

# **ITEM [5.1]**

## **FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE**

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### **5.1 QUARTERLY BUDGET STATEMENT – S52(d) REPORT: 31 JUNE 2025**

File No. xxx]  
[Chief Financial Officer/LM/AL]  
[Municipal Standing Committee]  
[June 2025]

#### **PURPOSE**

To submit the Section 52(d) report to the audit committee.

#### **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

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- 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	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	27 532	45 948	36 000	824	35 196	36 000	(804)	-2%	36 000
Service charges	13 280	18 108	17 997	1 665	18 158	17 997	161	1%	17 997
Investment revenue	4 392	7 500	6 600	1 198	6 525	6 600	(75)	-1%	6 600
Transfers and subsidies - Operational	57 697	59 796	59 796	167	60 395	59 796	599	0	59 796
Other own revenue	15 734	14 869	9 888	711	9 357	9 888	(531)	-5%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>118 635</b>	<b>146 220</b>	<b>130 281</b>	<b>4 565</b>	<b>129 631</b>	<b>130 281</b>	<b>(651)</b>	<b>-0%</b>	<b>130 281</b>
Employee costs	49 313	51 188	55 956	7 032	52 601	58 017	(5 416)	-9%	55 956
Remuneration of Councillors	5 493	5 770	5 940	482	5 923	5 940	(17)	-0%	5 940
Depreciation and amortisation	30 059	14 661	18 882	-	17 145	18 882	(1 737)	-9%	18 882
Interest	1 977	60	1 508	-	-	1 508	(1 508)	-100%	1 508
Inventory consumed and bulk purchases	13 146	16 258	15 976	1 519	15 030	15 976	(946)	-6%	15 976
Transfers and subsidies	149	-	350	-	-	350	(350)	-100%	350
Other expenditure	27 832	37 743	34 006	3 253	25 572	37 649	(12 078)	-32%	34 006
<b>Total Expenditure</b>	<b>127 969</b>	<b>125 680</b>	<b>132 617</b>	<b>12 286</b>	<b>116 271</b>	<b>138 322</b>	<b>(22 051)</b>	<b>-16%</b>	<b>132 617</b>
<b>Surplus/(Deficit)</b>	<b>(9 333)</b>	<b>20 541</b>	<b>(2 336)</b>	<b>(7 721)</b>	<b>13 359</b>	<b>(8 041)</b>	<b>21 400</b>	<b>-266%</b>	<b>(2 336)</b>
Transfers and subsidies - capital (monetary)	26 983	47 356	69 502	6 894	39 766	69 502	(29 735)	-43%	69 502
Transfers and subsidies - capital (in-kind)	14 806	0	0	-	11	0	11	526250%	0
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>32 456</b>	<b>67 897</b>	<b>67 165</b>	<b>(827)</b>	<b>53 136</b>	<b>61 460</b>	<b>(8 324)</b>	<b>-14%</b>	<b>67 165</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>32 456</b>	<b>67 897</b>	<b>67 165</b>	<b>(827)</b>	<b>53 136</b>	<b>61 460</b>	<b>(8 324)</b>	<b>-14%</b>	<b>67 165</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>38 633</b>	<b>57 268</b>	<b>46 617</b>	<b>7 740</b>	<b>43 151</b>	<b>46 617</b>	<b>(3 467)</b>	<b>-7%</b>	<b>46 617</b>
Capital transfers recognised	26 222	42 595	33 810	6 604	32 774	33 810	(1 036)	-3%	33 810
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	12 410	14 339	12 473	1 136	10 376	12 473	(2 097)	-17%	12 473
<b>Total sources of capital funds</b>	<b>38 633</b>	<b>56 934</b>	<b>46 284</b>	<b>7 740</b>	<b>43 151</b>	<b>46 284</b>	<b>(3 133)</b>	<b>-7%</b>	<b>46 284</b>
<b>Financial position</b>									
Total current assets	89 750	107 640	107 640		112 630				107 640
Total non current assets	356 988	385 378	374 727		384 115				374 727
Total current liabilities	79 212	31 050	(4 140)		76 275				(4 140)
Total non current liabilities	27 824	31 470	31 470		27 824				31 470
Community wealth/Equity	339 702	402 412	401 681		360 903				401 681
<b>Cash flows</b>									
Net cash from (used) operating	(113 482)	104 394	126 540	(2 598)	(31 124)	139 652	170 777	122%	126 540
Net cash from (used) investing	(47 343)	(47 339)	(69 484)	(8 203)	(47 343)	(69 484)	(22 141)	32%	(69 484)
Net cash from (used) financing	-	-	-	(7 032)	(52 601)	-	52 601	#DIV/0!	-
<b>Cash/cash equivalents at the month/year end</b>	<b>(126 091)</b>	<b>57 056</b>	<b>57 056</b>	<b>(17 833)</b>	<b>(60 421)</b>	<b>70 168</b>	<b>130 590</b>	<b>186%</b>	<b>127 704</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 347	2 123	3 439	2 622	1 887	1 802	1 887	64 784	85 892
<b>Creditors Age Analysis</b>									
Total Creditors	6 380	355	715	123	-	149	2 532	14 689	24 942

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### **OPERATING REVENUE**

Total revenue, including operational grants to date, amounts to R129.6 million, compared to the anticipated R130.3 million. However, total receipts of transfers and conditional grant revenue to date amount to R36.7 million.

Total revenue, including government grants and subsidies, amounts to R166.3 million.

Cash receipts on operating revenue, excluding grants and VAT refunds, total R56 million.

#### **i) Property Rates**

Property rates year-to-date billing amounts to R35.2 million, compared to the anticipated YTD budget of R36 million. This indicates 2% underperformance.

The cash received to date for rates billing is R38.6 million.

#### **ii) Refuse Services**

The year-to-date refuse revenue amounts to R4.1 million, while the YTD budget is R4.2 million. This is an underperformance of 1%. 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 R3.5 million.

#### **iii) Electricity Services**

Year-to-date electricity billed amounts to R14 million. The anticipated budgeted revenue amounted to R13.8 million, which indicates a 2% 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 R11.7 million. (Conventional R3.1 million and Prepaid R7.4 million)

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<b>SURPLUS/ DEFICIT ON SALE OF ELECTRICITY 2024/25 FY</b>				
<b>Sales</b>	<b>Conventional</b>	<b>Prepaid</b>	<b>Vat Excl</b>	<b>Total</b>
July	274 156,71	797 941,86	693 862,49	1 072 098,57
August	109 773,87	723 864,00	629 446,96	833 637,87
September	371 187,71	764 528,29	664 807,21	1 135 716,00
October	128 963,55	724 287,00	629 814,78	853 250,55
November	328 021,57	756 226,50	657 588,26	1 084 248,07
December	205 467,60	773 270,00	672 408,70	978 737,60
January	289 989,72	751 618,16	653 581,01	1 041 607,88
February	287 816,11	627 438,00	545 598,26	915 254,11
March	136 345,17	697 678,04	606 676,56	834 023,21
April	314 083,95	609 324,19	529 847,12	923 408,14
May	361 597,02	648 616,00	564 013,91	1 010 213,02
June	299 105,71	670 024,45	582 629,96	969 130,16
<b>Total Sales</b>	<b>3 106 508,70</b>	<b>8 544 816,49</b>	<b>7 430 275,21</b>	<b>11 651 325,19</b>
<b>Costs Eskom Bulk</b>				<b>Total</b>
July				1 588 520,86
August				1 983 645,57
September				1 468 997,02
October				1 075 948,25
November				1 110 045,45
December				992 841,18
January				1 058 662,04
February				1 052 354,23
March				1 123 303,93
April				1 104 077,02
May				1 089 539,03
June				1 588 716,29
<b>Total Costs</b>				<b>15 236 650,87</b>
<b>Deficit</b>				<b>- 3 585 325,68</b>

**iv) Interest on investments**

Interest earned on external investments to date amounts to R6.5 million. With an anticipated budget of R6.6 million

**v) Interest on outstanding debtors**

Interest billed on debtor amounts to R6,1 million (*Exchange transactions: R1 125 299,43; non-exchange transactions: R4 947 830,80*)

**vi) Licences and permits**

Movement on this line item to date amounts to R978 312,40. YTD budget amounts to 975 415 This indicates a year-to-date variance of 1%.

**vii) VAT refunds**

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The amount received on VAT refunds to date is R8.4 million. The amount of R644 713,40 which has been submitted to SARS, which has been received 9 July 2025.

#### **OPERATING EXPENDITURE**

At the end of June 2025, the total expenditure amounts to R116.3 million, while the YTD budget amounts to R138.2 million.

##### **i) Employee Costs**

The year-to-date movement of employee-related costs amounts to R52.6 million, while the YTD budget amounts to R58 million. This is a YTD variance of -9%.

##### **ii) Remuneration of councillors**

The YTD budget for councillors' allowances is R5.9 million, and the actual spending to date is R5.9 million. This indicates a year-to-date variance of 0%.

##### **iii) Bulk Electricity**

Expenditure for bulk electricity purchases is budgeted at R15 million, and the spending to date is R14.6 million, excluding VAT. This indicates a year-to-date variance of -3%. June 2025 invoice for Eskom Bulk amounts to R1 588 716.29.

##### **iv) Contracted Services**

The Expenditure incurred on this line item amounts to R8.9 million. From the YTD budget of R10.1 million. This is a YTD variance of -12%. This is due to the implementation of the MFMA circular 82 – cost containment measures.

##### **v) Operational Costs**

As of the end of June 2025, operational costs amount to R16.7 million, while the YTD budget amounts to R26.1 million. This is a YTD variance of -36%. 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 R18.9 million, and the expense recognized or accounted for to date is R17.1 million. This indicates a year-to-date variance of -9%. This line item has been considered in the adjustment budget; however, additional plant and machinery have been purchased by the municipality.

#### **CAPITAL EXPENDITURE [SEE C5 TABLE BELOW]**

The YTD budget on Capital expenditure is R46.2 million, and the movement to date is at R43.2 million. The variance between the budget and actual translates to underperformance of 7%, This is due to the slow implementation of the Municipal Disaster Recovery Grant.

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## **STATEMENT OF FINANCIAL POSITION [SEE C6 TABLE BELOW]**

Accumulated surplus as at 31 June 2025 is R339, 5 million. The closing balance at the end of June 2024 is R339.7 million.

## **CASH FLOWS [SEE C7 TABLE BELOW]**

The municipality ended the month with a positive cash and cash equivalents balance of R84.1 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.

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

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		103 873	134 152	121 923	3 134	120 839	121 923	(1 084)	-1%	121 923
Executive and council		-	230	-	-	-	-	-	-	-
Finance and administration		103 873	133 922	121 923	3 134	120 839	121 923	(1 084)	-1%	121 923
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1 968	2 206	3 111	238	2 917	3 111	(194)	-6%	3 111
Community and social services		623	974	1 279	152	1 310	1 279	31	2%	1 279
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		861	1 226	1 826	68	1 398	1 826	(428)	-23%	1 826
Housing		484	6	6	18	209	6	203	3294%	6
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		26 871	36 645	54 805	6 071	25 358	54 805	(29 447)	-54%	54 805
Planning and development		476	502	502	55	717	502	215	43%	502
Road transport		26 396	36 143	54 303	6 017	24 642	54 303	(29 661)	-55%	54 303
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		27 712	20 573	19 944	2 006	20 231	19 944	287	1%	19 944
Energy sources		15 094	10 217	14 803	1 321	14 372	14 803	(431)	-3%	14 803
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	(0)	(0)	-	-	(0)	0	-100%	(0)
Waste management		12 618	10 356	5 141	685	5 859	5 141	718	14%	5 141
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	160 424	193 576	199 783	11 449	169 346	199 783	(30 437)	-15%	199 783
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		78 208	51 254	57 870	4 391	45 333	62 331	(16 998)	-27%	57 870
Executive and council		5 693	6 213	6 557	487	5 978	6 557	(579)	-9%	6 557
Finance and administration		72 515	45 041	51 313	3 904	39 355	55 774	(16 419)	-29%	51 313
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		5 880	7 933	8 267	1 002	11 013	8 267	2 746	33%	8 267
Community and social services		1 642	1 295	809	348	3 953	809	3 144	389%	809
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 323	6 638	7 458	654	7 060	7 458	(398)	-5%	7 458
Housing		(85)	0	0	-	-	0	(0)	-100%	0
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		27 635	36 442	37 790	4 263	32 891	38 465	(5 574)	-14%	37 790
Planning and development		10 302	18 065	16 599	3 348	14 560	16 817	(2 257)	-13%	16 599
Road transport		17 332	18 377	21 191	914	18 330	21 648	(3 318)	-15%	21 191
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		16 246	30 051	28 688	2 631	27 034	29 257	(2 223)	-8%	28 688
Energy sources		15 796	16 916	19 187	1 682	18 308	19 187	(879)	-5%	19 187
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		450	13 135	9 501	949	8 726	10 070	(1 344)	-13%	9 501
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	127 969	125 680	132 615	12 286	116 271	138 320	(22 049)	-16%	132 615
<b>Surplus/ (Deficit) for the year</b>		32 456	67 897	67 167	(837)	53 074	61 462	(8 388)	-0,136474172	67 167

**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.

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

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		484	6	6	18	209	6	203	3293,5%	6
Vote 2 - Directorate: Budget and Treasury		105 937	136 205	124 206	3 176	123 993	124 206	(213)	-0,2%	124 206
Vote 3 - Directorate: Corporate Services		78	0	0	-	-	0	(0)	-100,0%	0
Vote 4 - Directorate: Strategic Services		476	732	502	55	717	502	215	42,7%	502
Vote 5 - Directorate: Technical Service & Community Services		53 449	56 633	75 069	8 201	44 427	75 069	(30 642)	-40,8%	75 069
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>160 424</b>	<b>193 576</b>	<b>199 783</b>	<b>11 449</b>	<b>169 346</b>	<b>199 783</b>	<b>(30 437)</b>	<b>-15,2%</b>	<b>199 783</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		(85)	0	0	-	-	0	(0)	-100,0%	0
Vote 2 - Directorate: Budget and Treasury		60 516	33 215	40 319	2 963	33 664	40 827	(7 163)	-17,5%	40 319
Vote 3 - Directorate: Corporate Services		11 999	11 777	10 945	941	5 628	14 898	(9 270)	-62,2%	10 945
Vote 4 - Directorate: Strategic Services		15 995	24 377	23 287	3 835	20 630	23 504	(2 875)	-12,2%	23 287
Vote 5 - Directorate: Technical Service & Community Services		39 544	56 311	58 065	4 547	56 350	59 091	(2 741)	-4,6%	58 065
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>127 969</b>	<b>125 680</b>	<b>132 615</b>	<b>12 286</b>	<b>116 271</b>	<b>138 320</b>	<b>(22 049)</b>	<b>-15,9%</b>	<b>132 615</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>32 456</b>	<b>67 897</b>	<b>67 167</b>	<b>(837)</b>	<b>53 074</b>	<b>61 462</b>	<b>(8 388)</b>	<b>-13,6%</b>	<b>67 167</b>

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**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	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		9 740	9 212	13 797	1 278	14 015	13 797	217	2%	13 797
Service charges - Water		-	0	0	-	-	0	(0)	-100%	0
Service charges - Waste Water Management		-	(0)	(0)	-	-	(0)	0	-100%	(0)
Service charges - Waste management		3 540	8 896	4 200	387	4 143	4 200	(57)	-1%	4 200
Sale of Goods and Rendering of Services		888	800	1 100	94	1 082	1 100	(18)	-2%	1 100
Agency services		299	264	360	-	290	360	(70)	-20%	360
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 510	1 719	1 200	104	1 125	1 200	(75)	-6%	1 200
Interest from Current and Non Current Assets		4 392	7 500	6 600	1 198	6 525	6 600	(75)	-1%	6 600
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		558	195	500	18	229	500	(271)	-54%	500
Licence and permits		540	575	975	63	985	975	9	1%	975
Operational Revenue		96	340	58	14	51	58	(7)	-11%	58
<b>Non-Exchange Revenue</b>										
Property rates		27 532	45 948	36 000	824	35 196	36 000	(804)	-2%	36 000
Surcharges and Taxes		-	0	0	-	-	0	(0)	-100%	0
Fines, penalties and forfeits		217	391	495	39	489	495	(6)	-1%	495
Licence and permits		-	0	0	-	-	0	(0)	-100%	0
Transfers and subsidies - Operational		57 697	59 796	59 796	167	60 395	59 796	599	1%	59 796
Interest		6 585	7 393	5 100	369	4 948	5 100	(152)	-3%	5 100
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		506	3 192	100	-	96	100	(4)	-4%	100
Other Gains		4 534	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>118 635</b>	<b>146 220</b>	<b>130 281</b>	<b>4 555</b>	<b>129 569</b>	<b>130 281</b>	<b>(712)</b>	<b>-1%</b>	<b>130 281</b>

**ITEM [5.1]**

**FOR CONSIDERATION BY THE  
FINANCIAL VIABILITY STANDING COMMITTEE**

**Operating expenditure by type**

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

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Expenditure By Type</b>										
Employee related costs		49 313	51 188	55 956	7 032	52 601	58 017	(5 416)	-9%	55 956
Remuneration of councillors		5 493	5 770	5 940	482	5 923	5 940	(17)	0%	5 940
Bulk purchases - electricity		12 707	13 113	15 000	1 384	14 597	15 000	(403)	-3%	15 000
Inventory consumed		440	3 146	976	135	433	976	(542)	-56%	976
Debt impairment		-	-	-	-	-	-	-		-
Depreciation and amortisation		30 059	14 661	18 882	-	17 145	18 882	(1 737)	-9%	18 882
Interest		1 977	60	1 508	-	-	1 508	(1 508)	-100%	1 508
Contracted services		6 608	9 572	10 128	1 889	8 888	10 128	(1 240)	-12%	10 128
Transfers and subsidies		149	-	350	-	-	350	(350)	-100%	350
Irrecoverable debts written off		5 206	5 500	1 365	-	-	1 365	(1 365)	-100%	1 365
Operational costs		16 018	22 671	22 510	1 364	16 683	26 154	(9 471)	-36%	22 510
Losses on Disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
<b>Total Expenditure</b>		<b>127 969</b>	<b>125 680</b>	<b>132 615</b>	<b>12 286</b>	<b>116 271</b>	<b>138 320</b>	<b>(22 049)</b>	<b>-16%</b>	<b>132 615</b>

# 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 budget 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	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Directorate: Budget and Treasury		-	0	0	(13)	(13)	0	(13)	-1321700%	0
Vote 3 - Directorate: Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Directorate: Strategic Services		-	-	-	-	-	-	-	-	-
Vote 5 - Directorate: Technical Service & Community Services		3 718	6 522	4 982	2 208	4 970	4 982	(12)	0%	4 982
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	3 718	6 522	4 982	2 195	4 956	4 982	(25)	-1%	4 982
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Office of the Municipal Manager		-	44	44	-	-	44	(44)	-100%	44
Vote 2 - Directorate: Budget and Treasury		749	1 254	1 272	14	3 253	1 272	1 981	156%	1 272
Vote 3 - Directorate: Corporate Services		553	540	540	28	264	540	(276)	-51%	540
Vote 4 - Directorate: Strategic Services		2 284	896	70	30	56	70	(14)	-20%	70
Vote 5 - Directorate: Technical Service & Community Services		31 328	48 012	39 709	5 474	34 622	39 709	(5 088)	-13%	39 709
Vote 6 - Municipal Manager- Acting		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	34 914	50 746	41 635	5 545	38 194	41 635	(3 441)	-8%	41 635
<b>Total Capital Expenditure</b>		38 633	57 268	46 617	7 740	43 151	46 617	(3 467)	-7%	46 617
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		1 302	1 838	1 856	28	3 503	1 856	1 647	89%	1 856
Executive and council		-	44	44	-	-	44	(44)	-100%	44
Finance and administration		1 302	1 794	1 812	28	3 503	1 812	1 692	93%	1 812
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		19	796	1 146	37	867	1 146	(278)	-24%	1 146
Community and social services		-	0	0	-	-	0	(0)	-100%	0
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		19	796	1 146	37	867	1 146	(278)	-24%	1 146
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		32 690	52 775	42 575	6 819	37 438	42 575	(5 138)	-12%	42 575
Planning and development		2 284	896	70	30	56	70	(14)	-20%	70
Road transport		30 405	51 879	42 505	6 789	37 382	42 505	(5 124)	-12%	42 505
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		4 622	1 859	1 040	855	1 342	1 040	302	29%	1 040
Energy sources		4 462	0	0	-	221	0	221	1843633%	0
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		160	1 859	1 040	855	1 121	1 040	81	8%	1 040
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	38 633	57 268	46 617	7 740	43 151	46 617	(3 467)	-7%	46 617
<b>Funded by:</b>										
National Government		17 405	21 073	31 449	5 759	30 814	31 449	(635)	-2%	31 449
Provincial Government		5 448	15 000	620	-	221	620	(399)	-64%	620
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		3 370	6 522	1 742	845	1 739	1 742	(3)	0%	1 742
<b>Transfers recognised - capital</b>		26 222	42 595	33 810	6 604	32 774	33 810	(1 036)	-3%	33 810
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		12 410	14 339	12 473	1 136	10 376	12 473	(2 097)	-17%	12 473
<b>Total Capital Funding</b>		38 633	56 934	46 284	7 740	43 151	46 284	(3 133)	-7%	46 284

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

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**Table C6: Statement of Financial Position**

# ITEM [5.1]

## FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEE

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

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		70 648	71 513	71 513	84 112	71 513
Trade and other receivables from exchange transactions		5 674	7 256	7 256	8 961	7 256
Receivables from non-exchange transactions		5 116	19 567	19 567	8 681	19 567
Current portion of non-current receivables		37	0	0	55	0
Inventory		-	13	13	-	13
VAT		8 151	9 291	9 291	10 839	9 291
Other current assets		125	0	0	(18)	0
<b>Total current assets</b>		<b>89 750</b>	<b>107 640</b>	<b>107 640</b>	<b>112 630</b>	<b>107 640</b>
<b>Non current assets</b>						
Investments		-	-	-	-	-
Investment property		73 005	75 922	75 401	73 005	75 401
Property, plant and equipment		284 693	308 844	312 660	310 844	312 660
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		36	38	38	36	38
Intangible assets		376	574	574	350	574
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		(1 122)	-	0	0	0
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>356 988</b>	<b>385 378</b>	<b>388 672</b>	<b>384 235</b>	<b>388 672</b>
<b>TOTAL ASSETS</b>		<b>446 738</b>	<b>493 018</b>	<b>496 312</b>	<b>496 865</b>	<b>496 312</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	0	0	-	0
Consumer deposits		368	37	37	409	37
Trade and other payables from exchange transactions		51 003	14 346	11 220	52 533	11 220
Trade and other payables from non-exchange transactions		16 406	11 814	(24 506)	9 192	(24 506)
Provision		4 654	6 504	6 504	4 654	6 504
VAT		6 781	(1 651)	2 606	9 668	2 606
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>79 212</b>	<b>31 050</b>	<b>(4 140)</b>	<b>76 456</b>	<b>(4 140)</b>
<b>Non current liabilities</b>						
Financial liabilities		-	0	0	-	0
Provision		20 562	31 470	31 470	20 562	31 470
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		7 262	0	0	7 262	0
<b>Total non current liabilities</b>		<b>27 824</b>	<b>31 470</b>	<b>31 470</b>	<b>27 824</b>	<b>31 470</b>
<b>TOTAL LIABILITIES</b>		<b>107 035</b>	<b>62 520</b>	<b>27 330</b>	<b>104 280</b>	<b>27 330</b>
<b>NET ASSETS</b>	2	<b>339 702</b>	<b>430 498</b>	<b>468 982</b>	<b>392 585</b>	<b>468 982</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		339 702	402 412	401 683	360 841	401 683
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>339 702</b>	<b>402 412</b>	<b>401 683</b>	<b>360 841</b>	<b>401 683</b>

# 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	2023/24			Budget Year 2024/25					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		37 811	45 948	45 948	2 730	35 569	45 948	(10 380)	-23%	45 948
Service charges		21 987	18 108	18 108	2 812	27 806	18 108	9 698	54%	18 108
Other revenue		-	2 783	2 783	-	2 691	2 783	(92)	-3%	2 783
Transfers and Subsidies - Operational		-	59 039	59 039	-	38 994	59 039	(20 045)	-34%	59 039
Transfers and Subsidies - Capital		-	48 113	70 259	-	39 084	70 259	(31 175)	-44%	70 259
Interest		-	7 500	7 500	-	10 927	7 500	3 427	46%	7 500
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(173 280)	(76 802)	(76 802)	(8 179)	(94 538)	(63 690)	30 848	-48%	(76 802)
Interest		-	(294)	(294)	-	-	(294)	(294)	100%	(294)
Transfers and Subsidies		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(113 482)</b>	<b>104 394</b>	<b>126 540</b>	<b>(2 637)</b>	<b>60 532</b>	<b>139 652</b>	<b>79 120</b>	<b>57%</b>	<b>126 540</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	3 192	3 192	-	-	3 192	(3 192)	-100%	3 192
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(47 068)	(50 531)	(72 676)	(8 183)	(47 068)	(72 676)	(25 608)	35%	(72 676)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(47 068)</b>	<b>(47 339)</b>	<b>(69 484)</b>	<b>(8 183)</b>	<b>(47 068)</b>	<b>(69 484)</b>	<b>(22 416)</b>	<b>32%</b>	<b>(69 484)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	(4 635)	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(4 635)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(160 550)</b>	<b>57 056</b>	<b>57 056</b>	<b>(15 455)</b>	<b>13 464</b>	<b>70 168</b>			<b>57 056</b>
Cash/cash equivalents at beginning:		34 735	0	0	-	70 648	0			70 648
Cash/cash equivalents at month/year end:		(125 816)	57 056	57 056	(15 455)	84 112	70 168			127 704

## ITEM [5.1]

# FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

**Table SC3: Aged Debtors**

The municipality is owed a total amount of R85.9 million, the biggest portion of R65.6 million owed by households. The organs of the state owe R7.2 million. Commercial debtors are sitting at R4.9 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 2024/25									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to 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				
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 258	124	1 541	141	92	89	173	2 785	6 203	3 280	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	5 362	1 764	1 687	2 286	1 608	1 532	1 538	55 191	70 969	62 156	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	708	230	211	196	187	180	174	6 807	8 693	7 544	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	14	5	0	-	-	-	-	19	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>7 342</b>	<b>2 123</b>	<b>3 439</b>	<b>2 622</b>	<b>1 887</b>	<b>1 802</b>	<b>1 886</b>	<b>64 783</b>	<b>85 884</b>	<b>72 980</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2023/24 - totals only</b>		<b>6906407</b>	<b>4316111</b>	<b>2078333</b>	<b>1782613</b>	<b>1696797</b>	<b>1668097</b>	<b>1667090</b>	<b>57467489</b>	<b>77 585</b>	<b>64 282</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	1 057	183	1 565	616	139	108	140	3 696	7 506	4 700	-	-	-
Commercial	2300	678	154	155	142	121	115	112	3 456	4 933	3 946	-	-	-
Households	2400	5 511	1 756	1 689	1 835	1 598	1 550	1 608	50 034	65 581	56 626	-	-	-
Other	2500	71	1 825	78	58	51	5 779	-	7 864	5 889	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>7 317</b>	<b>3 919</b>	<b>3 488</b>	<b>2 652</b>	<b>1 910</b>	<b>7 554</b>	<b>1 859</b>	<b>57 186</b>	<b>85 884</b>	<b>71 160</b>	<b>-</b>	<b>-</b>	<b>-</b>

Debt by Type	Residents	Councillors	Municipal Officials	Industries	Nat. Departments	Prov. Depts	Agric. Farms	Total
<b>Water</b>								
Electricity	39 366,21	-	-	554 029,88	75 131,16	5 472 732,07	61 749,21	6 203 008,53
Rental	18 579,78	-	-	-	-	-	-	18 579,78
Refuse	8 076 864,14	-	-	453 496,02	25 648,15	122 410,91	14 552,00	8 692 971,22
Rates	57 446 429,91	-	-	3 925 297,78	115 065,84	1 694 585,35	7 787 617,30	70 968 996,18
Other	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>65 581 240,04</b>	<b>-</b>	<b>-</b>	<b>4 932 823,68</b>	<b>215 845,15</b>	<b>7 289 728,33</b>	<b>7 863 918,51</b>	<b>85 883 555,71</b>
<b>% on Total Debt</b>	<b>76,36</b>	<b>-</b>	<b>-</b>	<b>5,74</b>	<b>0,25</b>	<b>8,49</b>	<b>9</b>	<b>100,00</b>

# ITEM [5.1]

## FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

### Report on Collection

The current month's collection rate is 78%.

Collection Rate % of billing: June 2025			
	Billing	Receipts	%
Electricity	1 354 324,72	930 116,37	69%
Refuse	549 641,87	345 798,07	63%
Rates	3 899 121,26	3 231 892,27	83%
Property Rental	18 115,99	4 167,50	23%
<b>Total</b>	<b>5 821 203,84</b>	<b>4 511 974,21</b>	<b>78%</b>

#### Billing VS Collection Per Town

Name of Town/ Farm	Billing	Collection	Collection Current Account	Collection On Older Debt	Collection %
Cintsa	1 490 010,08	1 012 768,17	583 300,28	429 467,89	39%
East London RD (Farms)	504 541,09	161 591,10	131 699,78	29 891,32	26%
Kwelera	484 196,24	618 124,50	204 593,15	413 531,35	42%
Haga Haga	368 682,49	237 263,29	183 477,98	53 785,31	50%
Kei Mouth	618 119,32	460 245,30	257 974,15	202 271,15	42%
Komga	1 555 071,58	538 829,42	358 992,43	179 836,99	23%
Komga RD (Farm)	135 302,93	82 196,00	30 167,47	52 028,53	22%
Morgan's Bay	658 772,24	730 931,98	361 078,03	369 853,95	55%
Tainton	6 507,87	-	-	-	0%
<b>TOTAL</b>	<b>5 821 203,84</b>	<b>3 841 949,76</b>	<b>2 111 283,27</b>	<b>1 730 666,49</b>	<b>36%</b>

#### Alignment of Collection

Amount Collected	Collection On Curr	Collection On Older Debt
3 841 949,76	2 111 283,27	1 730 666,49

#### Collection On Current Billing

Month	Billing Amount	Collected Amount	Collection %
July	5 860 558,31	1 895 988,33	32%
August	6 888 402,67	1 999 221,24	29%
September	5 987 552,86	3 358 842,68	56%
October	5 775 806,91	2 979 020,96	52%
November	5 599 971,23	1 888 562,20	34%
December	5 857 926,01	1 819 500,09	31%
January	5 598 579,42	2 107 205,55	38%
February	5 514 661,25	2 029 202,11	37%
March	5 616 324,76	1 931 907,78	34%
April	7 008 785,96	2 433 158,02	35%
May	5 535 883,48	2 107 121,31	38%
June	5 821 203,84	2 111 283,27	36%
	<b>71 065 656,70</b>	<b>26 661 013,54</b>	

#### Collection On Old Debt - 30 June 2024

Month	Billing Amount	Collected Amount	Collection%
July	77 548 447,63	739 780,91	1%
August	77 548 447,63	931 115,06	1%
September	77 548 447,63	931 665,03	1%
October	77 548 447,63	3 250 686,65	4%
November	77 548 447,63	1 269 410,03	2%
December	77 548 447,63	1 175 471,92	2%
January	77 548 447,63	1 215 675,00	2%
February	77 548 447,63	1 211 694,07	2%
March	77 548 447,63	1 742 074,68	2%
April	77 548 447,63	2 682 802,52	3%
May	77 548 447,63	1 308 491,00	2%
June	77 548 447,63	1 730 666,49	2%
	<b>930 581 371,56</b>	<b>18 189 533,36</b>	

# ITEM [5.1]

## FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

### SC4: Aged Creditors

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

Description	NT Code	Budget Year 2024/25									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	Total	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	1 589	-	-	-	-	-	-	-	1 589	1 959
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	4 750	174	715	123	-	149	1 943	7 451	15 312	9 282
Auditor General	0800	57	-	-	-	-	-	-	-	57	-
Other	0900	43	177	-	-	-	-	589	7 294	8 104	9 051
Medical Aid deductions		-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>6 447</b>	<b>351</b>	<b>715</b>	<b>123</b>	<b>-</b>	<b>149</b>	<b>2 532</b>	<b>14 745</b>	<b>25 062</b>	<b>20 292</b>

The Municipality's top creditors as of June 2025 are as follows:

Supplier Name	Total
Compensation Fund	R7,784,278.17
Amathole - EC District Municipality	R7,497,965.88
ESKOM	R1 588 716.29
MKJ 360	R1 273 824,56
NASE CONSTRUCTION	R1 210 249,20
<b>TOTAL TOP CREDITORS</b>	<b>R19 355 034.10</b>

Other trade creditors amount to R5 706 746.09 million, 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.

## ITEM [5.1]

# FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

**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 2025, the municipality had a favorable operating bank balance of R2 608 075.56 and call deposits amounting to R81.5 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	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														
1 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	6 087	29	(279)	15	5 852
2 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	1 009	5	-	0	1 014
3 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	109	-	-	0	109
4 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	31 171	170	(3 297)	126	28 171
5 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	449	0	-	26	476
6 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	16 254	88	(5 568)	8	10 783
13 FNB		127 M	Call Account	Yes	Variable	6,15	0		09 January 2030	4 998	97	-	-	5 096
14 FNB		4 Y	Call Account	Yes	Variable	0,09	0		30/06/2025	9	0	(4)	-	5
6 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	20 000	-	-	10 000	30 000
<b>Municipality sub-total</b>										<b>80 087</b>	<b>390</b>	<b>(9 148)</b>	<b>175</b>	<b>81 504</b>
<b>Entities</b>														
<b>Entities sub-total</b>										<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>									<b>80 087</b>	<b>390</b>	<b>(9 148)</b>	<b>175</b>	<b>81 504</b>

## ITEM [5.1]

# FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

**Table SC6: Grants Received**

The table below reflects conditional grants received to date, totaling R36.7 million. The reduction in grants received is due to no movement on the Department of Transport Grant, and also no INEP Grant in the current year:

An amount of R104 000 has been surrendered to the national fiscus and withheld by the transferring department, and the reasons for such can be obtained from the department in charge of the grant

EC123 Great Kei - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June										
Description	Ref	2023/24			Budget Year 2024/25					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		3 423	4 229	4 229	-	3 503	4 229	(726)	-17,2%	4 229
Expanded Public Works Programme Integrated Grant		973	1 207	1 207	-	1 103	1 207	(104)	-8,6%	1 207
Local Government Financial Management Grant		2 450	2 400	2 400	-	2 400	2 400	-		2 400
Municipal Infrastructure Grant		-	622	622	-	-	622	(622)	-100,0%	622
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]										
<b>Other grant providers:</b>		-	0	0	-	-	0	(0)	-100,0%	0
National Library South Africa		-	0	0	-	-	0	(0)	-100,0%	0
<b>Total Operating Transfers and Grants</b>	5	3 423	4 229	4 229	-	3 503	4 229	(726)	-17,2%	4 229
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		34 140	24 234	10 060	-	30 596	13 569	17 027	125,5%	10 060
Integrated National Electrification Programme Grant		5 000	0	0	-	-	0	(0)	-100,0%	0
Municipal Disaster Recovery Grant		17 420	12 420	16 406	-	-	19 914	(19 914)	-100,0%	16 406
Municipal Disaster Response Grant		-	-	(18 160)	-	18 160	(18 160)	36 320	-200,0%	(18 160)
Municipal Infrastructure Grant		11 720	11 814	11 814	-	12 436	11 814	622	5,3%	11 814
Other capital transfers [insert description]										
<b>Provincial Government:</b>		7 723	15 000	15 000	-	610	15 000	(14 390)	-95,9%	15 000
Specify (Add grant description)		7 723	15 000	15 000	-	610	15 000	(14 390)	-95,9%	15 000
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]										
<b>Other grant providers:</b>		-	7 500	7 500	-	2 000	7 500	(5 500)	-73,3%	7 500
Government Motor Transport		-	7 500	7 500	-	2 000	7 500	(5 500)	-73,3%	7 500
<b>Total Capital Transfers and Grants</b>	5	41 863	46 734	32 560	-	33 206	36 069	(2 863)	-7,9%	32 560
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	45 286	50 963	36 789	-	36 709	40 297	(3 588)	-8,9%	36 789

# ITEM [5.1]

## FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

**Table SC7: Grants expenditure**

EC123 Great Kei - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		43 970	50 177	45 793	4 819	37 236	50 843	(13 608)	-26,8%	45 793
Equitable Share		34 895	45 948	41 204	3 702	33 079	46 251	(13 171)	-28,5%	41 204
Expanded Public Works Programme Integrated Grant		1 101	1 207	1 207	228	1 103	1 210	(107)	-8,8%	1 207
Local Government Financial Management Grant		7 862	2 400	2 766	881	2 400	2 766	(366)	-13,2%	2 766
Municipal Infrastructure Grant		113	622	617	8	653	617	36	5,9%	617
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	757	791	1 654	2 377	791	1 586	200,6%	791
<b>Clerical Assist (Pole Parties)</b>		-	0	34	1 620	1 620	34	1 586	4688,8%	34
National Library South Africa		-	757	757	34	757	757	-		757
National Library South Africa		15	0	0	-	-	0			0
<b>Total operating expenditure of Transfers and Grants:</b>		43 970	50 934	46 584	6 474	39 613	51 634	(12 021)	-23,3%	46 584
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		17 405	21 407	40 664	5 759	37 156	43 169	(6 013)	-13,9%	40 664
Equitable Share		-	334	334	-	-	334	(334)	-100,0%	334
Integrated National Electrification Programme Grant		4 462	0	0	-	-	0	(0)	-100,0%	0
Municipal Disaster Recovery Grant		882	10 800	30 057	5 147	25 373	32 562	(7 188)	-22,1%	30 057
Municipal Disaster Response Grant		-	0	0	-	-	0	(0)	-100,0%	0
Municipal Infrastructure Grant		12 061	10 273	10 273	612	11 783	10 273	1 509	14,7%	10 273
Other capital transfers [insert description]										
<b>Provincial Government:</b>		5 448	15 000	15 000	-	610	15 000	(14 390)	-95,9%	15 000
<b>Specify (Add grant description)</b>		-	0	0	-	-	0	(0)	-100,0%	0
Specify (Add grant description)		5 448	15 000	15 000	-	610	15 000	(14 390)	-95,9%	15 000
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		3 370	6 522	6 522	845	2 000	6 522	(4 522)	-69,3%	6 522
<b>Government Motor Transport</b>		3 370	6 522	6 522	845	2 000	6 522	(4 522)	-69,3%	6 522
Human Settlement Re-development Programme		-	0	0	-	-	0	(0)	-100,0%	0
National Library South Africa		-	0	0	-	-	0			0
<b>Total capital expenditure of Transfers and Grants</b>		26 222	42 929	62 186	6 604	39 766	64 690	(24 924)	-38,5%	62 186
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		70 192	93 863	108 770	13 078	79 379	116 324	(36 945)	-31,8%	108 770

## ITEM [5.1]

### FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

The table below reflects the grants' expenditure as of June 2025, 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 R1.1 million for casual work and poverty alleviation projects. It must also be noted that an amount of R104 thousand has been surrendered to the National fiscus, which in turn will reduce our spending.
- The MIG expenditure amounts to R12.4 million for capital project implementation and operational costs.
- The Municipal Disaster Recovery Grant (MDRG) Rollover expenditure amounts to R16.4 million for capital project implementation costs. The municipality has been allocated and received R18.1 million for the Municipal Disaster Recovery Grant during the 2024-2025 financial year. Expenditure to date amounts to R8.9 million. This funding assists with the reconstruction of roads affected by inclement weather conditions.

Grants	Allocation	Withheld / Not Provisioned	Amount Received	Amount Spent	Variance	% Spent	% Over Total Allocation
FMG	2 400 000	-	2 400 000,00	2 400 000,00	-	100%	100%
EPWP	1 207 000	104 000	1 103 000,00	1 103 000,00	-	100%	100%
OTP Grant	15 000 000	14 389 934	610 066,26	610 066,26	-	100%	4%
MIG	12 436 000	-	12 436 000,00	12 436 000,00	-	100%	100%
Department of Transport	7 500 000,00	5 500 000	2 000 000,00	2 000 000,00	-	100%	27%
MDRG	18 160 000,00	-	18 160 000,00	8 967 900,07	9 192 100	49%	49%
MDRG - Roll Over	16 405 534,65	-	16 405 534,65	16 405 534,65	0	100%	100%

## ITEM [5.1]

# FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING COMMITTEES

**Table SC8: Expenditure on councillors, employees, and managers**

Table SC8 shows the performance of staff costs and councillors' remuneration as of June 2025.

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

Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		3 677	3 849	3 978	323	4 063	3 978	85	2%	3 978
Cellphone Allowance		601	638	653	51	610	653	(43)	-7%	653
Other benefits and allowances		1 216	1 283	1 309	108	1 250	1 309	(59)	-5%	1 309
<b>Sub Total - Councillors</b>		<b>5 493</b>	<b>5 770</b>	<b>5 940</b>	<b>482</b>	<b>5 923</b>	<b>5 940</b>	<b>(17)</b>	<b>0%</b>	<b>5 940</b>
% increase	4		5,0%	8,2%						8,2%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 206	3 306	3 499	268	2 764	3 499	(736)	-21%	3 499
Pension and UIF Contributions		6	7	9	1	7	9	(2)	-26%	9
Performance Bonus		190	202	172	60	169	172	(3)	-2%	172
Motor Vehicle Allowance		895	1 169	1 169	106	1 005	1 169	(164)	-14%	1 169
Housing Allowances		388	593	651	51	506	651	(144)	-22%	651
Other benefits and allowances		-	0	0	-	-	0	(0)	-100%	0
Payments in lieu of leave		187	-	170	-	-	170	(170)	-100%	170
Long service awards		-	-	37	-	-	37	(37)	-100%	37
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 872</b>	<b>5 277</b>	<b>5 707</b>	<b>485</b>	<b>4 451</b>	<b>5 707</b>	<b>(1 256)</b>	<b>-22%</b>	<b>5 707</b>
% increase	4		8,3%	17,1%						17,1%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		30 284	32 606	35 673	2 980	34 178	35 718	(1 541)	-4%	35 673
Pension and UIF Contributions		5 342	5 513	5 950	520	5 765	5 950	(186)	-3%	5 950
Medical Aid Contributions		2 680	2 715	3 462	315	3 324	3 462	(138)	-4%	3 462
Overtime		1 013	1 093	1 340	118	1 274	1 340	(66)	-5%	1 340
Performance Bonus		2 834	2 614	1 267	2 539	2 689	3 284	(594)	-18%	1 267
Motor Vehicle Allowance		471	524	790	38	467	790	(323)	-41%	790
Housing Allowances		53	54	232	9	81	232	(151)	-65%	232
Other benefits and allowances		13	13	169	1	168	169	(0)	0%	169
Payments in lieu of leave		243	0	67	7	7	67	(60)	-89%	67
Long service awards		131	0	20	-	-	20	(20)	-100%	20
Post-retirement benefit obligations		1 377	779	1 279	18	198	1 279	(1 081)	-84%	1 279
<b>Sub Total - Other Municipal Staff</b>		<b>44 441</b>	<b>45 911</b>	<b>50 249</b>	<b>6 547</b>	<b>48 151</b>	<b>52 311</b>	<b>(4 160)</b>	<b>-8%</b>	<b>50 249</b>
% increase	4		3,3%	13,1%						13,1%
<b>Total Parent Municipality</b>		<b>54 806</b>	<b>56 958</b>	<b>61 896</b>	<b>7 514</b>	<b>58 525</b>	<b>63 958</b>	<b>(5 433)</b>	<b>-8%</b>	<b>61 896</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>54 806</b>	<b>56 958</b>	<b>61 896</b>	<b>7 514</b>	<b>58 525</b>	<b>63 958</b>	<b>(5 433)</b>	<b>-8%</b>	<b>61 896</b>
% increase	4		3,9%	12,9%						12,9%
<b>TOTAL MANAGERS AND STAFF</b>		<b>49 313</b>	<b>51 188</b>	<b>55 956</b>	<b>7 032</b>	<b>52 601</b>	<b>58 017</b>	<b>(5 416)</b>	<b>-9%</b>	<b>55 956</b>

**ITEM [5.1]**  
**FOR CONSIDERATION BY THE FINANCIAL VIABILITY STANDING**  
**COMMITTEES**

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**REPORT ON IRREGULAR, FRUITLESS, WASTEFUL, AND UNAUTHORISED**  
**EXPENDITURE AS OF JUNE 2025**

- The municipality has no unauthorized, irregular, fruitless and wasteful, and expenditures incurred during the period ending 30 June 2025.

**FINANCIAL IMPLICATIONS**

None

**STAFF IMPLICATIONS**

None

**ANNEXURE**

Annexure A: Schedule C Report – June 2025

**RECOMMENDATION**

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

**SUBMITTED FOR NOTING**