ITEM [5.1]
ITEM FOR CONSIDERATION BY FINANCIAL VIABILITY & SUSTAINABILITY STANDING COMMITTEE

5.1 MONTHLY BUDGET STATEMENT – S71 REPORT: 30 SEPTEMBER 2026,

File No. xxx]
[Municipal Manager/LN/AL]
[Financial Viability & Sustainability Standing Committee]
[September 2026]

PURPOSE

To submit to the committee for noting, Section 71 report as at the end of September 2026.

LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act S71
Municipal Finance Management Regulations
National Treasury Circulars

BACKGROUND /PURPOSE

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 monthly section 71 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 be in Section 71 of the MFMA format, which requires that this report be prepared in the following manner:

- Actual Revenue per revenue source.
- Actual expenditure per vote.
- Actual Capital Expenditure per vote.
- The number 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 - M03 September

Description	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	40 000	54 647	–	4 079	14 475	13 662	814	6%	54 647
Service charges	22 264	24 283	–	2 099	6 057	6 071	(13)	-0%	24 283
Investment revenue	6 671	8 000	–	321	912	2 000	(1 088)	-54%	8 000
Transfers and subsidies - Operational	61 350	59 027	–	1 114	24 387	14 757	9 630	0	59 027
Other own revenue	21 707	12 332	–	223	1 927	3 083	(1 156)	-37%	12 332
Total Revenue (excluding capital transfers and contributions)	**151 993**	**158 288**	**–**	**7 836**	**47 759**	**39 572**	**8 187**	**21%**	**158 288**
Employee costs	63 014	65 820	–	4 967	14 827	16 455	(1 628)	-10%	65 820
Remuneration of Councillors	5 955	6 305	–	492	1 477	1 576	(99)	-6%	6 305
Depreciation, amortisation and impairment	19 034	13 568	–	2 352	4 752	3 392	1 360	40%	13 568
Interest, Dividends and Rent on Land	1 475	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	18 591	19 312	–	1 632	5 789	4 828	961	20%	19 312
Transfers and subsidies	197	1 541	–	–	–	385	(385)	-100%	1 541
Other expenditure	33 818	35 597	–	2 357	7 193	8 900	(1 706)	-19%	35 597
Total Expenditure	**142 084**	**142 143**	**–**	**11 800**	**34 039**	**35 537**	**(1 497)**	**-4%**	**142 143**
Surplus/(Deficit)	**9 909**	**16 145**	**–**	**(3 964)**	**13 720**	**4 036**	**9 684**	**240%**	**16 145**
Transfers and subsidies - capital (monetary	40 664	31 815	–	8 529	20 762	7 954	12 809	161%	31 815
Transfers and subsidies - capital (in-kind)	2 800	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**53 373**	**47 960**	**–**	**4 565**	**34 482**	**11 989**	**22 493**	**188%**	**47 960**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**53 373**	**47 960**	**–**	**4 565**	**34 482**	**11 989**	**22 493**	**188%**	**47 960**
Capital expenditure & funds sources									
Capital expenditure	**44 760**	**45 319**	**–**	**7 879**	**17 791**	**11 330**	**6 461**	**57%**	**45 319**
Capital transfers recognised	36 358	27 101	–	5 741	15 496	6 775	8 721	129%	27 101
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**8 402**	**18 218**	**–**	**2 138**	**2 295**	**4 555**	**(2 260)**	**-50%**	**18 218**
Total sources of capital funds	**44 760**	**45 319**	**–**	**7 879**	**17 791**	**11 330**	**6 461**	**57%**	**45 319**
Financial position									
Total current assets	125 142	186 781	–		154 539				186 781
Total non current assets	423 812	881 359	–		436 851				881 359
Total current liabilities	69 106	13 519	–		77 711				13 519
Total non current liabilities	16 529	21 760	–		30 079				21 760
Community wealth/Equity	**448 113**	**47 960**	**–**		**483 600**				**47 960**
Cash flows									
Net cash from (used) operating	(44 795)	72 439	–	(6 442)	9 918	23 285	13 366	57%	72 439
Net cash from (used) investing	51 094	(27 752)	–	(10 001)	(22 187)	(6 938)	15 249	-220%	(27 752)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**90 411**	**97 535**	**–**	**(16 443)**	**92 523**	**29 559**	**(62 964)**	**-213%**	**97 535**
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	8 510	4 716	2 884	2 406	2 295	2 457	2 389	72 399	98 057
Creditors Age Analysis									
Total Creditors	3 697	5	–	255	–	–	1 854	13 260	19 070

OPERATING REVENUE

Total revenue, including operational grants to date, amounts to R47.7 million, compared to the anticipated R39.5 million. However, total receipts of transfers and conditional grant revenue to date amount to R45.1 million.

Total revenue, including government grants and subsidies, amounts to R92.8 million.

Cash receipts on operating revenue, excluding grants and VAT refunds, total R25.6 million.

i) Property Rates

Property rates year-to-date billing amounts to R 14.4 million, compared to the anticipated YTD budget of R13.6 million. This indicates 6% overperformance. Property rates remain the municipality's largest own revenue source.

The cash received to date for rates billing is R15.5 million, including old debt.

ii) Refuse Services

The year-to-date refuse revenue amounts to R1.4 million, while the YTD budget is R1.5 million. This indicates a -3% variance. 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 R1 million.

iii) Electricity Services

Year-to-date electricity billed amounts to R4.5 million. The anticipated budgeted revenue amounted to R4.5 million, which indicates a 1% 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 R962 thousand. (Conventional R122 thousand and Prepaid R840 thousand)

SURPLUS/ DEFICIT ON SALE OF ELECTRICITY 2026/27 FY			
Sales	**Conventional**	**Prepaid**	**Total**
July	271 835.54	936 339.31	1 208 174.85
August	274 737.78	825 747.33	1 100 485.11
September	122 139.45	840 744.02	962 883.47
Total Sales	**668 712.78**	**2 602 830.66**	**4 372 028.55**
Costs Eskom Bulk			**Total**
July			2 357 877.81
August			2 420 128.59
September			1 869 804.06
Total Costs			**6 647 810.46**
Deficit			**- 2 275 781.91**

iv) Interest on investments

Interest earned on external investments to date amounts to R921 thousand. An anticipated budget of R2 million, which indicates a -54% underestimation of the interest on investment in the YTD budget. The variance is due to a change in the official prime lending rate.

v) Interest on outstanding debtors

Interest billed on debtors amounts to R1 million (*Exchange transactions: R 489 847.46 ; non-exchange transactions: R 588 116.93). The interest billed is less than the prior year.*

vi) Licences and permits

Movement on this line item to date amounts to R296 thousand. YTD budget amounts to R891 thousand. This indicates a year-to-date variance of a -67%; the major contributing factor is due to the current construction of the 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 R2 792 016.53. An amount of R 1 377 744.07 has been submitted to SARS and is receivable as of 30 September 2026**.**

OPERATING EXPENDITURE

At the end of September 2026, the total expenditure amounts to R 34 million, while the YTD budget amounts to R 35.5 million. This indicates a year-to-date variance of -4%.

i) Employee Costs

The year-to-date movement of employee-related costs amounts to R14.8 million, while the YTD budget amounts to R16.4 million. This is a YTD variance of -10%.

ii) Remuneration of councillors

The YTD budget for councillors' allowances is R1.5 million, and the actual spending to date is R1.4 million. This indicates a year-to-date variance of -6%.

iii) Bulk Electricity

Expenditure for bulk electricity purchases is budgeted at R4.5 million, and the spending to date is R 4.5 million excluding VAT. This indicates a year-to-date variance of 1%. The September 2026 invoice for Eskom Bulk amounts to R1 869 804.06. The electricity service is being rendered at a deficit, as the billed cost of bulk purchases exceeded the billed revenue of R2.2 million.

iv) Contracted Services

The expenditure incurred on this line amounts to R2.6 million compared to the YTD budget of R2.1 million. This is a YTD variance of -20%. This is due to the implementation of the MFMA Circular 82 – cost containment measures.

v) Operational Costs

As of the end of September 2026, operational costs amount to R 4.5 million, while the YTD budget amounts to R 5.4 million. This is a YTD variance of -16%. 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 R3.3 million, and the expense recognized or accounted for to date is R4.7 million. This indicates a year-to-date variance of 40%.

CAPITAL EXPENDITURE [SEE C5 TABLE BELOW]

The YTD budget on Capital expenditure is R11.3 million, and the movement to date is at R17.7 million. The variance between the budget and actual translates to overperformance of 57%.

STATEMENT OF FINANCIAL POSITION [SEE C6 TABLE BELOW]

Accumulated surplus as of 30 September 2026 is R 449 million. The surplus as at the end of September 2026 is R34 million.

CASH FLOWS [SEE C7 TABLE BELOW]

The municipality ended the month with a positive cash and cash equivalents balance of R117.2 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) - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**135 166**	**138 771**	**–**	**3 161**	**46 700**	**34 693**	12 007	35%	**138 771**
Finance and administration		135 166	138 771	–	3 161	46 700	34 693	12 007	35%	138 771
Community and public safety		**3 506**	**5 606**	**–**	**918**	**1 745**	**1 401**	344	25%	**5 606**
Community and social services		1 819	1 086	–	774	1 384	272	1 113	410%	1 086
Public safety		1 491	4 520	–	144	332	1 130	(798)	-71%	4 520
Housing		195	–	–	–	30	–	30	#DIV/0!	–
Economic and environmental services		**23 455**	**13 735**	**–**	**5 476**	**9 002**	**3 434**	5 568	162%	**13 735**
Planning and development		705	755	–	48	175	189	(14)	-7%	755
Road transport		22 750	12 980	–	5 428	8 827	3 245	5 582	172%	12 980
Trading services		**34 456**	**31 991**	**–**	**776**	**5 061**	**7 998**	**(2 937)**	-37%	**31 991**
Energy sources		24 973	23 768	–	619	3 787	5 942	(2 155)	-36%	23 768
Waste management		9 483	8 224	–	157	1 274	2 056	(782)	-38%	8 224
Total Revenue - Functional	2	**196 583**	**190 103**	**–**	**10 331**	**62 508**	**47 526**	**14 982**	**32%**	**190 103**
Expenditure - Functional										
Governance and administration		**60 323**	**74 300**	**–**	**6 075**	**18 008**	**18 576**	(568)	-3%	**74 300**
Executive and council		6 167	21 714	–	1 460	4 351	5 429	(1 078)	-20%	21 714
Finance and administration		54 156	52 587	–	4 615	13 657	13 147	510	4%	52 587
Community and public safety		**8 989**	**10 634**	**–**	**727**	**2 173**	**2 659**	(486)	-18%	**10 634**
Community and social services		508	580	–	4	9	145	(136)	-94%	580
Public safety		8 481	10 055	–	723	2 164	2 514	(350)	-14%	10 055
Economic and environmental services		**36 859**	**17 745**	**–**	**2 109**	**4 458**	**4 436**	22	0%	**17 745**
Planning and development		13 496	5 436	–	150	546	1 359	(813)	-60%	5 436
Road transport		23 362	12 308	–	1 959	3 913	3 077	835	27%	12 308
Trading services		**35 914**	**39 463**	**–**	**2 858**	**9 367**	**9 866**	**(499)**	-5%	**39 463**
Energy sources		26 158	22 369	–	1 871	6 590	5 592	997	18%	22 369
Waste management		9 755	17 094	–	987	2 778	4 274	(1 496)	-35%	17 094
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**142 084**	**142 143**	**–**	**11 768**	**34 007**	**35 537**	**(1 530)**	**-4%**	**142 143**
Surplus/ (Deficit) for the year		**54 499**	**47 960**	**–**	**(1 436)**	**28 501**	**11 989**	**16 512**	**1.37721728**	**47 960**
References										

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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) - A - M03 September

Vote Description	Ref	2025/26	Budget Year 2026/27							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		**409**	**1**	**–**	**–**	**30**	**0**	29	10870%	**1**
1.5 - Internal Audit		–	–	–	–	–	–	–		–
1.6 - Legal Services		196	1	–	–	30	0	29	10870%	1
Vote 2 - Directorate: Budget and Treasury		**139 342**	**138 771**	**–**	**3 503**	**48 206**	**34 693**	13 513	39%	**138 771**
2.1 - Expenditure and Payroll		–	–	–	–	–	–	–		–
2.2 - Revenue and Debt Management		10 760	14 982	–	1 091	2 886	3 745	(860)	-23%	14 982
2.3 - Budget and Reporting		85 165	123 789	–	2 483	37 287	30 947	6 340	20%	123 789
2.4 - Supply chain Management and Asset Management		6 098	–	–	–	–	–	–		–
2.5 - Information Technology		37 319	–	–	(72)	8 033	–	8 033	#DIV/0!	–
Vote 3 - Directorate: Corporate Services		**–**	**–**	**–**	**(338)**	**11**	**–**	11	#DIV/0!	**–**
3.1 - Human Resource		–	–	–	(338)	11	–	11	#DIV/0!	–
3.2 - Administration and council support		–	–	–	–	–	–	–		–
Vote 4 - Directorate: Strategic Services		**705**	**755**	**–**	**48**	**175**	**189**	(14)	-7%	**755**
4.9 - Town planning and Human Settlement		705	755	–	48	175	189	(14)	-7%	755
0								–		
Vote 5 - Directorate: Technical Service & Community Serv		**56 127**	**50 576**	**–**	**7 118**	**14 086**	**12 644**	1 442	11%	**50 576**
5.1 - Technical Services		47 890	37 473	–	6 961	12 809	9 368	3 441	37%	37 473
5.2 - Solid Waste Management		6 466	7 498	–	–	1 118	1 874	(757)	-40%	7 498
5.3 - Law Enforcement		430	4 520	–	–	–	1 130	(1 130)	-100%	4 520
5.4 - Community Services		1 341	1 086	–	158	160	272	(112)	-41%	1 086
Total Revenue by Vote	2	**196 583**	**190 103**	**–**	**10 331**	**62 508**	**47 526**	14 982	32%	**190 103**
Expenditure by Vote	1							–		
Vote 1 - Office of the Municipal Manager		**–**	**1 607**	**–**	**–**	**8**	**402**	(394)	-98%	**1 607**
1.3 - Directorate: Strategic Services		–	81	–	–	–	20	(20)	-100%	81
1.4 - Directorate: Technical and Community services		–	–	–	–	–	–	–		–
1.5 - Internal Audit		–	216	–	–	8	54	(46)	-86%	216
1.6 - Legal Services		–	–	–	–	–	–	–		–
1.7 - Risk		–	–	–	–	–	–	–		–
1.8 - All		–	1 309	–	–	–	327	(327)	-100%	1 309
0								–		
0								–		
Vote 2 - Directorate: Budget and Treasury		**41 967**	**40 637**	**–**	**3 869**	**11 520**	**10 159**	1 360	13%	**40 637**
2.1 - Expenditure and Payroll		2 522	1 004	–	211	1 282	251	1 031	411%	1 004
2.2 - Revenue and Debt Management		(1 643)	–	–	–	–	–	–		–
2.3 - Budget and Reporting		33 553	39 633	–	3 268	8 878	9 908	(1 031)	-10%	39 633
2.4 - Supply chain Management and Asset Management		7 535	–	–	390	1 360	–	1 360	#DIV/0!	–
Vote 3 - Directorate: Corporate Services		**12 189**	**11 889**	**–**	**746**	**2 092**	**2 972**	(881)	-30%	**11 889**
3.1 - Human Resource		12 189	11 889	–	746	2 092	2 972	(881)	-30%	11 889
0								–		
Vote 4 - Directorate: Strategic Services		**19 722**	**25 543**	**–**	**1 609**	**4 889**	**6 386**	(1 497)	-23%	**25 543**
4.1 - Office of the Mayor		6 167	6 305	–	497	1 487	1 576	(90)	-6%	6 305
4.2 - Communications		–	–	–	–	–	–	–		–
4.3 - Public Partcipation		–	–	–	–	–	–	–		–
4.4 - Special programmes		–	–	–	–	–	–	–		–
4.5 - Intergovernmental relations		–	–	–	–	–	–	–		–
4.6 - IDP		9 201	11 175	–	805	2 371	2 794	(422)	-15%	11 175
4.7 - Performance Management Systems		–	–	–	–	–	–	–		–
4.8 - LED		2 463	4 017	–	158	582	1 004	(422)	-42%	4 017
4.9 - Town planning and Human Settlement		1 891	4 047	–	150	449	1 012	(563)	-56%	4 047
0								–		
Vote 5 - Directorate: Technical Service & Community Serv		**68 206**	**62 466**	**–**	**5 544**	**15 499**	**15 617**	(118)	-1%	**62 466**
5.1 - Technical Services		49 542	34 677	–	3 830	10 502	8 669	1 833	21%	34 677
5.2 - Solid Waste Management		9 725	17 004	–	987	2 778	4 251	(1 473)	-35%	17 004
5.3 - Law Enforcement		8 470	9 650	–	723	2 164	2 412	(249)	-10%	9 650
5.4 - Community Services		469	1 135	–	4	55	284	(229)	-81%	1 135
Total Expenditure by Vote	2	**142 084**	**142 143**	**–**	**11 768**	**34 007**	**35 537**	**(1 530)**	**(0)**	**142 143**
Surplus/ (Deficit) for the year	2	**54 499**	**47 960**	**–**	**(1 436)**	**28 501**	**11 989**	**16 512**	**0**	**47 960**

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) - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
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		16 816	18 136	–	1 601	4 566	4 534	32	1%	18 136
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		5 448	6 147	–	498	1 491	1 537	(46)	-3%	6 147
Sale of Goods and Rendering of Services		965	930	–	56	262	232	29	13%	930
Agency services		393	870	–	67	67	217	(150)	-69%	870
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 547	1 477	–	171	490	369	120	33%	1 477
Interest from Current and Non Current Assets		6 671	8 000	–	321	912	2 000	(1 088)	-54%	8 000
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		327	201	–	21	51	50	1	1%	201
Licence and permits		1 086	3 565	–	108	296	891	(595)	-67%	3 565
Special rating levies		–	–	–	–	–	–	–		–
Construction Contract Revenue		–	–	–	–	–	–			–
Development Charges		–	–	–	–	–	–			–
Operational Revenue		989	58	–	(296)	63	14	48	334%	58
Non-Exchange Revenue								–		
Property rates		40 000	54 647	–	4 079	14 475	13 662	814	6%	54 647
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		7 129	150	–	4	110	38	73	194%	150
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		61 350	59 027	–	1 114	24 387	14 757	9 630	65%	59 027
Interest		3 680	5 081	–	92	588	1 270	(682)	-54%	5 081
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–		–
Other Gains		5 590	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**151 993**	**158 288**	**–**	**7 836**	**47 759**	**39 572**	**8 187**	**21%**	**158 288**

Operating expenditure by type

EC123 Great Kei - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		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		63 014	65 820	–	4 967	14 827	16 455	(1 628)	-10%	65 820
Remuneration of councillors		5 955	6 305	–	492	1 477	1 576	(99)	-6%	6 305
Bulk purchases - electricity		17 753	18 000	–	1 626	5 781	4 500	1 281	28%	18 000
Inventory consumed		838	1 312	–	7	8	328	(320)	-98%	1 312
Debt impairment		2 661	5 108	–	–	–	1 277	(1 277)	-100%	5 108
Depreciation, amortisation and impairment		19 034	13 568	–	2 352	4 752	3 392	1 360	40%	13 568
Interest, Dividends and Rent on Land		1 475	–	–	–	–	–	–		–
Contracted services		9 826	8 793	–	599	2 636	2 198	438	20%	8 793
Transfers and subsidies		197	1 541	–	–	–	385	(385)	-100%	1 541
Irrecoverable debts written off		(1 433)	–	–	–	–	–	–		–
Operational costs		22 583	21 696	–	1 757	4 557	5 424	(867)	-16%	21 696
Disposal of Fixed and Intangible Assets		181	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**142 084**	**142 143**	**–**	**11 800**	**34 039**	**35 537**	**(1 497)**	**-4%**	**142 143**

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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) - M03 September

Vote Description	Ref	2025/26	Budget Year 2026/27							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		2 720	–	–	–	–	–	–		–
Vote 2 - Directorate: Budget and Treasury		38	–	–	–	–	–	–		–
Vote 3 - Directorate: Corporate Services		147	–	–	–	–	–	–		–
Vote 4 - Directorate: Strategic Services		–	–	–	–	–	–	–		–
Vote 5 - Directorate: Technical Service & Community Services		11 516	11 123	–	3 458	6 084	2 781	3 303	119%	11 123
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**14 421**	**11 123**	**–**	**3 458**	**6 084**	**2 781**	**3 303**	**119%**	**11 123**
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		–	217	–	194	194	54	139	256%	217
Vote 2 - Directorate: Budget and Treasury		795	1 637	–	–	–	409	(409)	-100%	1 637
Vote 3 - Directorate: Corporate Services		282	350	–	–	–	88	(88)	-100%	350
Vote 4 - Directorate: Strategic Services		1 199	430	–	–	–	108	(108)	-100%	430
Vote 5 - Directorate: Technical Service & Community Services		28 063	31 562	–	4 228	11 514	7 891	3 623	46%	31 562
Vote 6 - Municipal Manager- Acting		–	–	–	–	–	–	–		–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	30 339	34 197	–	4 422	11 707	8 549	**3 158**	**37%**	34 197
Total Capital Expenditure		**44 760**	**45 319**	**–**	**7 879**	**17 791**	**11 330**	**6 461**	**57%**	**45 319**
Capital Expenditure - Functional Classification										
Governance and administration		**1 261**	**2 204**	**–**	**194**	**194**	**551**	(358)	-65%	**2 204**
Executive and council		–	217	–	194	194	54	139	256%	217
Finance and administration		1 261	1 987	–	–	–	497	(497)	-100%	1 987
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**21**	**1 160**	**–**	**–**	**–**	**290**	(290)	-100%	**1 160**
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		21	1 160	–	–	–	290	(290)	-100%	1 160
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**33 840**	**33 087**	**–**	**6 350**	**14 941**	**8 272**	6 669	81%	**33 087**
Planning and development		1 199	430	–	–	–	108	(108)	-100%	430
Road transport		32 641	32 657	–	6 350	14 941	8 164	6 776	83%	32 657
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**9 638**	**8 867**	**–**	**1 336**	**2 657**	**2 217**	440	20%	**8 867**
Energy sources		7 512	8 117	–	1 336	2 657	2 029	627	31%	8 117
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		2 126	750	–	–	–	188	(188)	-100%	750
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**44 760**	**45 319**	**–**	**7 879**	**17 791**	**11 330**	**6 461**	**57%**	**45 319**
Funded by:										
National Government		36 358	27 101	–	5 741	15 496	6 775	8 721	129%	27 101
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–		–
Transfers recognised - capital		**36 358**	**27 101**	**–**	**5 741**	**15 496**	**6 775**	**8 721**	**129%**	**27 101**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		8 402	18 218	–	2 138	2 295	4 555	(2 260)	-50%	18 218
Total Capital Funding		**44 760**	**45 319**	**–**	**7 879**	**17 791**	**11 330**	**6 461**	**57%**	**45 319**

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Table C6: Statement of Financial Position

EC123 Great Kei - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2025/26	Budget Year 2026/27			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		104 791	74 422	–	117 158	74 422
Short term Investments		–	–	–	–	–
Trade and other receivables from exchange transactions		13 271	11 845	–	15 253	11 845
Receivables from non-exchange transactions		5 180	93 937	–	9 449	93 937
Current portion of non-current receivables		81	41	–	76	41
Inventory		542	–	–	542	–
VAT Receivable		–	6 518	–	15 544	6 518
Other current assets		1 276	18	–	(3 485)	18
Total current assets		**125 142**	**186 781**	**–**	**154 539**	**186 781**
Non current assets						
Investments		–	–	–	–	–
Investment property		75 812	84 500	–	75 743	84 500
Property, plant and equipment		347 556	796 309	–	360 677	796 309
Biological assets		–	–	–	–	–
Living resources		–	–	–	–	–
Heritage assets		36	36	–	36	36
Intangible assets		408	515	–	395	515
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**423 812**	**881 359**	**–**	**436 851**	**881 359**
TOTAL ASSETS		**548 955**	**1 068 140**	**–**	**591 390**	**1 068 140**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		393	–	–	422	–
Trade and other payables from exchange transactions		47 741	15 139	–	48 504	15 139
Trade and other payables from non-exchange transactions		17 227	(461)	–	8 425	(461)
Provision		3 745	1 577	–	3 745	1 577
VAT Payable		–	(2 736)	–	16 451	(2 736)
Other current liabilities		–	–	–	163	–
Total current liabilities		**69 106**	**13 519**	**–**	**77 711**	**13 519**
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		16 529	21 760	–	16 529	21 760
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	13 550	–
Total non current liabilities		**16 529**	**21 760**	**–**	**30 079**	**21 760**
TOTAL LIABILITIES		**85 635**	**35 278**	**–**	**107 790**	**35 278**
NET ASSETS	2	**463 319**	**1 032 862**	**–**	**483 600**	**1 032 862**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		448 113	47 960	–	483 600	47 960
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**448 113**	**47 960**	**–**	**483 600**	**47 960**

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Table C7: Cash flow

The table below reflects the institution's cash flow.

EC123 Great Kei - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		932	39 678	–	–	13 662	9 919	3 742	38%	39 678
Service charges		9 418	23 262	–	701	6 071	5 815	255	4%	23 262
Other revenue		19 127	16 700	–	1 404	7 263	4 175	3 088	74%	16 700
Transfers and Subsidies - Operational		83 387	58 165	–	3 678	40 967	14 541	26 426	182%	58 165
Transfers and Subsidies - Capital		36 312	31 815	–	–	10 261	7 954	2 307	29%	31 815
Interest		–	8 000	–	–	–	2 000	(2 000)	-100%	8 000
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(193 972)	(105 181)	–	(13 171)	(43 550)	(21 120)	22 430	-106%	(105 181)
Finance charges		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(44 795)**	**72 439**	**–**	**(7 387)**	**34 674**	**23 285**	**(11 389)**	**-49%**	**72 439**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Insurance Refund - Capital		–	–	–	–	–	–	–		–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		51 094	(27 752)	–	(10 001)	(22 187)	(6 938)	15 249	-220%	(27 752)
Retention (Capital)		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**51 094**	**(27 752)**	**–**	**(10 001)**	**(22 187)**	**(6 938)**	**15 249**	**-220%**	**(27 752)**
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		**6 299**	**44 687**	**–**	**(17 389)**	**12 487**	**16 347**			**44 687**
Cash/cash equivalents at beginning:		84 112	52 848	–	–	104 791	13 212			52 848
Cash/cash equivalents at month/year end:		90 411	97 535	–	(17 389)	117 278	29 559			97 535

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ITEM FOR CONSIDERATION BY FINANCIAL VIABILITY & SUSTAINABILITY STANDING COMMITTEEES

Table SC2: Aged Debtors

The municipality owned a total of R98 million, and the biggest portion is owed by households to the value of R66.3 million. The organs of the state owe R16.5 million. Commercial debtors are sitting at R4.9 million. Agriculture debtors are sitting at R10.1 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 SC2 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2026/27											
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	1 634	701	688	554	541	542	532	9 116	14 309	11 285		
Receivables from Non-exchange Transactions - Property Rates	1400	5 964	3 708	1 940	1 626	1 546	1 715	1 665	56 574	74 739	63 126		
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange Transactions - Waste Management	1600	908	289	255	226	207	200	193	6 705	8 983	7 531		
Receivables from Exchange Transactions - Property Rental Debtors	1700	2	–	–	–	–	–	–	–	2	–		
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	2	19	–	–	–	–	–	3	24	3		
Total By Income Source	**2000**	**8 510**	**4 716**	**2 884**	**2 406**	**2 295**	**2 457**	**2 389**	**72 399**	**98 057**	**81 946**	**–**	**–**
2025/26 - totals only		8125125	5020841	2233419	1979299	1631307	3001130	2226689	59825282	84 043	**68 664**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 376	1 661	666	580	573	623	565	13 712	16 583	16 054		
Commercial	2300	763	290	202	135	134	133	128	3 873	4 944	4 403		
Households	2400	6 278	2 725	1 965	1 665	1 562	1 676	1 660	54 524	66 339	61 087		
Other	2500	93	40	50	26	26	25	36	290	10 191	403		
Total By Customer Group	**2600**	**8 510**	**4 716**	**2 884**	**2 406**	**2 295**	**2 457**	**2 389**	**72 399**	**98 057**	**81 946**	**–**	**–**

Report on Collection

The current month's collection rate is 71%.

SC4: Aged Creditors

EC123 Great Kei - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2026/27									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	1 870	–	–	–	–	–	–	–	**1 870**	2 014
Bulk Water	0200	–	–	–	–	–	–	–	–	**–**	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	**–**	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	**–**	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	**–**	–
Loan repayments	0600	–	–	–	–	–	–	–	–	**–**	–
Trade Creditors	0700	1 052	5	–	255	–	–	1 036	7 498	**9 846**	11 545
Auditor General	0800	775	–	–	–	–	–	–	–	**775**	919
Other	0900	–	–	–	–	–	–	818	5 762	**6 580**	6 491
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	**–**	–
Total By Customer Type	**1000**	**3 697**	**5**	**–**	**255**	**–**	**–**	**1 854**	**13 260**	**19 070**	20 970

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

Supplier Name	Total
Amathole - EC District Municipality	R 8 789 199.41
Compensation Fund	R 6 580 183.27
ESKOM	R 1 869 804.06
Auditor-General of South Africa - National	R 774 993.91

TOTAL TOP CREDITORS	**R 18 014 180.65**

Other trade creditors amount to R1 million, the municipality has developed a plan to provision long outstanding for creditors. On the 2nd of September a meeting was held between GKM and ADM to review and reconcile the debt owed by both institutions and resolved on paying one another upon finalisation of the reconciliation.

Table SC16: 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 September 2026, the municipality had a favorable operating bank balance of R 5 946 650.97 and call deposits amounting to R 111 331 691.57 million.

EC123 Great Kei - Supporting Table SC16 Monthly Budget Statement - Investment Portfolio - M03 September

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	7 473	25	(2 918)	–	4 595
2 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	1 078	5	–	–	1 083
3 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	20 219	–	(4 535)	–	15 684
4 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	27 858	164	(2 400)	2 600	28 348
5 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	630	1	–	69	725
6 Standard Bank		144 M	Deposit-Bank	Yes	Variable	1	0		09 January 2030	5 831	30	(539)	–	5 330
6 Standard Bank			Deposit-Bank	Yes	Variable	1	0		09 January 2030	50 000				50 000
13 FNB			Call Account	Yes	Variable	1	0		09 January 2030					5
13 FNB		127 M	Call Account	Yes	Variable	6.15	0		09 January 2030	5 465	97	–	–	5 563
Municipality sub-total										118 554	321	(10 392)	2 669	111 332
TOTAL INVESTMENTS AND INTEREST	2									118 554	321	(10 392)	2 669	111 332

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Table SC18: Grants Received

The table below reflects conditional grants received to date, totaling R45.1 million.

EC123 Great Kei - Supporting Schedule SC18 Monthly Budget Statement - Transfers and Grant Receipts - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations								9 689	#DIV/0!	
Equitable Share		55 269	54 214	–	–	22 589	13 554	9 035	66.7%	54 214
Expanded Public Works Programme Integrated Grant		1 327	1 351	–	141	341	338	3	1.0%	1 351
Local Government Financial Management Grant		2 400	2 600	–	771	1 210	650	560	86.1%	2 600
Municipal Infrastructure Grant		644	–	–	46	91	–	91	#DIV/0!	–
								9 689	#DIV/0!	
Total Monetary Allocations		**59 640**	**58 165**	**-**	**958**	**24 231**	**14 541**	9 689	66.6%	**58 165**
Total Operating/National Government		**59 640**	**58 165**	**-**	**958**	**24 231**	**14 541**	9 689	66.6%	**58 165**
Provincial Government								–		
Monetary Allocations								–		
Specify (Add grant description)		844	0	–	157	157	0	156	15649900.0%	0
								–		
Total Monetary Allocations		**844**	**0**	**-**	**157**	**157**	**0**	156	15649900.0%	**0**
Total Operating/Provincial Government		**844**	**0**	**-**	**157**	**157**	**0**	**29 225**	**2922461500.0%**	**0**
Other Grant Providers								–		
Monetary Allocations								–		
Council for Medical Schemes		–	–	–	–	–	–	–		–
National Library South Africa		757	862	–	–	–	216	(216)	-100.0%	862
National Skills Fund		110	–	–	–	–	–	–		–
South Africa Housing Fund		–	–	–	–	–	–	–		–
								–		
Total Monetary Allocations		**867**	**862**	**-**	**-**	**-**	**216**	(216)	-100.0%	**862**
Allocations In-kind								–		
[insert description]										
Total Allocations In-kind		**-**	**-**	**-**	**-**	**-**	**-**	**29 225**	#DIV/0!	**-**
Total Operating/Other Grant Providers		**867**	**862**	**-**	**-**	**-**	**216**			**862**
Total Operating	5	**61 350**	**59 027**	**-**	**1 114**	**24 387**	**14 757**			**59 027**
Capital										
National Government										
Monetary Allocations										
Integrated National Electrification Programme Grant		7 312	4 335	–	769	1 367	1 084			4 335
Municipal Disaster Recovery Grant		11 929	14 500	–	2 496	10 969	3 625			14 500
Municipal Disaster Response Grant		9 192	–	–	–	–	–			–
Municipal Infrastructure Grant		12 231	12 980	–	5 265	8 426	3 245			12 980
Total Monetary Allocations		**40 664**	**31 815**	**-**	**8 529**	**20 762**	**7 954**			**31 815**
Total Capital/National Government		**40 664**	**31 815**	**-**	**8 529**	**20 762**	**7 954**			**31 815**
Provincial Government										
Total Capital	5	**40 664**	**31 815**	**-**	**8 529**	**20 762**	**7 954**			**31 815**
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		**102 015**	**90 842**	**-**	**9 643**	**45 149**	**22 711**			**90 842**

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ITEM FOR CONSIDERATION BY FINANCIAL VIABILITY & SUSTAINABILITY STANDING COMMITTEEES

Table SC19: Grants expenditure

EC123 Great Kei - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Equitable Share		41 781	37 205	–	1 869	5 516	9 301	(3 786)	-40.7%	37 205
Expanded Public Works Programme Integrated Grant		3 133	1 351	–	206	318	338	(20)	-5.9%	1 351
Local Government Financial Management Grant		11 695	2 326	–	1 226	1 210	582	628	108.0%	2 326
Municipal Infrastructure Grant		1	649	–	–	91	162	(71)	-43.9%	649
Total Monetary Allocations		56 610	41 531	-	3 301	7 134	10 383	(3 249)	-31.3%	41 531
Total National Government		56 610	41 531	-	3 301	7 134	10 383	(3 249)	-31.3%	41 531
Other Grant Providers										
Monetary Allocations										
Clerical Assist (Pole Parties)		–	–	–	–	–	–	–		–
National Library South Africa		(155)	0	–	56	234	0	234	11723650.0%	0
National Library South Africa		77	730	–	4	55	182	(128)	-70.0%	730
Transfer from Operational Revenue		–	–	–	–	–	–	–		–
								–		
Total Monetary Allocations		(77)	730	-	60	289	182	107	0	730
Allocations In-kind										
Other transfers/grants [insert description]								–		
Total Allocations In-kind		-	-	-	-	-	-	-		-
Total Operating/Other Grant Providers		(77)	730	-	60	289	182	107	0	730
Total operating expenditure of Transfers and Grants		56 533	42 260	-	3 361	7 423	10 565	(3 142)	(0)	42 260
Capital										
National Government										
Monetary Allocations										
Equitable Share		–	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant		6 564	3 770	–	602	1 367	942	425	45.1%	3 770
Municipal Disaster Recovery Grant		19 259	12 609	–	1 682	10 969	3 152	7 817	248.0%	12 609
Municipal Disaster Response Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		10 535	10 723	–	3 458	8 426	2 681	5 745	214.3%	10 723
								–		
Total Monetary Allocations		36 358	27 101	-	5 741	20 762	6 775	13 987		27 101
Total National Government		36 358	27 101	-	5 741	20 762	6 775	13 987		27 101
Provincial Government										
Other Grant Providers										
Monetary Allocations										
Transfer from Operational Revenue		8 402	18 218	–	2 138	2 295	4 555			18 218
Total Monetary Allocations		-	-	-	-	-	-	-		-
Allocations In-kind										
Total Allocations In-kind		-	-	-	-	-	-	-		-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		36 358	27 101	-	5 741	20 762	6 775	13 987		27 101
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		92 891	69 361	-	9 102	28 185	17 341	10 845		69 361

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

- The Finance Management Grant's (FMG) year-to-date expenditure is R 1.2 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 R317 thousand for casual work and poverty alleviation projects
- DEAT Rollover year-to-date expenditure amounts to R156 thousand.
- MIG year-to-date expenditure amounts to R8.5 million for capital project implementation and operational costs.
- In the current year, the Municipal Disaster Recovery Grant (MDRG) Rollover expenditure amounts to R10.9 million for capital project implementation costs. This funding assists with the reconstruction of roads affected by inclement weather conditions.
- The municipality received an amount of R 1 734 000.00 for the INEP grant, and the year-to-date expenditure amounts to R 1.3 million.

Grants	Allocation	Withheld / Not Provisioned	Amount Received	Amount Spent	Variance	% Over Total Allocation
FMG	R 2 600 000.00	R -	R 2 600 000.00	R 1 209 508.75	R 1 390 491.25	47%
EPWP	R 1 351 000.00	R -	R 338 000.00	R 317 751.42	R 20 248.58	24%
DEDEAT ROLLOVER	R 156 500.00		R 156 500.00	R 156 500.00	R -	100%
INEP	R 4 335 000.00	R -	R 1 734 000.00	R 1 367 490.54	R 366 509.46	32%
MIG	R 12 980 000.00	R -	R 9 086 000.00	R 8 517 054.86	R 568 945.14	66%
MDRG - Roll Over	R 17 070 915.74	R -	R 17 070 915.74	R 10 968 755.50	R 6 102 160.24	64%
Totals	**38 493 416**	**-**	**30 985 416**	**22 537 061**	**8 448 355**	**59%**

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ITEM FOR CONSIDERATION BY FINANCIAL VIABILITY & SUSTAINABILITY STANDING COMMITTEEES

Table SC22: Expenditure on councilors, employees, and managers

Table SC22 shows the performance of staff costs and councilors' remuneration as of September 2026.

EC123 Great Kei - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration R thousands	Ref	2025/26	Budget Year 2026/27						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		4 073	4 261	–	336	1 008	1 065	(57)	-5%	4 261
Cell phone Allowance		570	642	–	44	132	160	(28)	-18%	642
Travelling Allowance		1 312	1 402	–	112	337	351	(14)	-4%	1 402
Use of Personal Facilities		–	–	–	–	–	–	–		–
Total Allowances and Service Related Benefits		5 955	6 305	-	492	1 477	1 576	(99)	-6%	6 305
Social Contributions										
Medial Aid Benefits		–	–	–	–	–	–	–		–
Pension Fund Contributions		–	–	–	–	–	–	–		–
Total Social Contributions		-	-	-	-	-	-	-		-
Total Councillors		5 955	6 305	-	492	1 477	1 576	(99)	-6%	6 305
% increase	4									
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		3 388	4 301	–	216	695	1 075	(380)	-35%	4 301
Bonuses		1 029	1 181	–	–	25	295	(271)	-92%	1 181
Allowance								–		
Accommodation, Travel and Incidental		–	–	–	–	–	–	–		–
Cellular and Telephone	3	–	–	–	–	–	–	–		–
Housing Benefits	3	606	690	–	41	133	172	(40)	-23%	690
Non-pensionable		–	–	–	–	–	–	–		–
Travel or Motor Vehicle	3	1 270	1 503	–	82	271	376	(105)	-28%	1 503
Voluntary Work		–	–	–	–	–	–			–
Total Allowance		1 876	2 193	-	124	404	548	(145)	-26%	2 193
Service Related Benefits										
Total Salaries and Allowances		6 293	7 675	-	339	1 124	1 919	(795)	-41%	7 675
Social Contributions										
Unemployment Insurance		9	9	–	1	2	2	(0)	-21%	9
Total Social Contributions		9	9	-	1	2	2	(0)	-21%	9
Post-retirement Benefit	6									
Sub Total - Senior Managers of Municipality		6 301	7 684	-	340	1 125	1 921	(796)	-41%	7 684
% increase	4									
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		37 741	40 453	–	3 352	10 006	10 113	(108)	-1%	40 453
Bonuses		758	541	–	–	13	135	(123)	-91%	541
Allowance										
Housing Benefits	3	114	118	–	10	29	29	(0)	0%	118
Non-pensionable		–	–	–	–	–	–	–		–
Travel or Motor Vehicle	3	427	431	–	36	108	108	(0)	0%	431
Voluntary Work		–	–	–	–	–	–	–		–
Total Allowance		540	549	-	46	137	137	(0)	0%	549
Service Related Benefits										
Acting	3	–	–	–	–	–	–	–		–
Bonus	3	3 258	2 712	–	128	246	678	(432)	-64%	2 712
Danger Allowance	3	176	185	–	14	43	46	(3)	-6%	185
Leave Pay	3	807	–	–	23	80	–	80	#DIV/0!	–
Lifeguard/Duty Squads		–	–	–	–	–	–	–		–
Long Service Award		(205)	0	–	–	44	0	44	1453533%	0
Overtime		1 512	2 274	–	136	350	569	(219)	-38%	2 274
Total Service Related Benefits		5 547	5 170	-	301	763	1 293	(530)	-41%	5 170
Total Salaries and Allowances		44 587	46 713	-	3 699	10 918	11 678	(760)	-7%	46 713
Social Contributions										
Bargaining Council		16	18	–	1	4	4	(0)	-2%	18
Group Life Insurance		–	–	–	–	–	–	–		–
Medical		3 808	4 149	–	328	990	1 037	(47)	-5%	4 149
Pension		6 269	6 724	–	555	1 662	1 681	(19)	-1%	6 724
Unemployment Insurance		262	279	–	24	67	70	(2)	-3%	279
Total Social Contributions		10 355	11 169	-	908	2 724	2 792	(69)	-2%	11 169
Post-retirement Benefit	6									
Medical		1 770	253	–	20	60	63	(3)	-5%	253
Other Benefits		–	–	–	–	–	–	–		–
Pension		–	–	–	–	–	–	–		–
Total Post-retirement Benefit		1 770	253	-	20	60	63	(3)		253
Costs Capitalised to PPE		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		56 712	58 135	-	4 627	13 702	14 534	(832)		58 135
% increase	4									
Total Parent Municipality		68 969	72 125	-	5 459	16 305	18 032	(1 727)	-10%	72 125
TOTAL SALARY, ALLOWANCES & BENEFITS		68 969	72 125	-	5 459	16 305	18 032	(1 727)		72 125
% increase	4									
TOTAL MANAGERS AND STAFF	5,7	63 014	65 820	-	4 967	14 827	16 455	(1 628)		65 820

ITEM [5.1]
ITEM FOR CONSIDERATION BY FINANCIAL VIABILITY & SUSTAINABILITY STANDING COMMITTEEES

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

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

FINANCIAL IMPLICATIONS

None

STAFF IMPLICATIONS

None

ANNEXURE

- Annexure A: Schedule C Report – September 2026.

RECOMMENDATION

- The committee should note that September 2026 s71 monthly report was submitted.

SUBMITTED FOR NOTING