Hessequa Municipality

Monthly Budget Statement September 2025

In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 July 2009.

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Glossary

Adjustments Budget – Prescribed in Section 28 of the MFMA. The formal means by which a municipality August revise its annual budget during the year.

Budget – The financial plan of the Municipality

Capital Expenditure – Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of Financial position.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant **GFS** – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognized Accounting Practice. The standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR - Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

MTREF - Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on fixed first year and indicative further two years' budget allocations. Also includes financial information of the previous and current year.

NDPG – Neighborhood Development Partnership Grant.

Operating expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages, repairs, and maintenance etc.

Rates – Local Government tax based on the assessed value of property. To determine the rates payable, the assessed ratable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Vote – A main appropriation segment of the budget. In Hessequa Municipality this relates to the directorate level for operating expenditure and capital expenditure.

YTD – Year to date

Section 1 – Mayor's Report

1.1 In-Year Report – Monthly Budget Statement

The monthly budget statement for **September 2025** has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations.

Section 2 – Resolutions

In-year Reports 2024/2025

This is the resolution that will be presented to Council when the In-Year Report is tabled:

Recommendation

(a) That Council notes the monthly budget statement and supporting documentation for September **2025.**
(b) That the reasons given for the deviations below, be approved.
(c) That Council notes the investments the municipality has at banks and the money market at 30 September 2025.
(d) That Council notes the instances of Unauthorized, Irregular, Fruitless and Wasteful (UIF&W) expenditure for the period ended 30 September 2025.

Section 3 – Executive Summary

3.1 Introduction

This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP). Section 54 of the MFMA requires the Mayor to Consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP).

Section 4

4.1 Consolidated Monthly Budget Summary C1 (refer to Table C1 below)

Total Revenue

The year-to-date revenue excluding Capital Transfers at the end of September 2025 is R200,759 million, compared to the SDBIP budget of R230,291 million, resulting in a variance of 13%. When including Transfers recognized – capital, the revenue to date is R213,239 million compared to An SDBIP budget of R240,624 million.

Total Expenditure

The expenditure to date is R137,879 million compared to an SDBIP budget of R175,906 million.

Capital Expenditure

The year-to-date expenditure on capital is R44,868 million against an SDBIP budget of R23,023 million.

Cash flow
Cash/cash equivalents at the end of September 2025 is R453,749 million.

Debtors Ageing
Debtors outstanding at the end of September 2025 is R92,372 million.

Creditors Ageing
Creditors outstanding at the end of September 2025 amount to R63,893 million.

The details of the above figures is explained throughout the report.

Table C1: Monthly Budget Statement Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M03 September

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	140 197	148 312	148 312	10 630	46 975	51 235	(4 259)	-8%	148 312
Service charges	365 374	384 481	384 481	18 625	82 739	98 563	(15 824)	-16%	384 481
Investment revenue	46 305	36 046	36 046	408	1 328	5 910	(4 582)	-78%	36 046
Transfers and subsidies - Operational	68 053	75 755	75 755	178	28 575	29 011	(436)	(0)	75 755
Other own revenue	148 402	162 747	162 747	20 703	41 142	45 571	(4 430)	-10%	162 747
Total Revenue (excluding capital transfers and contributions)	**768 330**	**807 340**	**807 340**	**50 544**	**200 759**	**230 291**	**(29 531)**	**-13%**	**807 340**
Employee costs	230 661	270 128	270 128	18 866	56 107	61 596	(5 489)	-9%	270 128
Remuneration of Councillors	9 128	9 690	9 690	1 512	2 239	2 422	(183)	-8%	9 690
Depreciation and amortisation	44 248	52 188	52 188	–	–	–	–		52 188
Interest	21 681	19 809	19 809	–	–	–	–		19 809
Inventory consumed and bulk purchases	228 184	259 979	259 259	14 622	59 610	64 924	(5 314)	-8%	259 259
Transfers and subsidies	2 613	2 502	2 502	60	454	825	(371)	-45%	2 502
Other expenditure	152 156	191 601	192 322	8 305	19 468	46 139	(26 671)	-58%	192 322
Total Expenditure	**688 672**	**805 898**	**805 898**	**43 364**	**137 879**	**175 906**	**(38 027)**	**-22%**	**805 898**
Surplus/(Deficit)	**79 658**	**1 442**	**1 442**	**7 179**	**62 880**	**54 385**	**8 496**	**16%**	**1 442**
Transfers and subsidies - capital (monetary	161 096	62 341	62 341	12 480	12 480	10 333	2 146	21%	62 341
Transfers and subsidies - capital (in-kind)	591	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**16%**	**63 783**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**16%**	**63 783**
Capital expenditure & funds sources									
Capital expenditure	**237 139**	**187 628**	**189 560**	**33 950**	**44 868**	**23 023**	**21 845**	**95%**	**189 560**
Capital transfers recognised	143 410	62 341	62 341	27 268	38 121	4 123	33 998	825%	62 341
Borrowing	–	50 000	50 000	86	86	6 325	(6 239)	-99%	50 000
Internally generated funds	93 729	75 287	77 219	6 596	6 661	12 575	(5 914)	-47%	77 219
Total sources of capital funds	**237 139**	**187 628**	**189 560**	**33 950**	**44 868**	**23 023**	**21 845**	**95%**	**189 560**
Financial position									
Total current assets	529 808	453 099	451 167		554 889				451 167
Total non current assets	1 461 278	1 471 771	1 473 703		1 506 146				1 473 703
Total current liabilities	155 059	146 405	146 405		149 649				146 405
Total non current liabilities	259 658	301 986	301 986		259 658				301 986
Community wealth/Equity	1 576 369	1 476 479	1 476 479		1 651 729				1 476 479
Cash flows									
Net cash from (used) operating	1 299 356	119 297	117 485	18 311	53 616	49 485	(4 131)	-8%	117 485
Net cash from (used) investing	(235 881)	(177 628)	(179 560)	(33 640)	(39 148)	(34 612)	4 536	-13%	(179 560)
Net cash from (used) financing	1 874	27 343	27 343	127	324	5 516	5 192	94%	27 343
Cash/cash equivalents at the month/year end	**1 552 870**	**361 587**	**357 843**	**453 749**	**453 749**	**412 964**	**(40 785)**	**-10%**	**357 843**
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	32 953	7 911	4 633	2 622	2 284	1 864	8 188	31 915	92 372
Creditors Age Analysis									
Total Creditors	63 893	–	–	–	–	–	–	–	63 893

4.2 Operating Revenue and Expenditure

Table C2: Reflects the Operating Revenue and Operating Expenditure in the Standard Classifications

WC042 Hessequa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**234 881**	**214 112**	**214 112**	**11 568**	**67 741**	**77 605**	(9 864)	-13%	**214 112**
Executive and council		21 374	18 699	18 699	2	17 400	17 688	(288)	-2%	18 699
Finance and administration		213 507	195 413	195 413	11 567	50 341	59 917	(9 576)	-16%	195 413
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**104 960**	**119 533**	**119 533**	**17 854**	**27 151**	**24 804**	2 347	9%	**119 533**
Community and social services		10 800	12 970	12 970	784	1 791	3 270	(1 479)	-45%	12 970
Sport and recreation		16 995	15 737	15 737	333	632	4 663	(4 031)	-86%	15 737
Public safety		51 627	67 044	67 044	16 716	24 667	10 913	13 754	126%	67 044
Housing		25 538	23 782	23 782	21	62	5 958	(5 896)	-99%	23 782
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**17 973**	**27 999**	**27 999**	**1 881**	**8 778**	**6 463**	2 315	36%	**27 999**
Planning and development		7 720	21 923	21 923	1 159	7 993	5 297	2 696	51%	21 923
Road transport		9 643	5 342	5 342	681	688	996	(307)	-31%	5 342
Environmental protection		610	734	734	41	97	170	(74)	-43%	734
Trading services		**571 723**	**507 569**	**507 569**	**31 721**	**109 568**	**131 635**	**(22 066)**	-17%	**507 569**
Energy sources		387 909	306 808	306 808	22 772	65 255	76 811	(11 556)	-15%	306 808
Water management		79 614	89 874	89 874	2 169	23 340	22 840	500	2%	89 874
Waste water management		52 580	57 513	57 513	3 278	9 910	22 543	(12 634)	-56%	57 513
Waste management		51 620	53 374	53 374	3 502	11 064	9 440	1 624	17%	53 374
Other	4	**480**	**469**	**469**	**–**	**–**	**117**	**(117)**	**-100%**	**469**
Total Revenue - Functional	2	**930 018**	**869 682**	**869 682**	**63 023**	**213 239**	**240 624**	**(27 385)**	**-11%**	**869 682**
Expenditure - Functional										
Governance and administration		**96 751**	**123 994**	**123 994**	**3 832**	**20 129**	**27 886**	(7 757)	-28%	**123 994**
Executive and council		32 051	38 056	38 056	2 701	5 563	9 194	(3 631)	-39%	38 056
Finance and administration		62 641	83 523	83 523	953	14 058	18 137	(4 079)	-22%	83 523
Internal audit		2 059	2 414	2 414	178	508	554	(47)	-8%	2 414
Community and public safety		**148 237**	**188 872**	**189 029**	**8 189**	**22 158**	**44 396**	(22 238)	-50%	**189 029**
Community and social services		25 254	29 306	29 305	2 168	6 199	6 658	(459)	-7%	29 305
Sport and recreation		33 898	40 870	40 988	2 332	6 809	8 998	(2 190)	-24%	40 988
Public safety		63 459	93 526	93 566	3 508	8 618	22 596	(13 978)	-62%	93 566
Housing		25 626	25 170	25 170	182	533	6 144	(5 611)	-91%	25 170
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**83 656**	**92 464**	**92 245**	**5 623**	**15 038**	**17 224**	(2 186)	-13%	**92 245**
Planning and development		12 871	16 367	16 422	1 060	3 169	3 792	(623)	-16%	16 422
Road transport		64 545	68 802	68 528	4 052	10 501	11 701	(1 200)	-10%	68 528
Environmental protection		6 240	7 295	7 295	511	1 368	1 730	(362)	-21%	7 295
Trading services		**358 721**	**399 081**	**399 143**	**25 614**	**80 213**	**86 016**	**(5 803)**	-7%	**399 143**
Energy sources		221 041	239 667	239 837	14 403	56 793	57 108	(315)	-1%	239 837
Water management		49 545	58 489	58 429	3 807	8 160	11 862	(3 701)	-31%	58 429
Waste water management		46 854	51 080	51 010	3 579	7 833	9 339	(1 506)	-16%	51 010
Waste management		41 281	49 845	49 867	3 825	7 427	7 708	(282)	-4%	49 867
Other		**1 307**	**1 487**	**1 487**	**107**	**341**	**384**	**(44)**	**-11%**	**1 487**
Total Expenditure - Functional	3	**688 672**	**805 898**	**805 898**	**43 364**	**137 879**	**175 906**	**(38 027)**	**-22%**	**805 898**
Surplus/ (Deficit) for the year		**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**0.16444**	**63 783**

Table C3: Reflects the Operating Revenue and Operating Expenditure by Municipal Vote/Director

WC042 Hessequa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Office Of The Mm		21 374	18 699	18 699	2	17 400	17 688	(288)	-1.6%	18 699
Vote 02 - Corporate Services		26 579	28 703	28 703	1 035	2 166	7 997	(5 831)	-72.9%	28 703
Vote 03 - Financial Services		190 742	189 357	189 357	11 309	48 953	58 192	(9 239)	-15.9%	189 357
Vote 04 - Community Services		77 383	91 050	91 050	16 790	24 907	16 886	8 020	47.5%	91 050
Vote 05 - Technical Services		605 131	518 747	518 747	32 688	111 724	134 277	(22 552)	-16.8%	518 747
Vote 06 - Spatial Plannign & Environmental Management		8 810	23 126	23 126	1 200	8 090	5 585	2 505	44.9%	23 126
Vote 07 - Health		–	–	–	–	–	–	–		–
Vote 08 - Planning And Development		–	–	–	–	–	–	–		–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 10 - Electricity		–	–	–	–	–	–	–		–
Vote 11 - Water Management		–	–	–	–	–	–	–		–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–		–
Vote 13 - Waste Management		–	–	–	–	–	–	–		–
Vote 14 - Road Transport		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**930 018**	**869 682**	**869 682**	**63 023**	**213 239**	**240 624**	**(27 385)**	**-11.4%**	**869 682**
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		36 853	44 066	44 066	3 089	6 793	10 580	(3 786)	-35.8%	44 066
Vote 02 - Corporate Services		55 758	68 293	68 335	3 769	12 939	15 544	(2 604)	-16.8%	68 335
Vote 03 - Financial Services		38 253	49 427	49 427	3 247	9 051	11 248	(2 197)	-19.5%	49 427
Vote 04 - Community Services		96 021	126 277	126 317	4 293	11 154	30 468	(19 314)	-63.4%	126 317
Vote 05 - Technical Services		444 111	496 281	496 144	27 500	93 784	102 991	(9 206)	-8.9%	496 144
Vote 06 - Spatial Plannign & Environmental Management		17 675	21 554	21 609	1 467	4 156	5 076	(920)	-18.1%	21 609
Vote 07 - Health		–	–	–	–	–	–	–		–
Vote 08 - Planning And Development		–	–	–	–	–	–	–		–
Vote 09 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 10 - Electricity		–	–	–	–	–	–	–		–
Vote 11 - Water Management		–	–	–	–	–	–	–		–
Vote 12 - Waste Water Management		–	–	–	–	–	–	–		–
Vote 13 - Waste Management		–	–	–	–	–	–	–		–
Vote 14 - Road Transport		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**688 672**	**805 898**	**805 898**	**43 364**	**137 879**	**175 906**	**(38 027)**	**-21.6%**	**805 898**
Surplus/ (Deficit) for the year	2	**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**16.4%**	**63 783**

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		236 044	256 387	256 387	10 715	51 871	64 097	(12 226)	-19%	256 387
Service charges - Water		59 596	58 186	58 186	1 538	11 278	17 221	(5 943)	-35%	58 186
Service charges - Waste Water Management		31 842	32 413	32 413	2 946	8 737	7 964	772	10%	32 413
Service charges - Waste management		37 892	37 496	37 496	3 427	10 854	9 282	1 572	17%	37 496
Sale of Goods and Rendering of Services		51 900	52 668	52 668	1 496	3 003	14 116	(11 113)	-79%	52 668
Agency services		3 213	3 716	3 716	336	825	600	225	38%	3 716
Interest								–		
Interest earned from Receivables		3 440	3 019	3 019	288	828	735	93	13%	3 019
Interest from Current and Non Current Assets		46 305	36 046	36 046	408	1 328	5 910	(4 582)	-78%	36 046
Dividends								–		
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		4 431	4 622	4 622	326	1 632	1 523	109	7%	4 622
Licence and permits		2	–	–	(5)	1	–	1	#DIV/0!	–
Special rating levies								–		
Operational Revenue		5 028	11 390	11 390	609	1 731	2 374	(642)	-27%	11 390
Non-Exchange Revenue								–		
Property rates		140 197	148 312	148 312	10 630	46 975	51 235	(4 259)	-8%	148 312
Surcharges and Taxes								–		
Fines, penalties and forfeits		44 899	60 606	60 606	16 151	23 286	9 636	13 650	142%	60 606
Licence and permits		2 344	2 552	2 552	195	532	627	(95)	-15%	2 552
Transfers and subsidies - Operational		68 053	75 755	75 755	178	28 575	29 011	(436)	-2%	75 755
Interest		637	911	911	59	174	198	(24)	-12%	911
Fuel Levy								–		
Operational Revenue		11 374	13 264	13 264	938	3 411	13 264	(9 853)	-74%	13 264
Gains on disposal of Assets		1 258	10 000	10 000	310	5 720	2 500	3 220	129%	10 000
Other Gains		19 676	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**768 330**	**807 340**	**807 340**	**50 544**	**200 759**	**230 291**	**(29 531)**	**-13%**	**807 340**
Expenditure By Type										
Employee related costs		230 661	270 128	270 128	18 866	56 107	61 596	(5 489)	-9%	270 128
Remuneration of councillors		9 128	9 690	9 690	1 512	2 239	2 422	(183)	-8%	9 690
Bulk purchases - electricity		187 077	212 192	212 192	11 249	50 961	53 048	(2 087)	-4%	212 192
Inventory consumed		41 107	47 787	47 066	3 373	8 649	11 876	(3 227)	-27%	47 066
Debt impairment		31 801	4 014	4 014	–	–	1 004	(1 004)	-100%	4 014
Depreciation and amortisation		44 248	52 188	52 188	–	–	–	–		52 188
Interest		21 681	19 809	19 809	–	–	–	–		19 809
Contracted services		71 919	81 852	82 485	5 267	9 946	20 106	(10 160)	-51%	82 485
Transfers and subsidies		2 613	2 502	2 502	60	454	825	(371)	-45%	2 502
Irrecoverable debts written off		8 212	56 546	56 546	981	2 417	12 705	(10 289)	-81%	56 546
Operational costs		37 025	49 189	49 276	2 056	7 105	12 324	(5 218)	-42%	49 276
Losses on Disposal of Assets		1 031	–	–	–	–	–	–		–
Other Losses		2 169	–	–	–	–	–	–		–
Total Expenditure		**688 672**	**805 898**	**805 898**	**43 364**	**137 879**	**175 906**	**(38 027)**	**-22%**	**805 898**
Surplus/(Deficit)		**79 658**	**1 442**	**1 442**	**7 179**	**62 880**	**54 385**	**8 496**	**0**	**1 442**
Transfers and subsidies - capital (monetary allocations)		161 096	62 341	62 341	12 480	12 480	10 333	2 146	0	62 341
Transfers and subsidies - capital (in-kind)		591	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**0**	**63 783**
Income Tax								–		
Surplus/(Deficit) after income tax		**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**0**	**63 783**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	10 642	0	**63 783**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**241 346**	**63 783**	**63 783**	**19 659**	**75 360**	**64 718**	**10 642**	**0**	**63 783**

Revenue by Source (Table C4)

Exchange Revenue

Service Levies:

Electricity Service

Levies for the year-to-date stand at R51,871 million, in comparison with the budgeted SDBIP amount of R64,097 million. The deviation can be attributed to the reversal of a provisions journal for electricity sales billed in 2025/26 but accounted for in the 2024/25 financial year. No material deviations are expected at this stage.

Water Service

Levies for the year-to-date stands at R11,278 million, in comparison with the budgeted SDBIP projection of R17,221 million. The deviation is due to the reversal of a provisions journal for water sales billed in 2025/26 but accounted for in the 2024/25 financial year. No material deviations are expected at this stage.

Sewerage Service

Levies for the year-to-date stands at R8,737 million, in comparison with the budgeted SDBIP projection of R7,964 million. No material deviations are expected at this stage.

Refuse Removal Service

Levies for the year-to-date stands at R10,854 million, in comparison with the budgeted SDBIP projection of R9,282 million. The revenue in the first quarter of the financial year is more than projected during the budgeting process. Revenue will be monitored over the following months and adjusted during the main adjustments budget if necessary. No material deviations are expected at this stage.

Sale of Goods and Rendering of Services

Revenue for the year-to-date stands at R3,003 million, in comparison with the budgeted SDBIP projection of R14,116 million. The deviation is largely due to the library grant and the construction contract revenue actuals not being aligned with the SDBIP budgeted distributions. Revenue is only recognized after the conditions for these allocations have been met. No material deviations are expected at this stage.

Agency Services

Revenue for the year-to-date stands at R0,825 million, in comparison with the budgeted SDBIP projection of R0,600 million. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stands at R0,828 million, in comparison with the budgeted SDBIP projection of R0,735 million. No deviation is expected at this stage.

Interest earned from Current and Non- Current Assets
Revenue for the year-to-date amounts to R1,328 million, in comparison with the budgeted SDBIP projection of R5,910 million. The deviation is due to less funds being invested in the first two months of the financial year and due to a reduction in the Repo rate by the South African Reserve Bank to its lowest level since November 2022, which translates to lower interest earned on investments. Expenditure on the capital budget also outperformed the SDBIP projections for the year-to-date. The interest rates and the interest earned will be monitored over the following months, but no material deviation is expected at year- end at this stage.

Rental from Fixed Assets
Levies and revenue for the year-to-date stands at R1,632 million, in comparison with the budgeted SDBIP projection of R1,523 million. No deviation is expected at this stage.

Licenses & Permits
Revenue for the year-to-date stands at R0,001 million, in comparison with the budgeted SDBIP projection of R0,000 million. No deviation is expected at this stage.

Operational Revenue
Revenue for the year-to-date stands at R1,731 million, in comparison with the budgeted SDBIP projection of R2,374 million. No material deviation is expected at this stage.

Non- Exchange Revenue

Property Rates:

Levies for the year-to-date amounts to R46,975 million, in comparison with the budget of R51,235 million. The deviation is attributed to a misalignment between the projections and the actual levies for the first quarter. The deviation is expected to be eliminated as the year progresses. No deviation is expected at year- end.

Fines, penalties and forfeits
Revenue for the year-to-date stands at R23,286 million, in comparison with the budgeted SDBIP projection of R9,636 million. Cash receipts for the year-to-date overperformed when compared to the SDBIP projections and the prior year's revenue. Revenue will be monitored over the following months and possibly amended during the main adjustments budget, if necessary.

Licenses & Permits
Revenue for the year-to-date stands at R0,532 million, in comparison with the budgeted SDBIP projection of R0,627 million. No deviation is expected at this stage.

Grants & Subsidies - Operating:
Revenue for the year-to-date stands at R28,575 million, in comparison with the budgeted SDBIP projection of R29,011 million. Income is only recognized after the conditions of a grant are met. No deviation is expected at this stage.

Grants & Subsidies - Capital:

Revenue for the year-to-date stands at R12,480 million, in comparison with the budgeted SDBIP projection of R10,333 million. Income is only recognized after the conditions of a grant are met. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stands at R0,174 million, in comparison with the budgeted SDBIP projection of R0,198 million. No deviation is expected at this stage.

Operational Revenue:

Revenue for the year-to-date stands at R3,411 million, in comparison with the budgeted SDBIP projection of R13,264 million. The deviation can be attributed to the SDBIP projection for availability charges not being in line with the levies for the year-to-date. The projected distributions will be monitored and corrected if necessary. No deviation is expected at this stage.

Sale of land and PPE:

Revenue for the year-to-date stands at R5,720 million, in comparison with the budgeted SDBIP projection of R2,500 million. The deviation is resultant from a transaction initially budgeted to be completed in 2024/2025, only realizing in the current financial year. With the culmination of these transactions in the current year, a positive deviation is expected at this stage. Revenue will be monitored and adjusted during the main adjustments budget.

Expenditure by Type

Personnel Expenditure:

The year-to-date expenditure amounts to R56,107 million, in comparison with the budgeted SDBIP projection of R61,596 million. The deviation can be attributed to vacant posts that are still in the process of being filled. The SDBIP projections also do not take actuarial valuations that are done at year end into account. Expenditure will be monitored over the following months, and the budgeted projections will be adjusted in the main adjustments budget if necessary.

Councillors' Remuneration:

The expenditure for the period to date amounts to R2,239 million in comparison with the budgeted SDBIP projection of R2,422 million. No material deviations are expected at this stage.

Bulk purchases- electricity:

The expenditure for the year-to-date is R50,961 million, in comparison with the budgeted SDBIP projection of R53,048 million. The deviation can be attributed to a payment in respect of an invoice for September 2025 only being made in October 2025. No material deviations are expected at this stage.

Inventory Consumed

The expenditure for the year-to-date is R8,649 million, in comparison with the budgeted SDBIP projection of R11,876 million. The deviation can be attributed to the actual expenditure not being in line with the budgeted projections. Expenditure will increase as the quarter progresses, which will result in deviation decreasing. No deviation is expected at year-end at this stage.

Debt Impairment:

The expenditure for the period to date amounts to R0,0 million, in comparison with the budgeted SDBIP projection of R1,004 million. No deviation is expected at this stage.

Depreciation:

The year-to-date expenditure is R0,0 million, in comparison with the budgeted SDBIP projection of R0,0 million.

Interest on External Borrowing:

The year-to-date expenditure is R0,0 million in comparison with the budgeted SDBIP projection of R0,0 million. Interest payments are made bi- annually in December and June.

Contracted Services:

The expenditure for the year-to-date is R9,946 million, in comparison with the budgeted SDBIP projection of R20,106 million. The deviation can be attributed to the actual expenditure not being in line with the budgeted projections. Expenditure will increase over the following months, which will result in deviation decreasing. No material deviations are expected at this stage.

Transfers & Grants:

The expenditure for the year-to-date amounts to R0,454 million in comparison with the budgeted SDBIP projection of R0,825 million. No material deviations are expected at this stage.

Irrecoverable debts written off:

The expenditure for the period to date amounts to R2,417 million, in comparison with the budgeted SDBIP projection of R12,705 million. The deviation is attributed to traffic fines where no write-offs have taken place yet, while budgeted projections are monthly. The projections will be corrected during the main adjustments budget. No material deviations are expected at this stage.

Operational Costs:

The year-to-date expenditure is R7,105 million, in comparison with the budgeted SDBIP projection of R12,324 million. The deviation is attributed to the expenditure to date not being in line with the SDBIP projections. Expenditure will increase over the coming months, which will lead to a gradual reduction in the deviation. No material deviations are expected at year-end at this stage.

4.3 Capital Expenditure and Source of Funding

Table C5: Reflects Capital Expenditure and Funding Sources by Vote/Director and GFS classification

WC042 Hessequa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description R thousands	Ref 1	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 02 - Corporate Services		329	250	250	–	–	30	(30)	-100%	250
Vote 04 - Community Services		512	1 020	1 072	13	13	147	(134)	-91%	1 072
Vote 05 - Technical Services		193 083	126 801	126 801	31 038	41 687	18 593	23 094	124%	126 801
Vote 06 - Spatial Plannign & Environmental Management		77	51	51	–	–	–	–		51
Total Capital Multi-year expenditure	4,7	194 001	128 122	128 174	31 051	41 700	18 770	22 930	122%	128 174
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		55	148	148	106	106	27	79	292%	148
Vote 02 - Corporate Services		1 864	4 167	4 167	135	135	182	(47)	-26%	4 167
Vote 03 - Financial Services		258	758	758	257	257	10	247	2469%	758
Vote 04 - Community Services		6 410	3 171	3 550	89	111	397	(286)	-72%	3 550
Vote 05 - Technical Services		33 903	50 301	51 802	2 272	2 518	3 521	(1 003)	-28%	51 802
Vote 06 - Spatial Plannign & Environmental Management		647	961	961	42	42	117	(76)	-64%	961
Total Capital single-year expenditure	4	43 138	59 506	61 386	2 900	3 169	4 254	(1 085)	-26%	61 386
Total Capital Expenditure		237 139	187 628	189 560	33 950	44 868	23 023	21 845	95%	189 560
Capital Expenditure - Functional Classification										
Governance and administration		2 044	16 417	16 417	437	475	242	233	96%	16 417
Executive and council		51	148	148	106	106	27	79	292%	148
Finance and administration		1 994	16 269	16 269	331	369	215	154	72%	16 269
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		10 032	7 982	8 413	362	384	1 053	(669)	-64%	8 413
Community and social services		479	1 002	1 054	142	155	186	(31)	-17%	1 054
Sport and recreation		2 926	3 551	3 551	199	199	471	(271)	-58%	3 551
Public safety		2 932	1 183	1 562	21	30	87	(57)	-66%	1 562
Housing		3 694	2 246	2 246	–	–	310	(310)	-100%	2 246
Health								–		
Economic and environmental services		47 696	34 928	34 928	192	772	6 070	(5 298)	-87%	34 928
Planning and development		66	47	47	22	22	–	22	#DIV/0!	47
Road transport		47 424	34 386	34 386	150	730	6 070	(5 340)	-88%	34 386
Environmental protection		206	495	495	20	20	–	20	#DIV/0!	495
Trading services		176 910	127 831	129 332	32 960	43 237	15 541	27 696	178%	129 332
Energy sources		150 472	78 821	78 821	30 838	40 874	11 468	29 406	256%	78 821
Water management		13 679	21 900	21 900	568	809	3 600	(2 791)	-78%	21 900
Waste water management		8 246	18 530	20 031	–	–	473	(473)	-100%	20 031
Waste management		4 514	8 580	8 580	1 554	1 554	–	1 554	#DIV/0!	8 580
Other		457	470	470	–	–	117	(117)	-100%	470
Total Capital Expenditure - Functional Classification	3	237 139	187 628	189 560	33 950	44 868	23 023	21 845	95%	189 560
Funded by:										
National Government		18 704	15 021	15 021	568	1 385	1 543	(158)	-10%	15 021
Provincial Government		122 196	47 320	47 320	26 700	36 736	2 580	34 156	1324%	47 320
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		2 510	–	–	–	–	–	–		–
Transfers recognised - capital		143 410	62 341	62 341	27 268	38 121	4 123	33 998	825%	62 341
Borrowing	6	–	50 000	50 000	86	86	6 325	(6 239)	-99%	50 000
Internally generated funds		93 729	75 287	77 219	6 596	6 661	12 575	(5 914)	-47%	77 219
Total Capital Funding		237 139	187 628	189 560	33 950	44 868	23 023	21 845	95%	189 560

Capital Expenditure:

The total capital expenditure for the year amounts to R44,868 million in comparison with the budgeted SDBIP projection of R23,023 million. The deviation is attributable to expenditure on the Solar Project, which is currently ahead of the SDBIP projections. Capital projects are currently in planning and tender phases and spending will increase during the year.

External Loans:

The total financing for the year-to-date is R0,086 million in comparison with the budgeted SDBIP projection of R6,325 million.

Internal Financing:

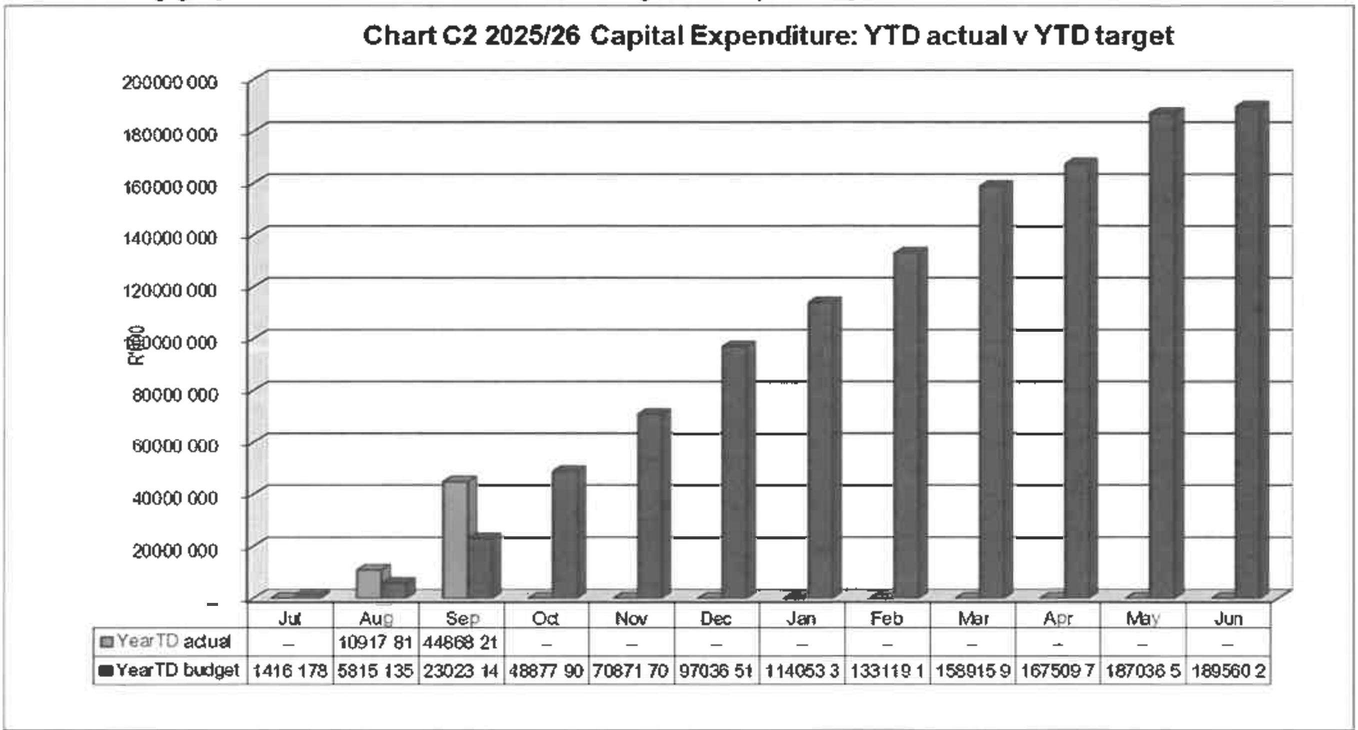
The total financing for the year-to-date is R6,661 million, in comparison with the budgeted SDBIP projection of R12,575 million. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed by grants, is R38,121 million in comparison with the budgeted SDBIP projection of R2,580 million. Expenditure on the Solar project is currently more than the SDBIP projections. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 30 September 2025 were R26,253 million.

The following graph shows the YTD actual v YTD target for Capital Expenditure



The following tables provide details for the Capital Expenditure to date:

Table SC13a (Capital expenditure on new assets by asset class)
Table SC13b (Capital expenditure on renewal of existing assets by asset class)
Table SC13e (Capital expenditure on upgrading of existing assets by asset class)

WC042 Hessequa - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**155 377**	**97 259**	**97 199**	**30 748**	**40 784**	**12 795**	(27 988)	**-218.7%**	**97 199**
Roads Infrastructure		814	3 614	3 614	13	13	103	91	**87.6%**	3 614
Roads		684	3 414	3 414	–	–	103	103	**100.0%**	3 414
Road Furniture		130	200	200	13	13	–	(13)	**#DIV/0!**	200
Storm water Infrastructure		–	2 000	2 000	–	–	–	–		2 000
Drainage Collection		–	2 000	2 000	–	–	–	–		2 000
Electrical Infrastructure		143 515	61 408	61 408	30 735	40 771	10 100	(30 671)	**-303.7%**	61 408
Power Plants		143 185	59 500	59 500	30 735	40 771	10 000	(30 771)	**-307.7%**	59 500
HV Substations		–	620	620	–	–	–	–		620
HV Transmission Conductors		–	488	488	–	–	100	100	**100.0%**	488
MV Substations		–	800	800	–	–	–	–		800
LV Networks		330	–	–	–	–	–	–		–
Water Supply Infrastructure		4 913	14 914	14 914	–	–	2 303	2 303	**100.0%**	14 914
Boreholes		2 547	1 500	1 500	–	–	250	250	**100.0%**	1 500
Reservoirs		–	5 000	5 000	–	–	–	–		5 000
Water Treatment Works		–	7 800	7 800	–	–	1 950	1 950	**100.0%**	7 800
Distribution		2 366	614	614	–	–	103	103	**100.0%**	614
Sanitation Infrastructure		5 865	11 914	11 914	–	–	303	303	**100.0%**	11 914
Pump Station		–	7 000	7 000	–	–	–	–		7 000
Reticulation		5 865	4 914	4 914	–	–	303	303	**100.0%**	4 914
Solid Waste Infrastructure		129	280	280	–	–	–	–		280
Waste Drop-off Points		129	280	280	–	–	–	–		280
Information and Communication Infrastructure		142	3 130	3 070	–	–	(15)	(15)	**100.0%**	3 070
Core Layers		142	2 930	2 870	–	–	(15)	(15)	**100.0%**	2 870
Distribution Layers		–	200	200	–	–	–	–		200
Community Assets		**1 241**	**4 152**	**4 152**	–	**38**	**585**	**548**	**93.5%**	**4 152**
Community Facilities		1 181	2 502	2 502	–	38	285	248	**86.8%**	2 502
Centres		8	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	60	60	–	–	–	–		60
Parks		30	–	–	–	–	–	–		–
Public Open Space		847	1 452	1 452	–	38	63	25	40.0%	1 452
Nature Reserves		296	80	80	–	–	20	20	100.0%	80
Public Ablution Facilities		–	100	100	–	–	–	–		100
Taxi Ranks/Bus Terminals		–	810	810	–	–	203	203	100.0%	810
Sport and Recreation Facilities		60	1 650	1 650	–	–	300	300	**100.0%**	1 650
Outdoor Facilities		60	1 650	1 650	–	–	300	300	100.0%	1 650
Other assets		**4**	**8 000**	**8 000**	–	–	–	–		**8 000**
Operational Buildings		4	8 000	8 000	–	–	–	–		8 000
Municipal Offices		4	8 000	8 000	–	–	–	–		8 000
Computer Equipment		**694**	**1 605**	**1 566**	**708**	**708**	**10**	**(698)**	-6853.8%	**1 566**
Computer Equipment		694	1 605	1 566	708	708	10	(698)	-6853.8%	1 566
Furniture and Office Equipment		**638**	**891**	**892**	**15**	**42**	**219**	**177**	80.9%	**892**
Furniture and Office Equipment		638	891	892	15	42	219	177	80.9%	892
Machinery and Equipment		**5 271**	**6 943**	**7 122**	**1 626**	**1 626**	**495**	**(1 131)**	-228.3%	**7 122**
Machinery and Equipment		5 271	6 943	7 122	1 626	1 626	495	(1 131)	-228.3%	7 122
Transport Assets		**8 958**	**12 600**	**12 895**	–	–	**46**	**46**	100.0%	**12 895**
Transport Assets		8 958	12 600	12 895	–	–	46	46	100.0%	12 895
Total Capital Expenditure on new assets	1	**172 185**	**131 449**	**131 826**	**33 097**	**43 198**	**14 151**	**(29 047)**	**-205.3%**	**131 826**

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**5 624**	**6 130**	**7 631**	**–**	**–**	**773**	773	**100.0%**	**7 631**
Roads Infrastructure		500	–	–	–	–	–	–		–
Road Structures		500	–	–	–	–	–	–		–
Electrical Infrastructure		–	3 900	3 900	–	–	–	–		3 900
MV Networks		–	3 900	3 900	–	–	–	–		3 900
Water Supply Infrastructure		4 142	500	500	–	–	500	500	**100.0%**	500
Pump Stations		638	–	–	–	–	–	–		–
Water Treatment Works		1 557	500	500	–	–	500	500	**100.0%**	500
Distribution		1 947	–	–	–	–	–	–		–
Sanitation Infrastructure		982	1 730	3 231	–	–	273	273	**100.0%**	3 231
Pump Station		414	500	500	–	–	–	–		500
Waste Water Treatment Works		567	1 230	2 731	–	–	273	273	**100.0%**	2 731
Community Assets		**918**	**930**	**930**	–	–	–	–		**930**
Community Facilities		127	680	680	–	–	–	–		680
Public Open Space		50	630	630	–	–	–	–		630
Nature Reserves		77	50	50	–	–	–	–		50
Sport and Recreation Facilities		791	250	250	–	–	–	–		250
Outdoor Facilities		791	250	250	–	–	–	–		250
Furniture and Office Equipment		–	**88**	**90**	–	–	**5**	**5**	100.0%	**90**
Furniture and Office Equipment		–	88	90	–	–	5	5	100.0%	90
Machinery and Equipment		**125**	–	–	–	–	–	–		–
Machinery and Equipment		125	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	**6 667**	**7 148**	**8 651**	**–**	**–**	**778**	**778**	100.0%	**8 651**

WC042 Hessequa - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**87 016**	**92 991**	**92 991**	**6 696**	**19 681**	**21 493**	1 812	**8.4%**	**92 991**
Roads Infrastructure		27 221	32 074	32 074	1 936	6 045	7 414	1 369	**18.5%**	32 074
Roads		26 442	31 468	31 468	1 915	5 951	7 263	1 311	**18.1%**	31 468
Road Furniture		779	606	606	21	94	151	58	**38.2%**	606
Storm water Infrastructure		303	300	300	–	–	75	75	**100.0%**	300
Storm water Conveyance		303	300	300	–	–	75	75	**100.0%**	300
Electrical Infrastructure		20 564	22 212	22 212	1 911	5 470	5 134	(336)	**-6.5%**	22 212
Power Plants		1 753	1 639	1 639	53	104	410	305	**74.5%**	1 639
MV Networks		18 336	20 004	20 004	1 818	5 073	4 582	(490)	**-10.7%**	20 004
LV Networks		476	569	569	41	293	142	(151)	**-106.1%**	569
Water Supply Infrastructure		18 886	18 385	18 385	1 318	3 884	4 259	375	**8.8%**	18 385
Pump Stations		1 811	1 680	1 680	–	12	420	409	**97.2%**	1 680
Water Treatment Works		532	337	337	–	–	84	84	**100.0%**	337
Distribution		16 543	16 368	16 368	1 318	3 873	3 755	(118)	**-3.1%**	16 368
Sanitation Infrastructure		17 022	16 308	16 308	1 309	3 629	3 758	129	**3.4%**	16 308
Pump Station		3 266	1 431	1 431	179	294	358	64	**17.9%**	1 431
Waste Water Treatment Works		13 663	14 760	14 760	1 120	3 324	3 371	47	**1.4%**	14 760
Toilet Facilities		93	116	116	11	11	29	18	**63.2%**	116
Solid Waste Infrastructure		3 019	3 712	3 712	223	653	853	200	**23.5%**	3 712
Waste Processing Facilities		3 019	3 712	3 712	223	653	853	200	**23.5%**	3 712
Community Assets		**12 587**	**14 409**	**13 941**	**1 001**	**3 016**	**3 302**	**286**	**8.7%**	**13 941**
Community Facilities		3 256	4 629	4 126	256	822	1 048	227	**21.6%**	4 126
Halls		869	913	913	23	263	220	(43)	-19.6%	913
Testing Stations		1 481	1 697	1 197	103	320	346	26	7.4%	1 197
Museums		29	37	37	–	–	9	9	100.0%	37
Libraries		20	807	803	8	8	201	193	96.0%	803
Cemeteries/Crematoria		733	964	964	64	173	219	46	21.2%	964
Public Open Space		25	100	100	–	–	25	25	100.0%	100
Nature Reserves		98	111	111	58	58	28	(30)	-108.7%	111
Sport and Recreation Facilities		9 331	9 780	9 815	744	2 194	2 254	60	**2.6%**	9 815
Indoor Facilities		8 732	9 104	9 139	678	2 037	2 098	61	2.9%	9 139
Outdoor Facilities		600	676	676	67	157	155	(2)	-1.1%	676
Other assets		**3 740**	**3 712**	**3 706**	**374**	**910**	**880**	**(30)**	**-3.4%**	**3 706**
Operational Buildings		3 708	3 712	3 706	374	910	880	(30)	**-3.4%**	3 706
Municipal Offices		3 628	3 699	3 693	368	905	877	(28)	-3.2%	3 693
Workshops		79	–	–	–	–	–	–		–
Stores		0	13	13	5	5	3	(2)	-57.0%	13
Housing		32	–	–	–	–	–	–		–
Social Housing		32	–	–	–	–	–	–		–
Computer Equipment		**2 875**	**3 884**	**3 862**	**271**	**699**	**897**	**198**	22.0%	**3 862**
Computer Equipment		2 875	3 884	3 862	271	699	897	198	22.0%	3 862
Furniture and Office Equipment		**220**	**594**	**625**	**10**	**20**	**152**	**132**	87.1%	**625**
Furniture and Office Equipment		220	594	625	10	20	152	132	87.1%	625
Machinery and Equipment		**5 102**	**3 484**	**2 871**	**446**	**817**	**814**	**(3)**	-0.4%	**2 871**
Machinery and Equipment		5 102	3 484	2 871	446	817	814	(3)	-0.4%	2 871
Transport Assets		**8 095**	**5 135**	**6 108**	**2 055**	**3 221**	**1 377**	**(1 844)**	-133.9%	**6 108**
Transport Assets		8 095	5 135	6 108	2 055	3 221	1 377	(1 844)	-133.9%	6 108
Total Repairs and Maintenance Expenditure	1	**119 635**	**124 209**	**124 105**	**10 853**	**28 364**	**28 915**	**551**	**1.9%**	**124 105**

4.4 Financial position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		438 957	361 587	359 655	453 749	359 655
Trade and other receivables from exchange transactions		46 673	39 333	39 333	30 583	39 333
Receivables from non-exchange transactions		28 565	34 634	34 634	46 074	34 634
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 775	4 509	4 509	4 305	4 509
VAT		9 774	11 975	11 975	19 113	11 975
Other current assets		1 064	1 060	1 060	1 064	1 060
Total current assets		**529 808**	**453 099**	**451 167**	**554 889**	**451 167**
Non current assets						
Investments						
Investment property		123 722	105 082	105 082	123 722	105 082
Property, plant and equipment		1 328 926	1 357 779	1 359 711	1 373 794	1 359 711
Biological assets						
Living and non-living resources						
Heritage assets		8 452	8 736	8 736	8 452	8 736
Intangible assets		179	174	174	179	174
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets						
Total non current assets		**1 461 278**	**1 471 771**	**1 473 703**	**1 506 146**	**1 473 703**
TOTAL ASSETS		**1 991 086**	**1 924 870**	**1 924 870**	**2 061 035**	**1 924 870**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		24 228	24 300	24 300	24 228	24 300
Consumer deposits		15 600	12 676	12 676	21 927	12 676
Trade and other payables from exchange transactions		78 189	80 225	80 225	58 260	80 225
Trade and other payables from non-exchange transactions		3 643	–	–	5 082	–
Provision		21 120	18 787	18 787	21 120	18 787
VAT		12 280	10 417	10 417	19 033	10 417
Other current liabilities		–	–	–	–	–
Total current liabilities		**155 059**	**146 405**	**146 405**	**149 649**	**146 405**
Non current liabilities						
Financial liabilities		98 254	126 032	126 032	98 254	126 032
Provision		161 403	175 954	175 954	161 403	175 954
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**259 658**	**301 986**	**301 986**	**259 658**	**301 986**
TOTAL LIABILITIES		**414 717**	**448 391**	**448 391**	**409 306**	**448 391**
NET ASSETS	2	**1 576 369**	**1 476 479**	**1 476 479**	**1 651 729**	**1 476 479**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 512 844	1 365 841	1 365 841	1 588 204	1 365 841
Reserves and funds		63 525	110 639	110 639	63 525	110 639
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 576 369**	**1 476 479**	**1 476 479**	**1 651 729**	**1 476 479**

4.5 Cash Flow & Investments

Table C7: Reflects the Cash flow of the Municipality

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		135 755	145 346	145 346	16 640	50 046	35 973	14 072	39%	145 346
Service charges		426 383	407 609	407 609	34 696	93 496	102 917	(9 422)	-9%	407 609
Other revenue		2 630 179	98 679	98 799	16 738	81 666	111 575	(29 908)	-27%	98 799
Transfers and Subsidies - Operational		85 872	107 341	107 341	1 050	1 108	46 022	(44 914)	-98%	107 341
Transfers and Subsidies - Capital		110 675	61 792	61 792	7 019	8 584	11 864	(3 280)	-28%	61 792
Interest		4 022	41 836	41 836	515	1 613	6 973	(5 360)	-77%	41 836
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees		(2 079 926)	(729 494)	(731 426)	(58 287)	(182 646)	(263 537)	(80 891)	31%	(731 426)
Interest		(13 604)	(11 309)	(11 309)	–	–	(1 885)	(1 885)	100%	(11 309)
Transfers and Subsidies		–	(2 502)	(2 502)	(60)	(251)	(417)	(166)	40%	(2 502)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 299 356**	**119 297**	**117 485**	**18 311**	**53 616**	**49 485**	**(4 131)**	**-8%**	**117 485**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 258	10 000	10 000	310	5 720	1 672	4 048	242%	10 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		–
Payments										
Capital assets		(237 139)	(187 628)	(189 560)	(33 950)	(44 868)	(36 284)	8 584	-24%	(189 560)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(235 881)**	**(177 628)**	**(179 560)**	**(33 640)**	**(39 148)**	**(34 612)**	**4 536**	**-13%**	**(179 560)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		–	50 000	50 000	–	–	8 333	(8 333)	-100%	50 000
Increase (decrease) in consumer deposits		1 874	1 594	1 594	127	324	1 224	(900)	-74%	1 594
Payments										
Repayment of borrowing		–	(24 251)	(24 251)	–	–	(4 042)	(4 042)	100%	(24 251)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**1 874**	**27 343**	**27 343**	**127**	**324**	**5 516**	**5 192**	**94%**	**27 343**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 065 349**	**(30 988)**	**(34 732)**	**(15 203)**	**14 793**	**20 389**			**(34 732)**
Cash/cash equivalents at beginning:		487 521	392 575	392 575	468 952	438 957	392 575			392 575
Cash/cash equivalents at month/year end:		1 552 870	361 587	357 843	453 749	453 749	412 964			357 843

Cash Flow (Table C7)

Operating Activities:

The year-to-date cash from operating activities amounts to R53,616 million in comparison to the budgeted SDBIP projection of R49,485 million. This is a surplus of ± R4,131 million on the budget. The deviation is largely resultant of the payment of suppliers which is less than the budgeted SDBIP projection for August, and the Receipts for Property Rates which are more than initially anticipated. No material deviation is expected at this stage.

Capital & Investments:

The year-to-date cash from capital and investment activities amounts to (R39,148) million in comparison to the budgeted SDBIP projection of (R34,612) million. The deviation represents the actuals for Proceeds of Disposal of PPE and the spending on capital programs not being in line with projections for the year-to-date. No material deviations are expected at this stage.

Cash Flow from Financing Activities:

The year-to-date cash from financing activities amounts to R0,324 million, in comparison with the budgeted SDBIP projection of R5,516 million. The deviation is attributed to the budgeted SDBIP projections not considering the bi- annual payments of borrowings or the expected date when the new loan will be taken up. No material deviations are expected at this stage.

Financial problems and potential risks for the Municipality

Currently there are no risks, and the Municipality has a positive cashflow.

Tables SC5: Investment Portfolio

WC042 Hessequa - Supporting Table SC5 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 ›	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														
FNB MONEY MARKET 62299016686	Call	1	Call		Call	0.000%			2016/06/30	4 137	307	(5 000)	53 326	52 770
NEDBANK	697	11 Months	Fixed Deposits		Fixed Deposits	9.000%			2025/07/14	1 583				1 583
NEDBANK	698	11+ Months	Fixed Deposits		Fixed Deposits	9.017%			2025/08/05	793				793
ABSA	699	11 Months	Fixed Deposits		Fixed Deposits	8.950%			2025/07/30	748				748
ABSA	700	11+ Months	Fixed Deposits		Fixed Deposits	8.950%			2025/08/15	748				748
STANDARD BANK	701	1 Month	Fixed Deposits		Fixed Deposits	8.900%			2024/09/30	-				-
NEDBANK	702	11 Months	Fixed Deposits		Fixed Deposits	8.820%			2025/08/18	694				694
NEDBANK	703	11+ Months	Fixed Deposits		Fixed Deposits	8.820%			2025/09/05	10 694	853	(10 863)		684
NEDBANK	704	11+ Months	Fixed Deposits		Fixed Deposits	8.774%			2025/09/15	10 659	841	(10 841)		659
STANDARD BANK	705	2 Months	Fixed Deposits		Fixed Deposits	8.750%			2024/12/02	-				-
STANDARD BANK	706	11+ Months	Fixed Deposits		Fixed Deposits	8.775%			2025/09/25	15 998	1 298	(16 298)		998
STANDARD BANK	707	11+ Months	Fixed Deposits		Fixed Deposits	8.650%			2025/10/02	10 638				10 638
STANDARD BANK	708	11 Months	Fixed Deposits		Fixed Deposits	8.625%			2025/10/17	21 088				21 088
STANDARD BANK	709	11 Months	Fixed Deposits		Fixed Deposits	8.750%			2025/10/21	21 084				21 084
STANDARD BANK	710	11+ Months	Fixed Deposits		Fixed Deposits	8.800%			2025/11/14	15 883				15 883
STANDARD BANK	711	3 Months	Fixed Deposits		Fixed Deposits	8.550%			2025/03/04	-				-
ABSA	712	11 Months	Fixed Deposits		Fixed Deposits	8.650%			2025/11/24	20 901				20 901
STANDARD BANK	713	11+ Months	Fixed Deposits		Fixed Deposits	8.700%			2025/12/19	20 906				20 906
ABSA	714	10 Months	Fixed Deposits		Fixed Deposits	8.690%			2025/11/13	10 402				10 402
ABSA	715	11 Months	Fixed Deposits		Fixed Deposits	8.740%			2025/12/12	10 405				10 405
ABSA	716	10 Months	Fixed Deposits		Fixed Deposits	8.660%			2025/11/21	5 190				5 190
STANDARD BANK	717	11 Months	Fixed Deposits		Fixed Deposits	8.725%			2025/12/22	10 382				10 382
STANDARD BANK	718	±10 Months	Fixed Deposits		Fixed Deposits	8.600%			2025/12/22	5 148				5 148
STANDARD BANK	719	11 Months	Fixed Deposits		Fixed Deposits	8.675%			2026/01/26	10 299				10 299
STANDARD BANK	720	11 Months	Fixed Deposits		Fixed Deposits	8.675%			2026/01/28	10 292				10 292
ABSA	721	10 Months	Fixed Deposits		Fixed Deposits	8.510%			2026/01/12	5 129				5 129
STANDARD BANK	722	1 Month	Fixed Deposits		Fixed Deposits	8.300%			2025/04/11	-				-
STANDARD BANK	723	10 Months	Fixed Deposits		Fixed Deposits	8.525%			2026/01/14	5 127				5 127
STANDARD BANK	724	11 Months	Fixed Deposits		Fixed Deposits	8.625%			2026/02/13	10 258				10 258
ABSA	725	10 Months	Fixed Deposits		Fixed Deposits	8.390%			2026/02/10	15 283				15 283
STANDARD BANK	726	11 Months	Fixed Deposits		Fixed Deposits	8.450%			2026/03/10	15 285				15 285
STANDARD BANK	727	1 Month	Fixed Deposits		Fixed Deposits	8.225%			2025/05/15	-				-
STANDARD BANK	728	10 Months	Fixed Deposits		Fixed Deposits	8.400%			2026/02/13	5 089				5 089
ABSA	729	10 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/03/09	10 118				10 118
ABSA	730	11 Months	Fixed Deposits		Fixed Deposits	8.160%			2026/04/09	15 178				15 178
ABSA	731	12 Days	Fixed Deposits		Fixed Deposits	8.050%			2025/05/28	0				0
ABSA	732	10 Months	Fixed Deposits		Fixed Deposits	8.180%			2026/03/30	5 036				5 036
ABSA	733	11 Months	Fixed Deposits		Fixed Deposits	8.250%			2026/04/30	10 072				10 072
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%			2026/04/24	5 001				5 001
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/05/29	15 003				15 003
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.188%			2026/06/24	15 003				15 003
ABSA	737	10 Months	Fixed Deposits		Fixed Deposits	8.050%			2026/05/07	15 000				15 000
ABSA	738	11 Months	Fixed Deposits		Fixed Deposits	8.030%			2026/06/08	15 000				15 000
ABSA	739	11 Months	Fixed Deposits		Fixed Deposits	8.120%			2026/06/18	10 000				10 000
ABSA	740	10+ Months	Fixed Deposits		Fixed Deposits	8.020%			2026/06/25	10 000				10 000
ABSA	741	11+ Months	Fixed Deposits		Fixed Deposits	8.050%			2026/07/25	10 000				10 000
ABSA	742	11 Months	Fixed Deposits		Fixed Deposits	7.900%			2026/07/07	15 000				15 000
ABSA	743	11 Months	Fixed Deposits		Fixed Deposits	7.850%			2026/07/15	10 000				10 000
ABSA	744	11+ Months	Fixed Deposits		Fixed Deposits	7.870%			2026/08/14	20 000				20 000
NEDBANK	745	11 Months	Fixed Deposits		Fixed Deposits	7.724%			2026/07/22	10 000				10 000
Municipality sub-total										465 143	3 300	(42 993)	53 326	478 777
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									465 143	3 300	(42 993)	53 326	478 777

HESSEQUA MUNISIPALITEIT
KORTTERMYN BELEGGINGS 2025/09/30

Verw. No	Bankinstelling	Koers/Termyn	Verval Datum	Belê 2024/25	Belê 2024/25	Verwysing	Rente 2024/25	Rente 2025/26	Rente 2024/25 voorsien	Onttrekking 2025/26	Verwys No	Onttrekking 2024/25	Balans30/09/2025
	SALDO 1/07/2025												
697	NEDBANK	11 MNDE @ 9.000%	14 JUL 2025	20 000 000		Tjek 90069738-41 - 2024/08/14	1 583 013.70	64 109.59	1 583 013.70	20 000 000	Kw 792707-08- 15/07/2025	-21 647 123.29	1 583 013.70
698	NEDBANK	11+ MNDE @ 9.017%	05 AUG 2025	10 000 000		Tjek 90069742-43 - 2024/08/14	793 001.92	86 464.38	793 001.92	10 000 000	Kw 794654-55- 22/08/2025	-10 879 466.30	793 001.92
699	ABSA	11 MNDE @ 8.950%	30 JUL 2025	10 000 000		Tjek 90070027-28 - 2024/08/30	747 876.71	71 109.59	747 876.71	10 000 000		-10 818 986.30	747 876.71
700	ABSA	11+ MNDE @ 8.950%	15 AUG 2025	10 000 000		Tjek 90070029-30 - 2024/08/30	747 876.71	110 342.47	747 876.71	10 000 000	Kw 794652-53- 22/08/2025	-10 858 219.18	747 876.71
702	NEDBANK	11 MNDE @ 8.820%	18 AUG 2025	10 000 000		Tjek 90070281-82 - 2024/09/17	693 517.81	115 989.04	693 517.81	10 000 000	Kw 794657-58- 22/08/2025	-10 809 506.85	693 517.81
703	NEDBANK	11+ MNDE @ 8.820	05 SEPT 2025	10 000 000		Tjek 90070283-84 - 2024/09/17	693 517.81	159 484.93	693 517.81	10 000 000	Kw 795061-82- 11/09/2025	-10 853 002.74	693 517.81
704	NEDBANK	11+ MNDE @ 8.774%	15 SEP 2025	10 000 000		Tjek 90070455-56 - 2024/09/30	658 650.96	182 691.51	658 650.96	10 000 000	Kw 796146-47- 16/09/2025	-10 841 342.47	658 650.96
706	STANDARD BANK	11+ MNDE @ 8.775%	25 SEP 2025	15 000 000		Tjek 90070471-73 - 2024/09-30	988 089.04	310 130.14	988 089.04	15 000 000	Kw 796668-69- 30/09/2025	-16 298 219.18	988 089.04
707	STANDARD BANK	11+ MNDE @ 8.850%	02 OCT 2025	10 000 000		Tjek 90070678-79 - 2024/10/11			637 684.93				10 637 684.93
708	STANDARD BANK	11 MNDE @ 8.825%	17 OCT 2025	20 000 000		Tjek 90071410-13 - 2024/11/18			1 088 013.70				21 088 013.70
709	STANDARD BANK	11 MNDE @ 8.750%	21 OCT 2025	20 000 000		Tjek 90071515-18 - 2024/11/21			1 064 383.56				21 064 383.56
710	STANDARD BANK	11+ MNDE @ 8.600%	14 NOV 2025	15 000 000		Tjek 90071519-21 - 2024/11/21			802 849.32				15 802 849.32
712	ABSA	11 MNDE @ 8.650%	14 NOV 2025	20 000 000		Tjek 90072070-73 - 2024/12/23			900 547.94				20 900 547.94
713	STANDARD BANK	11+ MNDE @ 8.700%	19 DEC 2025	20 000 000		Tjek 90072074-77 - 2024/12/23			905 753.42				20 905 753.42
714	ABSA	10 MNDE @ 8.690%	13 NOV 2025	10 000 000		Tjek 90072161-62 - 2025/01/13			402 358.90				10 402 358.90
715	ABSA	11 MNDE @ 8.740%	12 DEC 2025	10 000 000		Tjek 90072163-64 - 2025/01/13			404 673.97				10 404 673.97
716	ABSA	10 MNDE @ 8.660%	21 NOV 2025	5 000 000		Tjek 90072299 - 2025/01/22			189 808.21				5 189 808.21
717	STANDARD BANK	11 MNDE @ 8.725%	22 DEC 2025	10 000 000		Tjek 90072300-01 - 2025/01/22			382 465.75				10 382 465.75
718	STANDARD BANK	±10 MNDE @ 8.600%	22 DEC 2025	5 000 000		Tjek 90072844 - 2025/02/25			148 438.36				5 148 438.36
719	STANDARD BANK	11 MNDE @ 8.675%	26 JAN 2026	10 000 000		Tjek 90072845-46 - 2025/02/25			299 465.75				10 299 465.75
720	STANDARD BANK	11 MNDE @ 8.675%	28 JAN 2026	10 000 000		Tjek 90072925-26 - 2025/02/28			292 335.62				10 292 335.62
721	ABSA	10 MNDE @ 8.510%	12 JAN 2026	5 000 000		Tjek 90073072 - 2025/03/12			129 398.63				5 129 398.63
723	STANDARD BANK	10 MNDE @ 8.525%	14 JAN 2026	5 000 000		Tjek 90073169 - 2025/03/14			127 291.10				5 127 291.10
724	STANDARD BANK	11 MNDE @ 8.625%	13 FEB 2026	10 000 000		Tjek 90073170-71 - 2025/03/14			257 568.49				10 257 568.49
725	ABSA	10 MNDE @ 8.390%	10 FEB 2026	15 000 000		Tjek 90073582-84 - 2025/04/10			282 731.50				15 282 731.50
726	STANDARD BANK	11 MNDE @ 8.450%	10 MAR 2026	15 000 000		Tjek 900733585-87 - 2025/04/10			284 753.42				15 284 753.42
728	STANDARD BANK	10 MNDE @ 8.400%	13 FEB 2026	5 000 000		Tjek 90073605 - 2025/04/15			88 602.74				5 088 602.74
729	ABSA	10 MNDE @ 8.150%	09 MAR 2026	10 000 000		Tjek 90073968-69 - 2025/05/09			118 342.46				10 118 342.46
730	ABSA	11 MNDE @ 8.160%	09 APR 2026	15 000 000		Tjek 90073970-72 - 2025/05/09			177 731.50				15 177 731.50
732	ABSA	10 MNDE @ 8.180%	30 MAR 2026	5 000 000		Tjek 90074387 - 2025/05/30			35 857.53				5 035 857.53
733	ABSA	11 MNDE @ 8.250%	30 APR 2026	10 000 000		Tjek 90074388-89 - 2025/05/30			72 328.76				10 072 328.76
734	ABSA	9+ MNDE @ 8.070%	24 APR 2026	5 000 000		Tjek 90074954 - 2025/06/30			1 105.47				5 001 105.47
735	STANDARD BANK	11 MNDE @ 8.150%	29 MAY 2026	15 000 000		Tjek 90074955-57 - 2025/06/30			3 349.32				15 003 349.32
736	STANDARD BANK	11+ MNDE @ 8.188%	24 JUN 2026	15 000 000		Tjek 90074958-60 - 2025/06/30			3 364.93				15 003 364.93
737	ABSA	10 MNDE @ 8.050%	07 MAY 2026		15 000 000	Tjek 90075009-11 - 2025/07/07							15 000 000.00
738	ABSA	11 MNDE @ 8.090%	08 JUNE 2026		15 000 000	Tjek 90075012-14 - 2025/07/07							15 000 000.00
739	ABSA	11 MNDE @ 8.120%	18 JUNE 2026		10 000 000	Tjek 90075257-88 - 2025/07/18							10 000 000.00
740	ABSA	10+ MNDE @ 8.020%	25 JUNE 2026		10 000 000	Tjek 90075520-21 - 2025/07/31							10 000 000.00
741	ABSA	11+ MNDE @ 8.050%	25 JULY 2026		10 000 000	Tjek 90075522-23 - 2025/07/31							10 000 000.00
742	ABSA	11 MNDE @ 7.900%	07 JUL 2026		15 000 000	Tjek 90075593-95 - 2025/08/07							15 000 000.00
743	ABSA	11 MNDE @7.850%	15 JUL 2026		10 000 000	Tjek 90075664-65 - 2025/08/15							10 000 000.00
744	ABSA	11+ MNDE @7.870%	14 AUG 2026		20 000 000	Tjek 90075828-31 - 2025/08/22							20 000 000.00
745	NEDBANK	11 MNDE @ 7.724%	22 JUL 2026		10 000 000	Tjek 90075832-33 - 2025/08/22							10 000 000.00
				390 000 000.00	115 000 000.00		6 905 544.66	1 100 321.65	16 006 749.94	95 000 000.00		-103 005 866.30	426 006 749.94

CALL DEPOSIT ACCOUNT 2025/2026

Verw. No	Bankinstelling	Koers/Termyn	Verw. No.		Saldo 01/07/2025	Belê 2025/26	Bankkoste	Rente		Verw. No.	Onttrekking 2025/26	Verwys. No.	Balans 30/09/2025
1.	FNB	Wisseland	62299016686		26 571 694.06	79 891 000.00	0.00	307 346.79		0.00	54 000 000.00	Verskeie Dultstukke Aangeheg	52 770 040.85
					26 571 694.06	79 891 000.00	0.00	307 346.79			54 000 000.00		52 770 040.85

478 776 790.79

Development Charges

Development charges for municipal infrastructure are included in investments. Year- to- date revenue from development charges amounts to R1,499 million, compared to a budgeted SDBIP amount of R1,811 million.

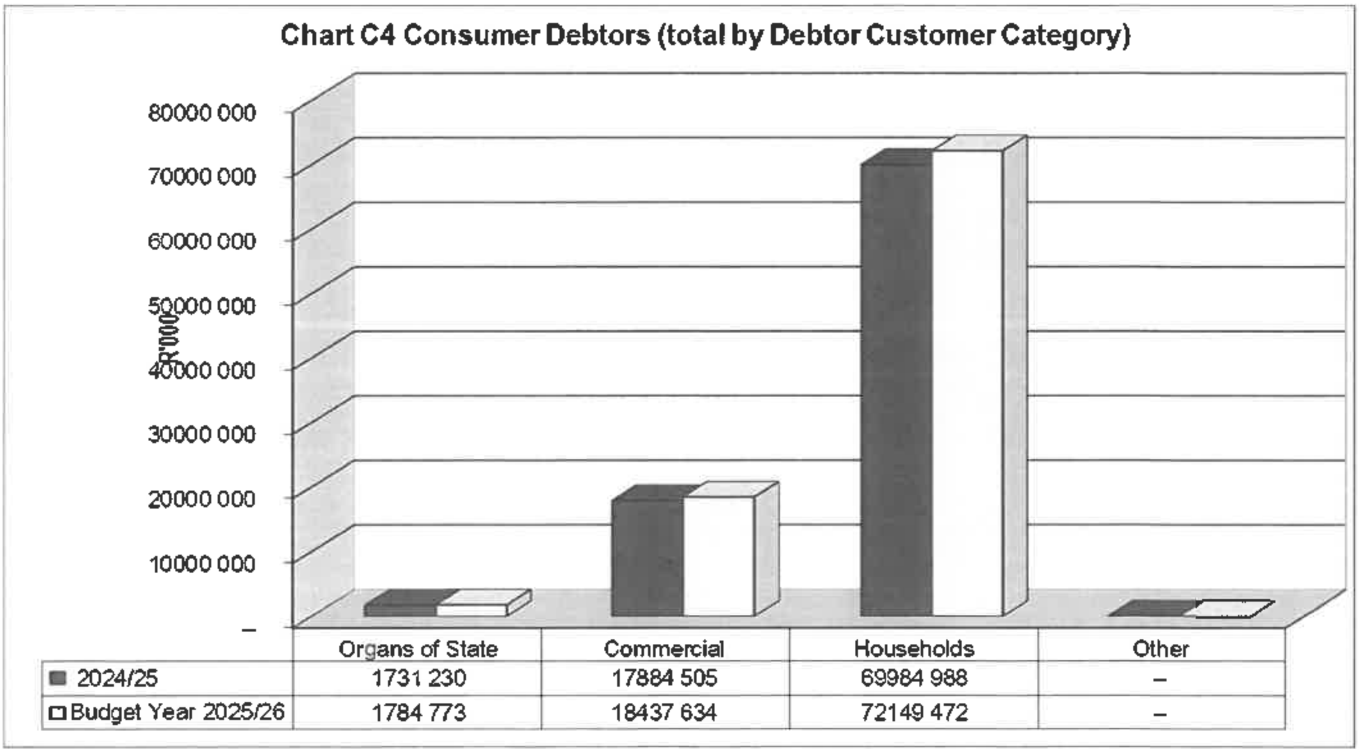
4.6 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description R thousands	NT Code	Budget Year 2025/26 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	4 456	1 364	800	662	557	455	1 911	7 118	17 325	10 704	27	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	13 109	1 484	401	257	203	176	730	2 872	19 231	4 237	(15)	-
Receivables from Non-exchange Transactions - Property Rates	1400	13 647	1 237	473	394	206	179	750	4 174	21 059	5 702	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	2 766	1 126	556	451	384	345	1 470	6 168	13 268	8 818	(6)	-
Receivables from Exchange Transactions - Waste Management	1600	3 045	1 153	584	478	404	362	1 530	4 795	12 351	7 570	31	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	315	297	276	277	252	242	1 286	4 178	7 124	6 235	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	567	814	115	77	21	64	283	2 340	4 282	2 786	(71)	-
Total By Income Source	**2000**	**37 905**	**7 478**	**3 205**	**2 597**	**2 027**	**1 822**	**7 961**	**31 644**	**94 639**	**46 051**	**(33)**	**-**
2024/25 - totals only		53054750 1/2	2997437 5/7	2282633 1/6	2073393 2/9	1955201 5/9	1674591 8/9	8924349	24839325	97 602	39 467	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 326	218	16	12	7	6	52	354	1 991	431	-	-
Commercial	2300	11 687	1 911	420	303	235	249	1 031	4 503	20 340	6 322	-	-
Households	2400	24 892	5 348	2 770	2 282	1 785	1 566	6 878	26 788	72 307	39 296	(33)	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	**2600**	**37 905**	**7 478**	**3 205**	**2 597**	**2 027**	**1 822**	**7 961**	**31 644**	**94 639**	**46 051**	**(33)**	**-**

Debtors, 30 days and older on 30 September 2025, amounts to R59,419 million, in comparison to the amount of R56,734 million for 31 August 2025. This represents an increase of R3,424 million for the month. The debtors' collection rate for September 2025 is 89,50%. Strict credit control measures are being applied.

The graph below compares 2024/2025 to 2025/2026 Outstanding debt by customer classification for the month of September 2025



4.7 Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description R thousands	NT Code	Budget Year 2025/26									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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400	19 033								19 033	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	6 183								6 183	
Auditor General	0800									–	
Other	0900	38 678								38 678	
Medical Aid deductions	0950									–	
Total By Customer Type	1000	63 893	–	–	–	–	–	–	–	63 893	–

Normally the amount for creditors 30 days and older represent some cases where accounts are disputed and are investigated by the Creditors department. Trade and other payables consist of the following: unspent grants (R5,082) million, payments received in advance (R7,627) million, retentions (R15,678) million, and other creditors (R34,405) million. Trade creditors amount to (R6,183) million.

4.8 Grants & Donations

Table SC6: Transfers and grant receipts

WC042 Hessequa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**66 856**	**71 320**	**71 320**	**129**	**28 413**	**27 934**	**479**	**1.7%**	**71 320**
Equitable Share		63 158	67 378	67 378	–	28 074	27 187	887	3.3%	67 378
Expanded Public Works Programme Integrated Grant		1 236	1 351	1 351	16	37	325	(288)	-88.7%	1 351
Local Government Financial Management Grant		1 700	1 800	1 800	50	176	295	(119)	-40.4%	1 800
Municipal Infrastructure Grant		762	791	791	63	127	127	(0)	-0.3%	791
Provincial Government:		**817**	**3 835**	**3 835**	**49**	**161**	**925**	**(764)**	**-82.6%**	**3 835**
Capacity Building and Other Grants		479	1 256	1 256	49	161	277	(115)	-41.7%	1 256
Infrastructure Grant		337	2 579	2 579	–	–	648	(648)	-100.0%	2 579
Other grant providers:		**380**	**600**	**600**	**–**	**–**	**152**	**(152)**	**-100.0%**	**600**
Education Training and Development Practices SETA		78	600	600	–	–	152	(152)	-100.0%	600
Unspecified		301	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	**68 053**	**75 755**	**75 755**	**178**	**28 575**	**29 011**	**(436)**	**-1.5%**	**75 755**
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
								–		
Provincial Government:		**480**	**469**	**469**	**–**	**–**	**117**	**(117)**	**-100.0%**	**469**
Capacity Building and Other Grants		480	469	469	–	–	117	(117)	-100.0%	469
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		**1 500**	–	–	–	–	–	–		–
[insert description]								–		
Developers Contribution		1 500	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	**1 980**	**469**	**469**	**–**	**–**	**117**	**(117)**	**-100.0%**	**469**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	70 033	76 224	76 224	178	28 575	29 128	(554)	-1.9%	76 224

Receipts (Table SC6):

Operating:

The year-to-date receipt is R28,575 million against the budgeted SDBIP projection of R29,011 million. No material deviation is expected at this stage.

Capital:

The year-to-date receipts amount to R0,0 million in comparison with the budgeted SDBIP projection of R0,117 million. No material deviation is expected at this stage.

Transfer and Grant Receipts 30 September 2025	
Row Labels	**Sum of Amount**
EPWP	338 000.00
EQUITABLE SHARE	28 074 000.00
FINANCIAL CAPABILITY GRANT	1 050 000.00
FMG	1 800 000.00
LG Seta	58 372.64
LIBRARY REPLACEMENT FUNDING	2 433 000.00
LIBRRAY CONDITIONAL GRANT	1 499 000.00
MIG	8 584 000.00
Grand Total	**43 836 372.64**

Table SC7: Transfers and grant expenditure

WC042 Hessequa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		3 708	4 039	4 039	353	645	947	(302)	-31.9%	4 039
Equitable Share		84	97	97	16	43	24	19	77.9%	97
Expanded Public Works Programme Integrated Grant		1 233	1 351	1 351	83	120	308	(188)	-61.0%	1 351
Local Government Financial Management Grant		1 629	1 800	1 800	190	355	435	(80)	-18.5%	1 800
Municipal Infrastructure Grant		762	791	791	63	127	180	(53)	-29.4%	791
Provincial Government:		369	3 835	3 835	33	212	951	(740)	-77.8%	3 835
								-		
Capacity Building and Other Grants		31	1 256	1 256	33	212	307	(95)	-31.0%	1 256
Infrastructure Grant		337	2 579	2 579	–	–	645	(645)	-100.0%	2 579
District Municipality:		–	–	–	13	13	–	13	#DIV/0!	–
Capacity Building and Other Grants		–	–	–	13	13	–	13		–
Other grant providers:		323	600	600	–	–	150	(150)	-100.0%	600
Education Training and Development Practices SETA		74	600	600	–	–	150	(150)	-100.0%	600
Unspecified		248	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		4 400	8 474	8 474	399	869	2 048	(1 179)	-57.6%	8 474
Capital expenditure of Transfers and Grants										
National Government:		18 704	15 021	15 021	568	1 385	1 543	(158)	-10.2%	15 021
Integrated National Electrification Programme Grant		3 748	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		490	–	–	–	–	–	–		–
Municipal Infrastructure Grant		14 466	15 021	15 021	568	1 385	1 543	(158)	-10.2%	15 021
Provincial Government:		122 196	47 320	47 320	26 700	36 736	2 580	34 156	1323.9%	47 320
Capacity Building and Other Grants		1 704	1 279	1 279	–	–	320	(320)	-100.0%	1 279
Infrastructure Grant		120 492	46 041	46 041	26 700	36 736	2 260	34 476	1525.3%	46 041
Other grant providers:		2 510	–	–	–	–	–	–		–
Developers Contribution		1 181	–	–	–	–	–	–		–
Unspecified		1 329	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		143 410	62 341	62 341	27 268	38 121	4 123	33 998	824.7%	62 341
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		147 809	70 815	70 815	27 667	38 990	6 171	32 819	531.9%	70 815

Expenditure (Table SC7)

Operating:

The year-to-date expenditure is R0,869 million against the budgeted SDBIP projection of R2,048 million. No deviation is expected at this stage.

Capital:

The year-to-date expenditure from capital grants amounts to R38,121 million. The budgeted SDBIP projection for the year-to-date is R4,123 million. The deviation is attributed to the Solar Project where expenditure is outperforming the year-to-date SDBIP budgeted projections. No deviation is expected at this stage.

4.9 Employee Related Costs
Table SC8: Councillor and Staff benefits

WC042 Hessequa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 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)										
Pension and UIF Contributions		491	440	440	81	121	110	11	10%	440
Medical Aid Contributions		147	168	168	26	39	42	(3)	-7%	168
Cellphone Allowance		799	860	860	133	200	215	(15)	-7%	860
Other benefits and allowances		7 691	8 222	8 222	1 272	1 880	2 055	(176)	-9%	8 222
Sub Total - Councillors		**9 128**	**9 690**	**9 690**	**1 512**	**2 239**	**2 422**	**(183)**	**-8%**	**9 690**
% increase	4		**6.2%**	**6.2%**						**6.2%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 770	7 617	7 617	516	1 548	1 840	(291)	-16%	7 617
Pension and UIF Contributions		1 060	1 488	1 488	95	286	360	(74)	-20%	1 488
Medical Aid Contributions		164	210	210	15	45	48	(3)	-7%	210
Performance Bonus		1 045	1 511	1 511	–	–	367	(367)	-100%	1 511
Motor Vehicle Allowance		798	833	833	73	220	189	30	16%	833
Cellphone Allowance		47	141	141	4	13	35	(22)	-64%	141
Housing Allowances		13	14	14	1	4	3	0	7%	14
Other benefits and allowances		201	116	116	25	74	26	48	180%	116
Payments in lieu of leave		26	–	–	–	–	–	–		–
Long service awards		–	106	106	–	–	24	(24)	-100%	106
Sub Total - Senior Managers of Municipality		**9 125**	**12 037**	**12 037**	**730**	**2 189**	**2 892**	**(703)**	**-24%**	**12 037**
% increase	4		**31.9%**	**31.9%**						**31.9%**
Other Municipal Staff										
Basic Salaries and Wages		144 409	170 552	170 546	12 987	38 705	38 808	(103)	0%	170 546
Pension and UIF Contributions		26 468	30 743	30 743	2 373	7 103	6 987	117	2%	30 743
Medical Aid Contributions		7 476	9 606	9 606	674	2 022	2 183	(161)	-7%	9 606
Overtime		8 374	7 884	7 910	634	1 795	1 794	0	0%	7 910
Performance Bonus		11 421	15 812	15 812	–	73	3 594	(3 521)	-98%	15 812
Cellphone Allowance		870	943	943	82	245	214	30	14%	943
Housing Allowances		1 367	905	905	69	209	206	3	1%	905
Other benefits and allowances		9 364	9 287	9 267	883	2 568	2 109	459	22%	9 267
Payments in lieu of leave		1 371	–	–	–	1	–	1	#DIV/0!	–
Long service awards		2 208	1 754	1 754	145	320	399	(79)	-20%	1 754
Post-retirement benefit obligations	2	8 208	10 605	10 605	290	878	2 410	(1 532)	-64%	10 605
In kind benefits		0	1	1	–	–	0	(0)	-100%	1
Sub Total - Other Municipal Staff		**221 537**	**258 092**	**258 092**	**18 137**	**53 918**	**58 704**	**(4 786)**	**-8%**	**258 092**
% increase	4		**16.5%**	**16.5%**						**16.5%**
Total Parent Municipality		**239 790**	**279 818**	**279 818**	**20 379**	**58 346**	**64 018**	**(5 672)**	**-9%**	**279 818**
TOTAL SALARY, ALLOWANCES & BENEFITS		**239 790**	**279 818**	**279 818**	**20 379**	**58 346**	**64 018**	**(5 672)**	**-9%**	**279 818**
% increase	4		**16.7%**	**16.7%**						**16.7%**
TOTAL MANAGERS AND STAFF		**230 661**	**270 128**	**270 128**	**18 866**	**56 107**	**61 596**	**(5 489)**	**-9%**	**270 128**

5. Cost Containment Report

Cost Containment Monthly Report					
Cost Containment Measures	**Budget YTD**	**Jul-25**	**Aug-25**	**Sept-25**	**Savings**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
Use of consultants	4 513	105	302	573	3 533
Overtime	1 794	619	541	635	- 1
Vehicles used for political office-bearers	-	-	-	-	-
Travel and subsistence	459	149	68	301	- 59
Domestic accommodation	193	44	101	94	- 46
Sponsorships and catering	86	42	39	23	- 18
Communication	231	4	12	11	204
Conferences, Meetings & Study tours	261	26	84	84	67
Other related expenditure items (Events)	66	12	38	13.00	3
Total	**7 603**	**1 001**	**1 185**	**1 734**	**3 683**

QUALITY CERTIFICATE

I, **ASA de Klerk**, the municipal manager of **Hessequa Municipality**, hereby certify that –

- **The monthly budget statement**

For the month of **September 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: **A S A de Klerk**

Municipal Manager of Hessequa Municipality – WC042

Signature

Date 14 October 2025