 566	503 345		439 611				503 345
Total current liabilities	76 423	12 091	(6 089)		77 475				(6 089)
Total non current liabilities	32 519	20 789	20 789		32 519				20 789
Community wealth/Equity	**389 358**	**59 629**	**79 956**		**465 387**				**79 956**
Cash flows									
Net cash from (used) operating	(94 585)	68 910	68 910	(12 194)	(44 505)	86 731	131 235	151%	68 910
Net cash from (used) investing	–	(52 068)	(52 068)	(4 687)	(51 094)	(52 068)	(975)	2%	(52 068)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**(23 937)**	**64 285**	**64 285**	**(16 881)**	**(11 486)**	**82 106**	**93 592**	**114%**	**100 953**
Debtors & creditors analysis	**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**
Debtors Age Analysis									
Total By Income Source	8 832	2 657	2 690	2 557	2 336	2 183	2 231	67 956	91 442
Creditors Age Analysis									
Total Creditors	2 403	–	–	–	–	–	0	13 617	16 020

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OPERATING REVENUE

Total revenue, including operational grants to date, amounts to R 140.4 million, compared to the anticipated R153 million. However, total receipts of transfers and conditional grant revenue to date amount to R 101.8 million.

Total revenue, including government grants and subsidies, amounts to R242.2 million.

Cash receipts on operating revenue, excluding grants and VAT refunds, total R69.4 million.

i) Property Rates

Property rates year-to-date billing amounts to R40 million, compared to the anticipated YTD budget of R53.3 million. This indicates 25% underperformance. Property rates remain the municipality's largest own revenue source.

The cash received to date for rates billing is R49.8 million, including old debt.

ii) Refuse Services

The year-to-date refuse revenue amounts to R5.4 million, while the YTD budget is 5 million. This is an overperformance of 8%. An effort is being made to ensure this revenue source performs adequately, as the municipality has additional capital resources for this function.

Cash received for refuse collection to date amounts to R4.7 million.

iii) Electricity Services

Year-to-date electricity billed amounts to R16.7 million. The anticipated budgeted revenue amounted to R15.2 million, which indicates a 10% underestimation of the electrical YTD budget. The trading service has been operating at a deficit if you compare sales vs bulk electricity purchases.

Year-to-date receipts amount to R12.8 million. (Conventional R3.8 million and Prepaid R9 million)

SURPLUS/ DEFICIT ON SALE OF ELECTRICITY 2025/26 FY			
Sales	**Conventional**	**Prepaid**	**Total**
July	260 701.99	769 160.33	1 029 862.32
August	369 776.69	749 439.31	1 119 216.00
September	218 705.17	807 820.74	1 026 525.91
October	318 643.24	783 483.00	1 102 126.24
November	150 707.78	638 871.27	789 579.05
December	681 518.96	811 176.47	1 492 695.43
January	340 917.41	725 778.56	1 066 695.97
February	124 314.48	640 490.70	764 805.18
March	451 847.22	805 440.98	1 257 288.20
April	324 183.78	700 724.37	1 024 908.15
May	333 874.35	748 792.00	1 082 666.35
June	262 785.56	849 168.03	1 111 953.59
Total Sales	**3 837 976.63**	**9 030 345.76**	**12 868 322.39**
Costs Eskom Bulk			**Total**
July			2 154 047.24
August			2 398 398.43
September			1 871 682.05
October			1 565 004.59
November			1 525 140.12
December			1 466 544.03
January			1 452 062.08
February			1 524 465.74
March			1 444 125.93
April			1 515 004.27
May			1 538 257.77
June			1 961 565.76
Total Costs			**20 416 298.01**
Deficit			**- 7 547 975.63**

iv) Interest on investments

Interest earned on external investments to date amounts to R6.6 million. With an anticipated budget of R6.7 million, which indicates a 1% underestimation of the interest on investment YTD budget. The variance is due to a change in the official prime lending rate.

v) Interest on outstanding debtors

Interest billed on debtor amounts to R5.2 million (*Exchange transactions: R 1 547 129.59; non-exchange transactions: R 3 680 325.85). The interest billed is less than the prior year.*

vi) Licences and permits

Movement on this line item to date amounts to R1.1 million. YTD budget amounts to R2.8 million. This indicates a year-to-date variance of 61%, the major contributing factor is due to current construction of R63 provincial road by SANRAL making it difficult for the traffic department to implement the Traffic Management Act e.g. issuing of traffic fines.

vii) VAT refunds

The amount received on VAT refunds to date is R9.7 million. An amount of R 880 927.08 has been submitted to SARS and is receivable as of 30 June 2026**.**

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OPERATING EXPENDITURE

At the end of June 2026, the total expenditure amounts to R117.5 million, while the YTD budget amounts to R131.4 million. This indicates a year-to-date variance of 11%.

i) Employee Costs

The year-to-date movement of employee-related costs amounts to R57 million, while the YTD budget amounts to R57 million. This is a YTD variance of 0%.

ii) Remuneration of councillors

The YTD budget for councillors' allowances is R6 million, and the actual spending to date is R6.1 million. This indicates a year-to-date variance of 2%.

iii) Bulk Electricity

Expenditure for bulk electricity purchases is budgeted at R17.8 million, and the spending to date is R17.8 million excluding VAT. This indicates a year-to-date variance of 0%. The June 2026 invoice for Eskom Bulk amounts to R 1 961 565.76. The electricity service is being rendered at a deficit, as the billed cost of bulk purchases exceeded the billed revenue of R7.5 million.

iv) Contracted Services

The expenditure incurred on this line amounts to R8.5 million compared to the YTD budget of R9.7 million. This is a YTD variance of -13%. This is due to the implementation of the MFMA circular 82 – cost containment measures.

v) Operational Costs

As of the end of June 2026, operational costs amount to R19.7 million, while the YTD budget amounts to R25.1 million. This is a YTD variance of -21%. This includes accommodation, external audit fees, machine rentals, bank charges, travel, subsistence, telephone costs, and software licensing. The variance is also due to the appropriate implementation of cost containment measures.

VI) Depreciation

Expenditure for depreciation and amortization is budgeted at R12 million, and the expense recognized or accounted for to date is R6.7 million. This indicates a year-to-date variance of 44%.

CAPITAL EXPENDITURE [SEE C5 TABLE BELOW]

The YTD budget on Capital expenditure is R62 million, and the movement to date is at R42.8 million. The variance between the budget and actual translates to overperformance of 31%.

STATEMENT OF FINANCIAL POSITION [SEE C6 TABLE BELOW]

Accumulated surplus as of 30 June 2026 is R339 million. The surplus as at the end of June 2026 is R65.9 million.

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CASH FLOWS [SEE C7 TABLE BELOW]

The municipality ended the month with a positive cash and cash equivalents balance of R 104 791 168.71 million (Operating main bank balance and other short-term investments).

Table C2: Statement of Financial Performance by Vote

This table reflects the operating budget in the standard classification: Government Finance Statistics Functions and Sub-Functions. National Treasury uses these to assist the compilation of national and international accounts for comparison purposes, regardless of the organizational structures used by different institutions.

EC123 Great Kei - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

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
R thousands	1								%	
Revenue - Functional										
Governance and administration		**119 277**	**134 036**	**152 428**	**10 580**	**122 608**	**152 428**	(29 820)	-20%	**152 428**
Finance and administration		119 277	134 036	152 428	10 580	122 608	152 428	(29 820)	-20%	152 428
Community and public safety		**3 167**	**4 038**	**4 881**	**260**	**3 444**	**4 881**	(1 437)	-29%	**4 881**
Community and social services		1 360	977	1 977	132	1 812	1 977	(165)	-8%	1 977
Public safety		1 598	3 061	2 905	112	1 437	2 905	(1 468)	-51%	2 905
Housing		209	–	–	17	195	–	195	#DIV/0!	–
Economic and environmental services		**25 312**	**25 673**	**24 753**	**653**	**23 436**	**24 753**	(1 316)	-5%	**24 753**
Planning and development		670	1 471	1 471	83	686	1 471	(785)	-53%	1 471
Road transport		24 642	24 202	23 282	570	22 750	23 282	(532)	-2%	23 282
Trading services		**23 797**	**28 850**	**29 261**	**2 671**	**34 355**	**29 261**	**5 094**	17%	**29 261**
Energy sources		14 439	21 982	23 392	2 496	24 872	23 392	1 480	6%	23 392
Waste management		9 359	6 869	5 869	175	9 483	5 869	3 614	62%	5 869
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**171 553**	**192 597**	**211 323**	**14 164**	**183 844**	**211 323**	**(27 479)**	**-13%**	**211 323**
Expenditure - Functional										
Governance and administration		**56 062**	**59 806**	**55 503**	**5 237**	**48 589**	**55 503**	(6 914)	-12%	**55 503**
Executive and council		5 978	5 738	6 057	497	6 167	6 057	110	2%	6 057
Finance and administration		50 083	54 068	49 446	4 740	42 422	49 446	(7 024)	-14%	49 446
Community and public safety		**17 777**	**9 805**	**9 901**	**756**	**8 925**	**9 901**	(976)	-10%	**9 901**
Community and social services		3 953	776	786	17	508	786	(278)	-35%	786
Public safety		13 824	9 029	9 115	738	8 417	9 115	(698)	-8%	9 115
Economic and environmental services		**31 917**	**28 978**	**26 938**	**2 132**	**27 023**	**26 938**	85	0%	**26 938**
Planning and development		14 312	15 410	15 639	1 052	13 228	15 639	(2 411)	-15%	15 639
Road transport		17 604	13 568	11 299	1 080	13 795	11 299	2 496	22%	11 299
Trading services		**29 931**	**34 379**	**39 025**	**2 899**	**32 928**	**39 025**	**(6 096)**	-16%	**39 025**
Energy sources		21 214	20 793	24 934	2 074	23 505	24 934	(1 429)	-6%	24 934
Waste management		8 717	13 586	14 091	825	9 423	14 091	(4 668)	-33%	14 091
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**135 686**	**132 968**	**131 367**	**11 023**	**117 465**	**131 367**	**(13 901)**	**-11%**	**131 367**
Surplus/ (Deficit) for the year		**35 867**	**59 629**	**79 956**	**3 141**	**66 379**	**79 956**	**(13 578)**	**-0.1698132**	**79 956**

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Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

The operating budget of the institution is approved by the council at the municipal vote level. The table below reflects expenditures per vote. Close monitoring of spending is vital.

EC123 Great Kei - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

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
R thousands									%	
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		209	1	1	17	196	1	195	16597.9%	1
Vote 2 - Directorate: Budget and Treasury		122 341	134 036	152 428	10 672	126 887	152 428	(25 541)	-16.8%	152 428
Vote 3 - Directorate: Corporate Services		89	–	–	–	110	–	110	#DIV/0!	–
Vote 4 - Directorate: Strategic Services		670	1 471	1 471	83	686	1 471	(785)	-53.4%	1 471
Vote 5 - Directorate: Technical Service & Community Services		48 243	57 089	57 423	3 392	55 965	57 423	(1 458)	-2.5%	57 423
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**171 553**	**192 597**	**211 323**	**14 164**	**183 844**	**211 323**	**(27 479)**	**-13.0%**	**211 323**
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		–	–	30	–	–	30	(30)	-100.0%	30
Vote 2 - Directorate: Budget and Treasury		44 870	42 956	37 544	3 118	32 387	37 544	(5 157)	-13.7%	37 544
Vote 3 - Directorate: Corporate Services		5 150	11 112	11 903	1 621	10 035	11 903	(1 868)	-15.7%	11 903
Vote 4 - Directorate: Strategic Services		20 382	21 197	21 755	1 549	19 454	21 755	(2 300)	-10.6%	21 755
Vote 5 - Directorate: Technical Service & Community Services		65 285	57 703	60 136	4 734	55 589	60 136	(4 546)	-7.6%	60 136
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**135 686**	**132 968**	**131 367**	**11 023**	**117 465**	**131 367**	**(13 901)**	**-10.6%**	**131 367**
Surplus/ (Deficit) for the year	2	**35 867**	**59 629**	**79 956**	**3 141**	**66 379**	**79 956**	**(13 578)**	**-17.0%**	**79 956**

Operating income and expenditure against approved budget (Table C4- Statement of Financial Performance)

Revenue by Source

EC123 Great Kei - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		14 081	13 830	15 240	1 715	16 716	15 240	1 475	10%	15 240
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		4 143	4 061	5 061	60	5 448	5 061	387	8%	5 061
Sale of Goods and Rendering of Services		1 035	1 185	1 095	78	954	1 095	(142)	-13%	1 095
Agency services		422	705	705	38	379	705	(325)	-46%	705
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 125	1 126	1 126	150	1 547	1 126	422	37%	1 126
Interest from Current and Non Current Assets		6 525	6 733	6 733	1 814	6 671	6 733	(62)	-1%	6 733
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		375	214	264	63	271	264	7	3%	264
Licence and permits		984	2 906	2 750	87	1 069	2 750	(1 681)	-61%	2 750
Special rating levies		–	–	–	–	–	–	–		–
Operational Revenue		147	53	53	5	962	53	909	1715%	53
Non-Exchange Revenue								–		
Property rates		35 180	54 888	53 388	3 511	40 001	53 388	(13 387)	-25%	53 388
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		710	200	212	27	447	212	235	111%	212
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		60 484	61 753	60 753	351	61 240	60 753	487	1%	60 753
Interest		4 947	5 676	5 676	417	3 680	5 676	(1 996)	-35%	5 676
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		(193)	–	–	–	–	–	–		–
Other Gains		(1 678)	–	0	216	1 026	0	1 026	102558600%	0
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**128 287**	**153 330**	**153 056**	**8 532**	**140 412**	**153 056**	**(12 644)**	**-8%**	**153 056**

Operating expenditure by type

EC123 Great Kei - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description R thousands	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
Expenditure By Type										
Employee related costs		64 366	55 678	57 181	4 758	56 908	57 181	(273)	0%	57 181
Remuneration of councillors		5 923	5 738	6 057	492	5 955	6 057	(101)	-2%	6 057
Bulk purchases - electricity		14 597	15 497	17 754	1 706	17 753	17 754	(0)	0%	17 754
Inventory consumed		192	1 059	1 842	36	1 395	1 842	(446)	-24%	1 842
Debt impairment		–	5 000	1 500	–	–	1 500	(1 500)	-100%	1 500
Depreciation and amortisation		18 966	20 848	11 985	–	6 678	11 985	(5 307)	-44%	11 985
Interest		1 329	–	–	–	–	–	–		–
Contracted services		8 078	8 393	9 690	739	8 464	9 690	(1 227)	-13%	9 690
Transfers and subsidies		–	450	270	–	197	270	(73)	-27%	270
Irrecoverable debts written off		5 002	–	–	371	371	–	371	#DIV/0!	–
Operational costs		17 680	20 306	25 089	2 920	19 742	25 089	(5 347)	-21%	25 089
Losses on Disposal of Assets		337	–	–	–	–	–	–		–
Other Losses		(1 059)	–	–	–	–	–	–		–
Total Expenditure		**135 411**	**132 968**	**131 367**	**11 021**	**117 463**	**131 367**	**(13 904)**	**-11%**	**131 367**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE

Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)

The table above shows the bud get for capital expenditure funded from municipal infrastructure grants (MIG) and provincial Government Grants and funded internally. These include infrastructure projects, the purchasing of computers, and transport assets for the municipality.

EC123 Great Kei - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

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
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	1 507	2 472	–	2 720	2 472	249	10%	2 472
Vote 2 - Directorate: Budget and Treasury		(13)	–	140	–	123	140	(17)	-12%	140
Vote 3 - Directorate: Corporate Services		–	–	370	–	147	370	(223)	-60%	370
Vote 4 - Directorate: Strategic Services		–	–	–	–	–	–	–		–
Vote 5 - Directorate: Technical Service & Community Services		4 970	11 783	10 545	67	9 685	10 545	(860)	-8%	10 545
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**4 956**	**13 290**	**13 526**	**67**	**12 675**	**13 526**	**(851)**	**-6%**	**13 526**
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	–	–	–	–	–	–		–
Vote 2 - Directorate: Budget and Treasury		3 253	359	210	77	189	210	(21)	-10%	210
Vote 3 - Directorate: Corporate Services		264	839	372	–	282	372	(91)	-24%	372
Vote 4 - Directorate: Strategic Services		6 122	1 102	1 200	26	1 199	1 200	(1)	0%	1 200
Vote 5 - Directorate: Technical Service & Community Services		36 350	29 687	46 747	3 956	28 456	46 747	(18 291)	-39%	46 747
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	45 988	31 987	48 530	4 059	30 125	48 530	**(18 404)**	**-38%**	48 530
Total Capital Expenditure		**50 945**	**45 277**	**62 056**	**4 126**	**42 800**	**62 056**	**(19 256)**	**-31%**	**62 056**
Capital Expenditure - Functional Classification										
Governance and administration		**3 503**	**1 198**	**1 092**	**77**	**741**	**1 092**	(351)	-32%	**1 092**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		3 503	1 198	1 092	77	741	1 092	(351)	-32%	1 092
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**834**	**543**	**570**	**–**	**493**	**570**	(77)	-14%	**570**
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		834	543	570	–	493	570	(77)	-14%	570
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**45 190**	**32 377**	**48 609**	**3 492**	**32 017**	**48 609**	(16 592)	-34%	**48 609**
Planning and development		6 122	1 102	1 200	26	1 199	1 200	(1)	0%	1 200
Road transport		39 068	31 275	47 409	3 466	30 818	47 409	(16 591)	-35%	47 409
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**1 418**	**11 158**	**11 785**	**557**	**9 549**	**11 785**	(2 235)	-19%	**11 785**
Energy sources		267	8 888	9 163	557	7 424	9 163	(1 740)	-19%	9 163
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		1 150	2 271	2 621	–	2 126	2 621	(495)	-19%	2 621
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**50 945**	**45 277**	**62 056**	**4 126**	**42 800**	**62 056**	**(19 256)**	**-31%**	**62 056**
Funded by:										
National Government		32 519	24 890	50 107	4 023	33 157	50 107	(16 951)	-34%	50 107
Provincial Government		257	8 696	160	–	–	160	(160)	-100%	160
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ		7 815	–	0	–	–	0	(0)	-100%	0
Transfers recognised - capital		**40 591**	**33 585**	**50 267**	**4 023**	**33 157**	**50 267**	**(17 111)**	**-34%**	**50 267**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		10 353	11 691	11 789	103	9 644	11 789	(2 145)	-18%	11 789
Total Capital Funding		**50 945**	**45 277**	**62 056**	**4 126**	**42 800**	**62 056**	**(19 256)**	**-31%**	**62 056**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE

Table C6: Statement of Financial Position

EC123 Great Kei - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		84 112	64 285	64 285	104 791	64 285
Trade and other receivables from exchange transactions		8 873	13 831	13 831	14 604	13 831
Receivables from non-exchange transactions		3 817	2 894	2 894	3 388	2 894
Current portion of non-current receivables		41	–	–	41	–
Inventory		–	–	–	–	–
VAT		10 953	7 664	7 664	12 957	7 664
Other current assets		(18)	143	143	(18)	143
Total current assets		**107 778**	**88 817**	**88 817**	**135 764**	**88 817**
Non current assets						
Investments		–	–	–	–	–
Investment property		76 094	73 005	73 005	75 062	73 005
Property, plant and equipment		318 359	413 173	429 812	364 062	429 812
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		36	36	36	36	36
Intangible assets		339	352	492	450	492
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**394 828**	**486 566**	**503 345**	**439 611**	**503 345**
TOTAL ASSETS		**502 606**	**575 382**	**592 161**	**575 374**	**592 161**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		375	(392)	(422)	391	(422)
Trade and other payables from exchange transactions		54 318	10 660	10 670	43 781	10 670
Trade and other payables from non-exchange transactions		9 192	–	(18 160)	17 259	(18 160)
Provision		2 930	3 510	3 510	2 930	3 510
VAT		9 609	(1 688)	(1 688)	13 113	(1 688)
Other current liabilities		–	–	–	–	–
Total current liabilities		**76 423**	**12 091**	**(6 089)**	**77 475**	**(6 089)**
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		24 479	20 412	20 412	24 479	20 412
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		8 040	377	377	8 040	377
Total non current liabilities		**32 519**	**20 789**	**20 789**	**32 519**	**20 789**
TOTAL LIABILITIES		**108 942**	**32 880**	**14 700**	**109 993**	**14 700**
NET ASSETS	2	**393 664**	**542 502**	**577 461**	**465 381**	**577 461**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		389 358	59 629	79 956	465 387	79 956
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**389 358**	**59 629**	**79 956**	**465 387**	**79 956**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE

Table C7: Cash flow

The table below reflects the institution's cash flow.

EC123 Great Kei - Table C7 Monthly Budget Statement - Cash Flow - M12 June

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
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	41 166	41 166	230	40 001	41 166	(1 165)	-3%	41 166
Service charges		–	18 938	18 938	886	22 164	18 938	3 226	17%	18 938
Other revenue		–	18 724	18 724	2 548	79 270	18 724	60 546	323%	18 724
Transfers and Subsidies - Operational		–	59 996	59 996	709	83 387	59 996	23 391	39%	59 996
Transfers and Subsidies - Capital		–	39 267	39 267	–	40 633	39 267	1 366	3%	39 267
Interest		–	6 734	6 734	–	–	6 734	(6 734)	-100%	6 734
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(94 585)	(115 915)	(115 915)	(16 566)	(193 681)	(98 094)	95 587	-97%	(115 915)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(94 585)**	**68 910**	**68 910**	**(12 194)**	**71 773**	**86 731**	**14 958**	**17%**	**68 910**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		–	(52 068)	(52 068)	(4 687)	(51 094)	(52 068)	(975)	2%	(52 068)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(52 068)**	**(52 068)**	**(4 687)**	**(51 094)**	**(52 068)**	**(975)**	**2%**	**(52 068)**
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		**(94 585)**	**16 841**	**16 841**	**(16 881)**	**20 679**	**34 662**			**16 841**
Cash/cash equivalents at beginning:		70 648	47 444	47 444	–	84 112	47 444			84 112
Cash/cash equivalents at month/year end:		(23 937)	64 285	64 285	(16 881)	104 791	82 106			100 953

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

Table SC3: Aged Debtors

The municipality owns a total amount of R91.4 million, the biggest portion of R64 million owned by households. The organs of the state owe R14 million. Commercial debtors are sitting at R4.5 million. Agriculture debtors are sitting at R9.1 million. The municipality has monthly debt collection strategies to help collect outstanding revenue, including blocking prepaid electricity users in arrears. Disconnection notices are sent monthly to all customers with outstanding accounts.

EC123 Great Kei - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2025/26											
R thousands		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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 652	554	551	535	533	525	530	7 547	12 427	9 671	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	6 310	1 846	1 906	1 806	1 599	1 461	1 511	54 069	70 511	60 447	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	861	256	231	216	204	196	190	6 335	8 490	7 141	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	9	–	–	–	–	–	–	–	9	–	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	1	–	–	–	–	–	0	4		4	–	–
Total By Income Source	2000	8 832	2 657	2 690	2 557	2 336	2 183	2 231	67 956	91 437	77 263	–	–
2024/25 - totals only		7346753	2122664	3438571	2621619	1866531	1801375	1865997	64754412	85 858	72 959	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 341	599	641	576	588	556	535	12 182	14 178	14 438	–	–
Commercial	2300	885	148	144	136	133	130	132	3 609	4 525	4 142	–	–
Households	2400	6 482	1 882	1 879	1 807	1 592	1 473	1 544	51 884	63 609	58 299	–	–
Other	2500	125	28	26	37	23	22	21	282	9 125	384	–	–
Total By Customer Group	2600	8 832	2 657	2 690	2 557	2 336	2 183	2 231	67 956	91 437	77 263	–	–

Debt by Type	Residents	Councillors	Municipal Officials	Industries	Nat. Departments	Prov. Depts	Agric. Farms	Total
Water								
Electricity	463 186.46		-	317 608.31	68 902.73	11 457 672.00	119 660.48	12 427 029.98
Rental	9 378.35	-			-	-		9 378.35
Refuse	7 840 925.71	-	-	391 514.84	23 020.79	203 340.20	30 850.23	8 489 651.77
Rates	55 295 519.26	-	-	3 815 818.44	113 755.09	2 311 229.90	8 974 637.33	70 510 960.02
Other	-	-	-	-	-	-	-	-
Grand Total	**63 609 009.78**	**-**	**-**	**4 524 941.59**	**205 678.61**	**13 972 242.10**	**9 125 148.04**	**91 437 020.12**
% on Total Debt	**69.57**	**-**	**-**	**4.95**	**0.22**	**15.28**	**10**	**100.00**
								-

Report on Collection

The current month's collection rate is 98%.

Collection Rate % of billing:June 2026			
	Billing	**Receipts**	**%**
Electricity	1 767 847.71	1 077 677.21	61%
Refuse	622 303.26	388 685.15	62%
Rates	4 499 098.21	5 272 828.22	117%
Property Rental	16 775.63	10 104.12	60%
Total	**6 906 024.81**	**6 749 294.70**	**98%**

Billing VS Collection Per Town

Name of Town/ Farm	Billing	Collection	ollection Current Account	Collection On Older Debt	Collection %
Cintsa	1 712 272.11	1 295 817.97	878 995.61	416 822.36	51%
East London RD (Farms)	472 127.00	284 077.58	224 495.25	59 582.33	48%
Kwelera	659 444.60	451 587.10	280 193.18	171 393.92	42%
Haga Haga	395 625.42	378 760.08	298 356.47	80 403.61	75%
Kei Mouth	678 514.41	448 393.62	347 733.64	100 659.98	51%
Komga	1 954 101.12	1 386 737.45	622 921.41	763 816.04	32%
Komga RD (Farm)	169 318.16	393 727.54	289 778.82	103 948.72	171%
Morgan's Bay	854 706.00	1 073 429.33	745 519.07	327 910.26	87%
Tainton	9 915.99	187 596.00	8 424.00	179 172.00	85%
TOTAL	**6 906 024.81**	**5 900 126.67**	**3 696 417.45**	**2 203 709.22**	**54%**

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Allignment of Collection

Amount Collected	Collection On Curr	Collection On Older Debt
5 900 126.67	3 696 417.45	2 203 709.22

Collection On Current Billing

Month	Billing Amount	Collected Amount	Collection %
July	6 042 206.68	1 820 431.34	30%
August	8 750 723.59	2 630 634.83	30%
September	7 121 894.77	2 995 740.88	42%
October	6 665 380.66	3 928 919.74	59%
November	6 574 209.95	2 555 684.28	39%
December	6 890 685.66	2 614 143.11	38%
January	6 771 959.46	2 746 772.40	41%
February	6 730 565.52	2 594 489.48	39%
March	6 883 890.30	3 037 023.64	44%
April	6 806 488.86	4 011 114.86	59%
May	6 798 989.27	2 790 927.56	41%
June	6 906 024.81	3 696 417.45	54%

Collection On Old Debt - 30 June 2025

Month	Billing Amount	Collected Amount	Collection%
July	71 250 364.51	2 408 018.90	3%
August	71 250 364.51	2 231 234.97	3%
September	71 250 364.51	1 341 659.77	2%
October	71 250 364.51	2 150 265.17	3%
November	71 250 364.51	2 277 875.88	3%
December	71 250 364.51	1 885 594.57	3%
January	71 250 364.51	1 936 998.05	3%
February	71 250 364.51	1 922 251.32	3%
March	71 250 364.51	1 771 638.94	2%
April	71 250 364.51	498 976.62	1%
May	71 250 364.51	1 882 280.98	3%
June	71 250 364.51	2 203 709.22	3%

Number of Clearances Issued	Total Amount
34	88 850.55
Number of Transferred Accounts to New Ownership	
54	

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

SC4: Aged Creditors

EC123 Great Kei - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
R thousands		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	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	1 962	–	–	–	–	–	–	–	**1 962**	1 991
Bulk Water	0200	–	–	–	–	–	–	–	–	**–**	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	**–**	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	0700	295	–	–	–	–	–	0	7 855	**8 150**	14 888
Auditor General	0800	–	–	–	–	–	–	–	–	**–**	57
Other	0900	147	–	–	–	–	–	–	5 762	**5 908**	8 119
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	**–**	–
Total By Customer Type	**1000**	**2 403**	**–**	**–**	**–**	**–**	**–**	**0**	**13 617**	**16 020**	25 055

The Municipality's top creditors as of June 2026 are as follows:

Supplier Name	**Total**
Amathole - EC District Municipality	R 7 497 965.88
Compensation Fund	R 5 761 876.38
ESKOM	R 1 961 565.76
Ayamah Tibaa Pty Ltd	R 308 863.73
TOTAL TOP CREDITORS	**R 15 530 271.80**

Other trade creditors amount to R489 thousand, which the Municipality will strive to pay in the following months. The municipality has had a session with ADM to reconcile their credit owed and attend to billing issues by the District Municipality.

Table SC5: Investment Portfolio

All the call deposits are highly liquid, short-term investments held to meet short-term commitments rather than earn a return (interest). At the end of June 2026, the municipality had a favorable operating bank balance of R 1 962 527.71 and call deposits amounting to R 102 826 547.83 million.

EC123 Great Kei - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
1 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	8 194	76 060.40	–	–	**8 285**
2 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	1 059	9	–	–	**1 069**
3 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	135	–	–	–	**135**
4 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	60 875	705	(28 210)	–	**33 496**
5 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	622	1	–	6	**654**
6 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	3 669	41	–	–	**3 717**
Standard Bank			Deposit-Bank	Yes	Variable				09 January 2030	50 000				**50 000**
13 FNB		127 M	Call Account	Yes	Variable	6.15	0		09 January 2030	5 374	91	–	–	**5 465**
14 FNB		5 Y	Call Account	Yes	Variable	0.09	0		30/06/2026	9	(0)	–	–	**5**
Municipality sub-total										**129 938**	**923**	**(28 210)**	**6**	**102 827**
TOTAL INVESTMENTS AND INTEREST	2									**129 938**	**923**	**(28 210)**	**6**	**102 827**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

Table SC6: Grants Received

The table below reflects conditional grants received to date, totaling R101.8 million.

EC123 Great Kei - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

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
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**59 588**	**59 996**	**58 996**	**295**	**59 640**	**58 996**	**644**	**1.1%**	**58 996**
Equitable Share		55 432	55 269	55 269	–	55 269	55 269	–		55 269
Expanded Public Works Programme Integrated Grant		1 103	2 327	1 327	110	1 327	1 327	(0)	0.0%	1 327
Local Government Financial Management Grant		2 400	2 400	2 400	58	2 400	2 400	–		2 400
Municipal Infrastructure Grant		653	–	–	127	644	–	644	#DIV/0!	–
Other transfers and grants [insert description]								–		
Provincial Government:		**–**	**1 000**	**1 000**	**56**	**844**	**1 000**	**(157)**	**-15.7%**	**1 000**
Specify (Add grant description)		–	1 000	1 000	56	844	1 000	(157)	-15.7%	1 000
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
[insert description]								–		
Other grant providers:		**896**	**757**	**757**	**–**	**757**	**757**	**–**		**757**
Council for Medical Schemes		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
National Library South Africa		**757**	**757**	**757**	**–**	**757**	**757**	**–**		**757**
National Skills Fund		**89**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
South Africa Housing Fund		**49**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Operating Transfers and Grants	5	**60 484**	**61 753**	**60 753**	**351**	**61 240**	**60 753**	**487**	**0.8%**	**60 753**
Capital Transfers and Grants										
National Government:		37 156	29 267	58 267	5 632	40 633	58 267	(17 634)	**-30.3%**	58 267
Integrated National Electrification Programme Grant		–	7 312	7 312	690	7 312	7 312	–		7 312
Municipal Disaster Recovery Grant		16 406	9 080	29 000	4 483	11 897	29 000	(17 103)	-59.0%	29 000
Municipal Disaster Response Grant		8 968	–	9 080	48	9 192	9 080	112	1.2%	9 080
Municipal Infrastructure Grant		11 783	12 875	12 875	411	12 231	12 875	(644)	-5.0%	12 875
Other capital transfers *[insert description]*								–		
Provincial Government:		**610**	**10 000**	**–**	**–**	**–**	**–**	**–**		**–**
Specify (Add grant description)		**610**	**10 000**	**–**	**–**	**–**	**–**	**–**		**–**
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
[insert description]								–		
								–		
Other grant providers:		**2 000**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Government Motor Transport		**2 000**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Capital Transfers and Grants	5	**39 766**	**39 267**	**58 267**	**5 632**	**40 633**	**58 267**	**(17 634)**	**-30.3%**	**58 267**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	100 250	101 020	119 020	5 984	101 873	119 020	(17 147)	-14.4%	119 020

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

Table SC7: Grants expenditure

EC123 Great Kei - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

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
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**54 959**	**54 545**	**48 818**	**4 878**	**39 028**	**49 500**	**(10 472)**	**-21.2%**	**48 818**
Equitable Share		43 176	49 431	43 333	3 226	34 657	43 831	(9 174)	-20.9%	43 333
Expanded Public Works Programme Integrated Grant		1 304	2 327	2 327	318	1 327	2 508	(1 181)	-47.1%	2 327
Local Government Financial Management Grant		10 472	2 152	2 522	1 335	2 400	2 525	(125)	-5.0%	2 522
Municipal Infrastructure Grant		8	635	635	–	644	635	8	1.3%	635
Other transfers and grants [insert description]								–		
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Other grant providers:		**1 620**	**0**	**15**	**8**	**51**	**15**	36	238.3%	**15**
Clerical Assist (Pole Parties)		**1 620**	**–**	**–**	**–**	**–**	**–**	–		**–**
National Library South Africa		–	0	15	8	51	15	36	238.3%	15
National Library South Africa		132	757	742	8	78	744			742
Total operating expenditure of Transfers and Grants:		**56 580**	**54 545**	**48 833**	**4 886**	**39 079**	**49 515**	**(10 437)**	**-21.1%**	**48 833**
Capital expenditure of Transfers and Grants										
National Government:		32 519	24 890	50 107	4 023	28 401	56 469	(28 068)	**-49.7%**	50 107
Equitable Share		–	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant		–	6 358	6 358	557	7 312	6 358	954	15.0%	6 358
Municipal Disaster Recovery Grant		23 869	7 896	33 113	3 399	11 897	39 417	(27 520)	-69.8%	33 113
Municipal Disaster Response Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		8 650	10 636	10 636	67	9 192	10 693	(1 501)	-14.0%	10 636
Other capital transfers [insert description]								–		
Provincial Government:		**257**	**8 696**	**–**	**–**	**–**	**–**	–		**–**
Specify (Add grant description)		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Specify (Add grant description)		257	8 696	–	–	–	–	–		–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
Other grant providers:		**7 815**	**–**	**0**	**–**	**–**	**–**	–		**0**
Government Motor Transport		**1 739**	**–**	**0**	**–**	**–**	**–**	–		**0**
Human Settlement Re-development Programme		6 076	–	–	–	–	–	–		–
National Library South Africa		–	–	–	–	–	–			–
Total capital expenditure of Transfers and Grants		**40 591**	**33 585**	**50 107**	**4 023**	**28 401**	**56 469**	**(28 068)**	**-49.7%**	**50 107**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**97 171**	**88 131**	**98 940**	**8 909**	**67 480**	**105 984**	**(38 504)**	**-36.3%**	**98 940**

The table below reflects the grants' expenditure as of 30 June 2026, and these amounts are inclusive of VAT:

- The Finance Management Grant's (FMG) year-to-date expenditure is R2.4 million related to interns' salaries, updating the fixed asset register, and MSCOA implementation.
- The year-to-date expenditure related to the Expanded Public Works Program (EPWP) amounts to R 1.3 million for casual work and poverty alleviation projects
- The municipality has received a grant from DEDEAT of R1 million, year-to-date spending is R 843 thousand. The remaining balance of R156 500 will be applied for rollover.
- The current year's receipts for INEP grant amount to R7.3 million and the year-to-date expenditure is R7.3 million.
- MIG year-to-date expenditure amounts to R12.8 million for capital project implementation and operational costs.

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- In the current year the Municipal Disaster Recovery Grant (MDRG) Rollover expenditure amounts to R9.1 million for capital project implementation costs. This funding assists with the reconstruction of roads affected by inclement weather conditions. The rollover has been fully spent.
- In the current year the municipality received an allocation of R 29 million for Municipal Disaster Recovery Grant (MDRG). The expenditure amounts to R11.8 million. The remaining balance of R17.1 million will be applied for rollover.

Grants	Allocation	Withheld / Not Provisioned	Amount Received	Amount Spent	Variance	% Over Total Allocation
FMG	R 2 400 000.00	R -	R 2 400 000.00	2 400 000.00	-R 0.00	100%
EPWP	R 1 327 000.00	R -	R 1 327 000.00	1 327 000.00	R 0.00	100%
DEDEAT	R 1 000 000.00	R -	R 1 000 000.00	843 500.00	R 156 500.00	84%
INEP	R 7 312 000.00	R -	R 7 312 000.00	7 312 000.00	R -	100%
MIG	R 12 875 000.00	R -	R 12 875 000.00	12 875 000.00	R -	100%
MDRG - Roll Over	R 9 192 099.93	R -	R -	9 192 099.93	R -	100%
MDRG - Current year	R 29 000 000.00	R -	R 29 000 000.00	11 897 217.25	R 17 102 782.75	41%
Totals	**63 106 100**	**-**	**53 914 000**	**45 846 817.18**	**17 259 283**	**73%**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

Table SC8: Expenditure on councilors, employees, and managers

Table SC8 shows the performance of staff costs and councilors' remuneration as of June 2026.

EC123 Great Kei - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Summary of Employee and Councillor remuneration R thousands	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
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 063	3 882	4 073	336	4 073	4 073	0	0%	4 073
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	20	–	–	20	(20)	-100%	20
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		610	562	616	44	570	616	(47)	-8%	616
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1 250	1 294	1 347	112	1 312	1 347	(35)	-3%	1 347
Sub Total - Councillors		**5 923**	**5 738**	**6 057**	**492**	**5 955**	**6 057**	**(101)**	**-2%**	**6 057**
% increase	4		**-3.1%**	**2.2%**						**2.2%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 764	3 347	3 347	278	3 388	3 347	41	1%	3 347
Pension and UIF Contributions		7	7	7	1	9	7	2	27%	7
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		169	–	900	60	1 029	900	129	14%	900
Motor Vehicle Allowance		1 005	1 322	1 322	106	1 270	1 322	(52)	-4%	1 322
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		506	632	632	51	606	632	(26)	-4%	632
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**4 451**	**5 308**	**6 208**	**495**	**6 301**	**6 208**	**94**	**2%**	**6 208**
% increase	4		**19.3%**	**39.5%**						**39.5%**
Other Municipal Staff										
Basic Salaries and Wages		40 204	35 326	35 917	3 172	37 787	35 917	1 870	5%	35 917
Pension and UIF Contributions		6 862	6 107	6 107	543	6 534	6 107	427	7%	6 107
Medical Aid Contributions		4 085	3 531	3 531	330	3 808	3 531	277	8%	3 531
Overtime		2 494	1 869	1 869	132	1 512	1 869	(357)	-19%	1 869
Performance Bonus		2 736	2 449	2 449	59	59	2 449	(2 390)	-98%	2 449
Motor Vehicle Allowance		534	481	481	40	427	481	(54)	-11%	481
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		81	84	84	9	114	84	29	34%	84
Other benefits and allowances		212	200	200	16	192	200	(8)	-4%	200
Payments in lieu of leave		1 157	–	–	–	–	–	–		–
Long service awards		–	–	12	(59)	(59)	12	(71)	-596%	12
Post-retirement benefit obligations	2	1 552	323	323	20	234	323	(89)	-28%	323
Sub Total - Other Municipal Staff		**59 915**	**50 370**	**50 973**	**4 262**	**50 607**	**50 973**	**(366)**	**-1%**	**50 973**
% increase	4		**-15.9%**	**-14.9%**						**-14.9%**
Total Parent Municipality		**70 289**	**61 416**	**63 238**	**5 250**	**62 863**	**63 238**	**(374)**	**-1%**	**63 238**
			-12.6%	**-10.0%**						**-10.0%**
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		**70 289**	**61 416**	**63 238**	**5 250**	**62 863**	**63 238**	**(374)**	**-1%**	**63 238**
% increase	4		**-12.6%**	**-10.0%**						**-10.0%**
TOTAL MANAGERS AND STAFF		**64 366**	**55 678**	**57 181**	**4 758**	**56 908**	**57 181**	**(273)**	**0%**	**57 181**

ITEM [5.1]
FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEEES

REPORT ON IRREGULAR, FRUITLESS, WASTEFUL, AND UNAUTHORISED EXPENDITURE AS OF JUNE 2026

- The municipality has no unauthorized, irregular, fruitless and wasteful, and expenditures incurred during the period ending 30 June 2026.

FINANCIAL IMPLICATIONS

None

STAFF IMPLICATIONS

None

ANNEXURE

Annexure A: Schedule C Report – June 2026

RECOMMENDATION

The council should note that the s52(d) March Quarterly report was submitted.

SUBMITTED FOR NOTING