Hessequa Municipality

Financial Management Report
MFMA Section 52 Report

2nd Quarter 2026 Report

Prepared in terms of Section 52 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 31 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

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Glossary

Adjustments Budget – Prescribed in Section 28 of the MFMA. The formal means by which a municipality may 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 rateables 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

1. Introduction

1.1 Purpose

To comply with section 52(d) of the Municipal Finance Management Act (MFMA), by submission of a report to the Council on the implementation of the budget and the financial of the municipality.

1.2 Strategic Objective

This report provides a quarterly view of the budget and its implementation and thus enables monitoring. It also provides an overview of the financial performance of the municipality.

1.3 Background

Section 52 (d) of the MFMA requires that:

'The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial of the municipality.'

Section 75 (1) (k) of the MFMA requires that one should place the following documents of the municipality on the website:

"All quarterly reports tabled in the council in terms of section 52 (d)."

2. Resolutions

Section 52 (d) of the MFMA requires that the mayor submit a report to the council on the implementation of the budget and financial state of affairs of the municipality.

In adherence to the MFMA and the related budget and reporting Regulations, the following resolution needs to be taken by Council:

That council takes cognizance of the Finance Management Report (MFMA Section 52 report) for the quarter ending **31 December 2025** on the implementation of the budget and financial state of affairs of the municipality.

3. Executive Summary

3.1 Budget progress Report

The following provides a summary of the municipality's performance on the Capital and Operational budget as of **31 December 2025.**

Revenue by Source

The year-to-date revenue excluding Capital Transfers at the end of December 2025 is R404,229 million, compared to the SDBIP budget of R442,170 million, resulting in a variance of 9%. When including Transfers recognized – capital, the revenue to date is R444,134 million compared to An SDBIP budget of R476,535 million.

Operating Expenditure

The expenditure to date is R335,078 million compared to an SDBIP budget of R407,009 million.

Capital Expenditure

The year-to-date expenditure on capital is R81,432 million against an SDBIP budget of R97,037 million.

Cash Flows

Cash/cash equivalents at the end of December 2025 is R449,930 million.

Table C1: Monthly Budget Statement Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M06 December

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	12 704	82 092	83 594	(1 502)	-2%	148 312
Service charges	365 374	384 481	384 481	33 801	185 105	200 439	(15 334)	-8%	384 481
Investment revenue	46 305	36 046	36 046	19 741	5 212	11 512	(6 300)	-55%	36 046
[illegible]	68 063	75 755	75 755	22 791	52 098	52 983	(885)	(0)	75 755
Other own revenue	148 402	162 747	162 747	23 606	79 721	93 642	(13 921)	-15%	162 747
Total Revenue (excluding capital transfers and contributions)	768 330	807 340	807 340	112 643	404 229	442 170	(37 941)	-9%	807 340
Employee costs	230 661	270 128	270 128	23 116	124 499	146 937	(22 438)	-15%	270 128
Remuneration of Councillors	9 128	9 690	9 690	771	4 563	4 845	(282)	-6%	9 690
[illegible]	44 248	52 188	52 188	23 199	23 199	23 485	(286)	-1%	52 188
Interest	21 681	19 809	19 809	5 993	5 993	5 654	339	6%	19 809
Inventory consumed and bulk purchases	227 444	259 979	256 056	22 327	118 599	129 013	(10 414)	-8%	256 056
[illegible]	2 613	2 502	2 502	80	1 375	1 251	124	10%	2 502
Other expenditure	153 821	191 601	195 525	12 332	56 850	95 824	(38 974)	-41%	195 525
Total Expenditure	689 597	805 898	805 898	87 818	335 078	407 009	(71 931)	-18%	805 898
Surplus/(Deficit)	78 733	1 442	1 442	24 825	69 151	35 161	33 990	97%	1 442
Transfers and subsidies - capital (monetary	161 096	62 341	62 341	96	39 905	34 365	5 540	16%	62 341
Transfers and subsidies - capital (in-kind)	591	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	240 420	63 783	63 783	24 921	109 056	69 527	39 530	57%	63 783
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	240 420	63 783	63 783	24 921	109 056	69 527	39 530	57%	63 783
Capital expenditure & funds sources									
Capital expenditure	237 139	187 628	189 560	21 264	81 432	97 037	(15 604)	-16%	189 560
Capital transfers recognised	143 410	62 341	62 341	2 817	42 116	16 681	25 435	152%	62 341
Borrowing	-	50 000	50 000	8 636	15 407	28 350	(12 943)	-46%	50 000
Internally generated funds	93 729	76 287	77 219	9 811	23 909	52 006	(28 097)	-54%	77 219
Total sources of capital funds	237 139	187 628	189 560	21 264	81 432	97 037	(15 604)	-16%	189 560
Financial position									
Total current assets	529 808	453 099	451 167		573 805				451 167
Total non current assets	1 460 495	1 471 771	1 473 703		1 517 859				1 473 703
Total current liabilities	158 301	146 405	146 405		162 367				146 405
Total non current liabilities	259 658	301 986	301 986		247 896				301 986
Community wealth/Equity	1 572 345	1 476 479	1 476 479		1 681 461				1 476 479
Cash flows									
Net cash from (used) operating	1 299 356	119 297	117 485	7 413	98 379	78 825	(19 553)	-25%	117 485
Net cash from (used) investing	(235 881)	(177 628)	(179 560)	(22 134)	(76 242)	(86 539)	(10 297)	12%	(179 560)
Net cash from (used) financing	945	27 343	27 343	(11 661)	(71 163)	12 352	23 515	190%	27 343
Cash/cash equivalents at the month/year end	1 551 941	381 587	357 843	685 609	449 930	397 214	(52 716)	-13%	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	37 876	6 821	3 917	3 070	3 433	2 878	8 802	32 671	99 468
Creditors Age Analysis									
Total Creditors	67 870	-	-	-	-	-	-	-	67 870

4. Operating Revenue and Expenditure

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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	21 342	117 599	128 193	(10 594)	-8%	256 387
Service charges - Water		59 596	58 186	58 186	5 172	28 875	36 922	(8 047)	-22%	58 186
Service charges - Waste Water Management		31 842	32 413	32 413	2 868	17 511	16 411	1 100	7%	32 413
Service charges - Waste management		37 892	37 496	37 496	3 420	21 119	18 913	2 207	12%	37 496
Sale of Goods and Rendering of Services		51 900	52 668	52 668	3 224	9 857	29 338	(19 480)	-66%	52 668
Agency services		3 213	3 716	3 716	252	1 710	1 600	110	7%	3 716
Interest								–		
Interest earned from Receivables		3 440	3 019	3 019	305	1 734	1 534	200	13%	3 019
Interest from Current and Non Current Assets		46 305	36 046	36 046	19 741	5 212	11 512	(6 300)	-55%	36 046
Dividends								–		
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		4 431	4 622	4 622	319	2 907	2 613	293	11%	4 622
Licence and permits		2	–	–	0	1	–	1	#DIV/0!	–
Special rating levies								–		
Operational Revenue		5 028	11 390	11 390	146	4 269	5 666	(1 398)	-25%	11 390
Non-Exchange Revenue								–		
Property rates		140 197	148 312	148 312	12 704	82 092	83 594	(1 502)	-2%	148 312
Surcharges and Taxes								–		
Fines, penalties and forfeits		44 899	60 606	60 606	18 128	45 480	32 899	12 580	38%	60 606
Licence and permits		2 344	2 552	2 552	238	1 158	1 225	(67)	-5%	2 552
Transfers and subsidies - Operational		68 053	75 755	75 755	22 791	52 098	52 983	(885)	-2%	75 755
Interest		837	911	911	67	389	503	(114)	-23%	911
Fuel Levy								–		
Operational Revenue		11 374	13 264	13 264	927	6 158	13 264	(7 106)	-54%	13 264
Gains on disposal of Assets		1 258	10 000	10 000	–	6 060	5 000	1 060	21%	10 000
Other Gains		19 676	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**768 330**	**807 340**	**807 340**	**112 643**	**404 229**	**442 170**	(37 941)	-9%	**807 340**
Expenditure By Type										
Employee related costs		230 661	270 128	270 128	23 116	124 499	146 937	(22 438)	-15%	270 128
Remuneration of councillors		9 128	9 690	9 690	771	4 563	4 845	(282)	-6%	9 690
Bulk purchases - electricity		187 077	212 192	212 192	18 464	96 302	106 096	(9 794)	-9%	212 192
Inventory consumed		40 368	47 787	43 863	3 863	22 297	22 917	(620)	-3%	43 863
Debt impairment		31 801	4 014	4 014	–	–	2 007	(2 007)	-100%	4 014
Depreciation and amortisation		44 248	52 188	52 188	23 199	23 199	23 485	(286)	-1%	52 188
Interest		21 681	19 809	19 809	5 993	5 993	5 654	339	6%	19 809
Contracted services		71 920	81 852	85 653	4 815	24 384	41 836	(17 452)	-42%	85 653
Transfers and subsidies		2 613	2 502	2 502	80	1 375	1 251	124	10%	2 502
Irrecoverable debts written off		8 212	56 546	56 546	1 329	5 831	27 319	(21 488)	-79%	56 546
Operational costs		37 914	49 189	49 312	5 318	25 764	24 661	1 103	4%	49 312
Losses on Disposal of Assets		1 065	–	–	870	870	–	870	#DIV/0!	–
Other Losses		2 908	–	–	–	–	–	–		–
Total Expenditure		**689 597**	**805 898**	**805 898**	**87 818**	**335 078**	**407 009**	(71 931)	-18%	**805 898**
Surplus/(Deficit)		**78 733**	**1 442**	**1 442**	**24 825**	**69 151**	**35 161**	33 990	0	**1 442**
Transfers and subsidies - capital (monetary allocations)		161 096	62 341	62 341	96	39 905	34 365	5 540	0	62 341
Transfers and subsidies - capital (in-kind)		591	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	39 530	0	**63 783**
Income Tax								–		
Surplus/(Deficit) after income tax		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	39 530	0	**63 783**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	39 530	0	**63 783**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**240 420**	**63 783**	**63 783**	**24 921**	**109 056**	**69 527**	39 530	0	**63 783**

4.1 Revenue by Source (Table C4)

Exchange Revenue

Service Levies:
Electricity Service

Levies for the year-to-date stand at R117,599 million, in comparison with the budgeted SDBIP amount of R128,193 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 as another provision will be made at year-end.

Water Service

Levies for the year-to-date stands at R28,875 million, in comparison with the budgeted SDBIP projection of R36,922 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 as another provision will be made at year-end.

Sewerage Service

Levies for the year-to-date stand at R17,511 million, in comparison with the budgeted SDBIP projection of R16,411 million. The deviation will be assessed during the mid-year budget and performance assessment. The budget will be adjusted during the main adjustments budget if necessary.

Refuse Removal Service

Levies for the year-to-date stands at R21,119 million, in comparison with the budgeted SDBIP projection of R18,913 million. The revenue for the year-to-date is more than projected during the budgeting process. The deviation will be assessed during the mid-year budget and performance assessment. The budget will be adjusted during the main adjustments budget if necessary.

Sale of Goods and Rendering of Services

Revenue for the year-to-date stands at R9,857 million, in comparison with the budgeted SDBIP projection of R29,338 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 R1,710 million, in comparison with the budgeted SDBIP projection of R1,600 million. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stands at R1,734 million, in comparison with the budgeted SDBIP projection of R1,534 million. No deviation is expected at this stage.

Interest earned from Current and Non- Current Assets
Revenue for the year-to-date amounts to R5,212 million, in comparison with the budgeted SDBIP projection of R11,512 million. The deviation is due to a provisions journal in respect of interest for 2024/2025 being reversed in October 2025. Another provision will be processed at year-end for 2025/2026. No material deviations are expected at year-end at this stage.

Rental from Fixed Assets
Levies and revenue for the year-to-date stands at R2,907 million, in comparison with the budgeted SDBIP projection of R2,613 million. No material 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 R4,269 million, in comparison with the budgeted SDBIP projection of R5,666 million. The deviation can be attributed to development charges that are currently behind budgeted projections. The deviation will be assessed during the mid-year budget and performance assessment. The budget will be adjusted during the main adjustments budget if necessary.

Non- Exchange Revenue

Property Rates:

Levies for the year-to-date amounts to R82,092 million, in comparison with the budget of R83,594 million. The deviation is attributed to a misalignment between the projections and the actual levies for the year-to-date. 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 R45,480 million, in comparison with the budgeted SDBIP projection of R32,899 million. Fines issued and cash receipts for the year-to-date overperformed when compared to the SDBIP projections and the prior year's revenue. The budget will be adjusted during the main adjustments budget to bring it into alignment with actual performance.

Licenses & Permits
Revenue for the year-to-date stands at R1,158 million, in comparison with the budgeted SDBIP projection of R1,225 million. No deviation is expected at this stage.

Grants & Subsidies - Operating:

Revenue for the year-to-date stands at R52,098 million, in comparison with the budgeted SDBIP projection of R52,983 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 R39,905 million, in comparison with the budgeted SDBIP projection of R34,365 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 stand R0,389 million, in comparison with the budgeted SDBIP projection of R0,503 million. No deviation is expected at this stage.

Operational Revenue:

Revenue for the year-to-date stands at R6,158 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 corrected during the main adjustments budget. No material deviation is expected at year-end at this stage.

Sale of land and PPE:

Revenue for the year-to-date stands at R6,060 million, in comparison with the budgeted SDBIP projection of R5,000 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 R124,499 million, in comparison with the budgeted SDBIP projection of R146,937 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. The deviation will be assessed during the mid-year budget and performance assessment. The budget will be adjusted during the main adjustments budget if necessary.

Councillors' Remuneration:

The expenditure for the period to date amounts to R4,563 million in comparison with the budgeted SDBIP projection of R4,845 million. No material deviations are expected at this stage.

Bulk purchases- electricity:

The expenditure for the year-to-date is R96,302 million, in comparison with the budgeted SDBIP projection of R106,096 million. The deviation can be attributed to instances where the last invoice for a month is only received at the start of the following month. Payment for invoices received after the end of December 2025 will be made in January 2026. No material deviations are expected at this stage.

Inventory Consumed

The expenditure for the year-to-date is R22,297 million, in comparison with the budgeted SDBIP projection of R22,917 million. No deviation is expected at year-end at this stage.

Debt Impairment:

The expenditure for the period to date amounts to R0,000 million, in comparison with the budgeted SDBIP projection of R2,007 million. Debt impairment will be assessed during the mid-year budget and performance assessment. Adjustments will be made during the main adjustment budget if necessary.

Depreciation:

The year-to-date expenditure is R23,199 million, in comparison with the budgeted SDBIP projection of R23,485 million.

Interest on External Borrowing:

The year-to-date expenditure is R5,993 million in comparison with the budgeted SDBIP projection of R5,654 million. Interest payments are made bi- annually in December and June.

Contracted Services:

The expenditure for the year-to-date is R24,384 million, in comparison with the budgeted SDBIP projection of R41,836 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 R1,375 million in comparison with the budgeted SDBIP projection of R1,251 million. No material deviations are expected at this stage.

Irrecoverable debts written off:

The expenditure for the period to date amounts to R5,831 million, in comparison with the budgeted SDBIP projection of R27,319 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 R25,764 million, in comparison with the budgeted SDBIP projection of R24,661 million. No material deviations are expected at year-end at this stage.

5 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) - M06 December

Vote 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
Multi-Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		329	250	249	9	200	250	(50)	-20%	249
Vote 03 - Financial Services		–	–	–	–	–	–	–		–
Vote 04 - Community Services		512	1 020	1 072	44	182	298	(116)	-39%	1 072
Vote 05 - Technical Services		193 083	126 801	126 805	11 484	57 575	57 122	453	1%	126 805
Vote 06 - Spatial Plannign & Environmental Management		77	51	51	–	48	1	47	4691%	51
Total Capital Multi-year expenditure	4,7	**194 001**	**128 122**	**128 177**	**11 538**	**58 006**	**57 672**	**334**	**1%**	**128 177**
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		55	148	148	17	132	148	(16)	-11%	148
Vote 02 - Corporate Services		1 864	4 167	4 168	1 823	2 514	3 537	(1 023)	-29%	4 168
Vote 03 - Financial Services		258	758	758	407	695	688	6	1%	758
Vote 04 - Community Services		6 410	3 171	3 550	152	264	2 341	(2 077)	-89%	3 550
Vote 05 - Technical Services		33 903	50 301	51 359	7 299	19 653	32 220	(12 567)	-39%	51 359
Vote 06 - Spatial Plannign & Environmental Management		647	961	1 401	27	170	431	(261)	-61%	1 401
Total Capital single-year expenditure	4	43 138	59 506	61 383	9 726	23 426	39 365	(15 938)	-40%	61 383
Total Capital Expenditure		**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Capital Expenditure - Functional Classification										
Governance and administration		**2 044**	**16 417**	**15 977**	**2 421**	**3 962**	**15 002**	**(11 040)**	**-74%**	**15 977**
Executive and council		51	148	148	17	132	148	(16)	-11%	148
Finance and administration		1 994	16 269	15 829	2 404	3 831	14 854	(11 024)	-74%	15 829
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**10 032**	**7 982**	**8 413**	**513**	**1 314**	**6 400**	**(5 086)**	**-79%**	**8 413**
Community and social services		479	1 002	1 054	173	424	731	(307)	-42%	1 054
Sport and recreation		2 926	3 551	3 551	248	697	3 520	(2 824)	-80%	3 551
Public safety		2 932	1 183	1 562	91	191	523	(332)	-64%	1 562
Housing		3 694	2 246	2 246	1	2	1 626	(1 624)	-100%	2 246
Health								–		
Economic and environmental services		**47 696**	**34 928**	**35 368**	**8 524**	**9 973**	**24 388**	**(14 415)**	**-59%**	**35 368**
Planning and development		66	47	487	7	29	147	(118)	-80%	487
Road transport		47 424	34 386	34 386	8 512	9 866	24 191	(14 325)	-59%	34 386
Environmental protection		206	495	495	6	78	50	28	57%	495
Trading services		**176 910**	**127 831**	**129 332**	**9 790**	**66 072**	**51 010**	15 062	30%	**129 332**
Energy sources		150 472	78 821	78 821	4 290	48 864	26 768	22 096	83%	78 821
Water management		13 679	21 900	21 900	4 134	6 609	12 000	(5 391)	-45%	21 900
Waste water management		8 246	18 530	20 031	1 305	3 042	9 862	(6 821)	-69%	20 031
Waste management		4 514	8 580	8 580	61	7 557	2 380	5 177	218%	8 580
Other		457	470	470	15	111	236	(125)	-53%	470
Total Capital Expenditure - Functional Classification	3	**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**
Funded by:										
National Government		18 704	15 021	15 021	2 539	5 005	11 521	(6 516)	-57%	15 021
Provincial Government		122 196	47 320	47 320	278	37 111	5 160	31 951	619%	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**	**2 817**	**42 116**	**16 681**	**25 435**	**152%**	**62 341**
Borrowing	6	–	50 000	50 000	8 636	15 407	28 350	(12 943)	-46%	50 000
Internally generated funds		93 729	75 287	77 219	9 810	23 909	52 005	(28 097)	-54%	77 219
Total Capital Funding		**237 139**	**187 628**	**189 560**	**21 264**	**81 432**	**97 037**	**(15 604)**	**-16%**	**189 560**

5.1 CAPITAL FUNDING:

External Loans:

The total financing for the year-to-date is R15,407 million in comparison with the budgeted SDBIP projection of R28,350 million. The deviation can be attributed to several projects that are behind schedule, including the acquisition of a new municipal building which will not go ahead as initially planned. Spending will be reviewed during the main adjustments budget process and funds will be reprioritized if the need arises.

Internal Financing:

The total financing for the year-to-date is R23,909 million, in comparison with the budgeted SDBIP projection of R52,005 million. The deviation can be attributed to several projects that are behind schedule. Projects are expected to be sped up during the third quarter and funds will be reprioritized where necessary. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed by grants, is R42,116 million in comparison with the budgeted SDBIP projection of R16,681 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.

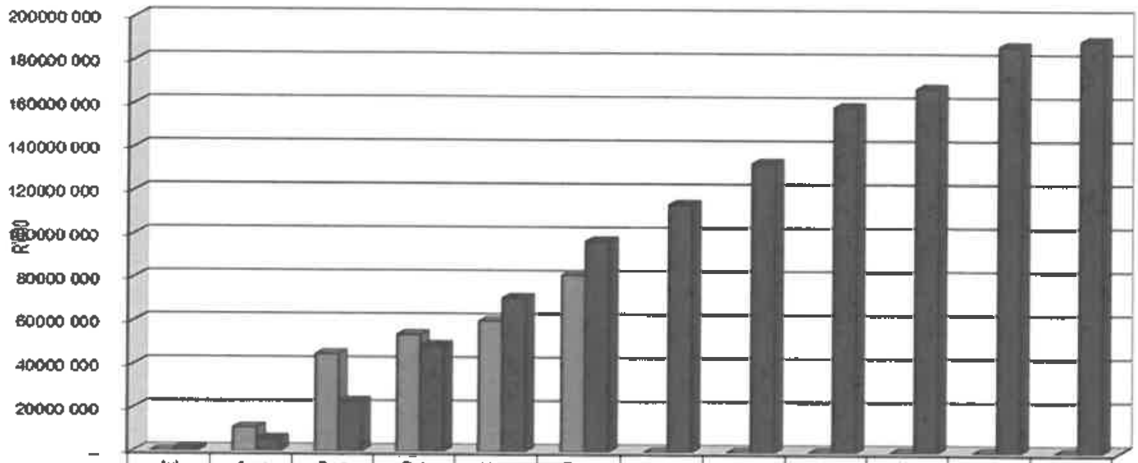
5.2 CAPITAL EXPENDITURE

The total capital expenditure for the year amounts to R81,432 million in comparison with the budgeted SDBIP projection of R97,037 million. The deviation is largely attributable to the acquisition of a new municipal building which will currently not go ahead as initially planned for 2025/26, and the new water treatment works in Heidelberg which is currently still awaiting the final Environmental Impact Assessment study.

Capital Commitments on 31 December 2025 were R8,432 million.

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

Chart C2 2025/26 Capital Expenditure: YTD actual v YTD target



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	–	10917 81	44808 21	53866 89	60168 41	81432 03	–	–	–	–	–	–
YearTD budget	1416 178	5815 135	23023 14	48877 90	70871 70	97036 51	114053 3	133119 1	158915 9	167509 7	187036 5	189560 2

6 Financial Position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		438 957	361 587	359 655	449 930	359 655
Trade and other receivables from exchange transactions		46 673	39 333	39 333	40 214	39 333
Receivables from non-exchange transactions		28 565	34 634	34 634	61 996	34 634
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 775	4 509	4 509	4 487	4 509
VAT		9 774	11 975	11 975	16 114	11 975
Other current assets		1 064	1 060	1 060	1 064	1 060
Total current assets		**529 808**	**453 099**	**451 167**	**573 805**	**451 167**
Non current assets						
Investments						
Investment property		123 789	105 082	105 082	123 789	105 082
Property, plant and equipment		1 328 076	1 357 779	1 359 711	1 385 446	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	172	174
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets						
Total non current assets		**1 460 495**	**1 471 771**	**1 473 703**	**1 517 859**	**1 473 703**
TOTAL ASSETS		**1 990 303**	**1 924 870**	**1 924 870**	**2 091 664**	**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	26 710	12 676
Trade and other payables from exchange transactions		78 189	80 225	80 225	49 806	80 225
Trade and other payables from non-exchange transactions		3 643	–	–	17 984	–
Provision		12 177	18 787	18 787	12 177	18 787
VAT		24 464	10 417	10 417	31 463	10 417
Other current liabilities		–	–	–	–	–
Total current liabilities		**158 301**	**146 405**	**146 405**	**162 367**	**146 405**
Non current liabilities						
Financial liabilities		98 254	126 032	126 032	86 492	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**	**247 896**	**301 986**
TOTAL LIABILITIES		**417 958**	**448 391**	**448 391**	**410 263**	**448 391**
NET ASSETS	2	**1 572 345**	**1 476 479**	**1 476 479**	**1 681 401**	**1 476 479**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 508 820	1 365 841	1 365 841	1 617 876	1 365 841
Reserves and funds		63 525	110 639	110 639	63 525	110 639
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 572 345**	**1 476 479**	**1 476 479**	**1 681 401**	**1 476 479**

7 Cash Flow & Investments

Table C7: Reflects the Cash flow of the Municipality.

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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	12 316	93 391	72 310	21 081	29%	145 346
Service charges		426 383	407 609	407 609	31 214	190 459	204 820	(14 361)	-7%	407 609
Other revenue		2 630 179	98 679	98 799	19 282	139 485	136 274	3 211	2%	98 799
Transfers and Subsidies - Operational		85 872	107 341	107 341	–	7 353	72 858	(65 505)	-90%	107 341
Transfers and Subsidies - Capital		110 675	61 792	61 792	–	46 638	27 312	19 326	71%	61 792
Interest		4 022	41 836	41 836	19 829	5 776	17 432	(11 655)	-67%	41 836
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees		(2 079 926)	(729 494)	(731 426)	(69 155)	(377 559)	(446 425)	(68 866)	15%	(731 426)
Interest		(13 604)	(11 309)	(11 309)	(5 993)	(5 993)	(4 712)	1 281	-27%	(11 309)
Transfers and Subsidies		–	(2 502)	(2 502)	(80)	(1 172)	(1 043)	129	-12%	(2 502)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 299 356**	**119 297**	**117 485**	**7 413**	**98 379**	**78 825**	**(19 553)**	**-25%**	**117 485**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 258	10 000	10 000	(870)	5 190	4 172	1 018	24%	10 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		
Payments										
Capital assets		(237 139)	(187 628)	(189 560)	(21 264)	(81 432)	(90 710)	(9 278)	10%	(189 560)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(235 881)**	**(177 628)**	**(179 560)**	**(22 134)**	**(76 242)**	**(86 539)**	**(10 297)**	**12%**	**(179 560)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–		
Borrowing long term/refinancing		–	50 000	50 000	–	–	20 833	(20 833)	-100%	50 000
Increase (decrease) in consumer deposits		945	1 594	1 594	100	598	1 623	(1 024)	-63%	1 594
Payments										
Repayment of borrowing		–	(24 251)	(24 251)	(11 762)	(11 762)	(10 105)	1 657	-16%	(24 251)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**945**	**27 343**	**27 343**	**(11 661)**	**(11 163)**	**12 352**	**23 515**	**190%**	**27 343**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 064 420**	**(30 988)**	**(34 732)**	**(26 382)**	**10 973**	**4 639**			**(34 732)**
Cash/cash equivalents at beginning:		487 521	392 575	392 575	711 891	438 957	392 575			392 575
Cash/cash equivalents at month/year end:		1 551 941	361 587	357 843	685 509	449 930	397 214			357 843

7.1 Cash Flow (Table C7)

Operating Activities:

The year-to-date cash from operating activities amounts to R98,379 million in comparison to the budgeted SDBIP projection of R78,825 million. This translates to a surplus of ± R19,553 million on the budgeted projection. The deviation is largely resultant of misalignment between the budgeted projections and actual receipts and payments to date. The deviation is expected to decrease as the year progresses. No material deviation is expected at this stage.

Capital & Investments:

The year-to-date cash from capital and investment activities amounts to (R76,242) million in comparison to the budgeted SDBIP projection of (R86,539) 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 (R11,163) million, in comparison with the budgeted SDBIP projection of R12,353 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. The projections will be adjusted during the main adjustments budget. No material deviations are expected at year-end at this stage.

Financial problems and potential risks for the Municipality

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

Loan Register

DECEMBER 2025

SUMMARY OF EXTERNAL LOANS FOR DECEMBER 2025

Lending Institition	Loan Reference No.	Balance 01/12/2025	New Loans taken up during month	Repayments during the month	Balance 31/12/2025	Total outstanding loan per Institution	Interest	Total instalment	Cheque / ACB No.
DBSA	WC12007420/61006812	0.00			0.00				
DBSA	WC12007748/61007148	0			0.00				
DBSA	WC12007830 B/61007233	0			0.00			0.00	
DBSA	61007562	15 290 598		1 618 966.52	13 671 631.79	13 671 631.79	709 148.63	2 328 115.15	
FNB	4-000-019-445-833	0			0.00				
NEDBANK	57831030611002	0			0.00				
STANDARD BANK	280033036000/536633	6 705 250		3 258 547.94	3 446 701.91		380 608.35	3 639 156.29	
ABSA	4068858722	5 729 301		1 325 220.26	4 404 080.80		294 595.95	1 619 816.21	
CONSESSIONARY LOAN									
STANDARD BANK	606256	17 551 039		1 464 044.16	16 086 994.52		688 346.93	2 152 391.09	
STANDARD BANK	654745	42 018 526		2 714 624.04	39 303 901.48		1 874 601.83	4 589 225.87	
STANDARD BANK	797131	35 166 957		1 380 483.16	33 786 473.53	92 624 071.44	2 045 811.21	3 426 294.37	
TOTAL		**122 461 670**	**0.00**	**11 761 886.08**	**110 699 784**	**13 671 631.79**	**5 993 112.90**	**17 754 998.98**	

7.3 Investment Portfolio as at 31 December 2025

HESSEQUA MUNISIPALITEIT
KORTTERMYN BELEGGINGS 2025/12/30

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	Balans 31/12/2025
	SALDO 1/07/2025												
697	NEDBANK	11 MNDE @ 9.000%	14 JUL 2025	20 000 000		Tjek 90069739-41 - 2024/08/14	1 583 013.70	64 909.59	1 583 013.70	20 000 000	Kw 792707-08- 15/07/2025	-21 647 123.29	0.00
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 794854-55- 22/08/2025	-10 879 466.30	0.00
699	ABSA	11 MNDE @ 8.950%	30 JUL 2025	10 000 000		Tjek 90070027-28 - 2024/08/30	747 676.71	71 109.59	747 676.71	10 000 000		-10 818 986.30	0.00
700	ABSA	11+ MNDE @ 8.950%	15 AUG 2025	10 000 000		Tjek 90070029-30 - 2024/08/30	747 676.71	110 342.47	747 676.71	10 000 000	Kw 794852-53- 22/08/2025	-10 858 219.18	0.00
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 794857-58- 22/08/2025	-10 809 506.85	0.00
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 795861-62- 11/09/2025	-10 853 002.74	0.00
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	0.00
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 796868-69- 30/09/2025	-15 298 219.18	0.00
707	STANDARD BANK	11+ MNDE @ 8.850%	02 OCT 2025	10 000 000		Tjek 90070678-79 - 2024/10/11	637 684.93	225 493.15	637 684.93	10 000 000	Kw 797196-97- 03/10/2025	-10 883 178.08	0.00
708	STANDARD BANK	11 MNDE @ 8.825%	17 OCT 2025	20 000 000		Tjek 90071410-13 - 2024/11/18	1 088 013.70	522 246.57	1 088 013.70	20 000 000	Kw 797923-24- 21/10/2025	-21 610 260.27	0.00
709	STANDARD BANK	11 MNDE @ 8.750%	21 OCT 2025	20 000 000		Tjek 90071515-18 - 2024/11/21	1 064 383.56	536 986.30	1 064 383.56	20 000 000	Kw - 22/10/2025	-21 601 369.86	0.00
710	STANDARD BANK	11+ MNDE @ 8.800%	14 NOV 2025	15 000 000		Tjek 90071519-21 - 2024/11/21	802 849.32	499 068.49	802 849.32	15 000 000	Kw 799518-19- 19/11/2025	-16 301 917.81	0.00
712	ABSA	11 MNDE @ 8.650%	14 NOV 2025	20 000 000		Tjek 90072070-73 - 2024/12/23	900 547.94	692 000.00	900 547.94	20 000 000	Kw 799922-23- 28/11/2025	-21 592 547.94	0.00
713	STANDARD BANK	11+ MNDE @ 8.700%	19 DEC 2025	20 000 000		Tjek 90072074-77 - 2024/12/23	905 753.42	815 178.08	905 753.42	20 000 000		-21 720 931.51	0.00
714	ABSA	10 MNDE @ 8.660%	13 NOV 2025	10 000 000		Tjek 90072161-62 - 2025/01/13	402 358.90	321 410.96	402 358.90	10 000 000	Kw 799521-22- 19/11/2025	-10 723 769.86	0.00
715	ABSA	11 MNDE @ 8.740%	12 DEC 2025	10 000 000		Tjek 90072163-64 - 2025/01/13	404 673.97	392 701.37	404 673.97	10 000 000		-10 797 375.34	0.00
716	ABSA	10 MNDE @ 8.660%	21 NOV 2025	5 000 000		Tjek 90072299 - 2025/01/22	189 808.21	169 641.10	189 808.21	5 000 000	Kw 799324-25- 28/11/2025	-5 359 449.31	0.00
717	STANDARD BANK	11 MNDE @ 8.725%	22 DEC 2025	10 000 000		Tjek 90072300-01 - 2025/01/22	382 465.75	415 931.51	382 465.75	10 000 000		-10 798 397.26	0.00
718	STANDARD BANK	±10 MNDE @ 8.600%	22 DEC 2025	5 000 000		Tjek 90072844 - 2025/02/25	148 438.36	204 986.30	149 438.36	5 000 000		-5 353 424.66	0.00
719	STANDARD BANK	11 MNDE @ 8.675%	26 JAN 2026	10 000 000		Tjek 90072845-48 - 2025/02/25			299 465.75				10 000 000.00
720	STANDARD BANK	11 MNDE @ 8.675%	28 JAN 2026	10 000 000		Tjek 90072925-26 - 2025/02/26			292 335.62				10 000 000.00
721	ABSA	10 MNDE @ 8.510%	12 JAN 2026	5 000 000		Tjek 90073072 - 2025/03/12			129 398.63				5 000 000.00
723	STANDARD BANK	10 MNDE @ 8.525%	14 JAN 2026	5 000 000		Tjek 90073169 - 2025/03/14			127 291.10				5 000 000.00
724	STANDARD BANK	11 MNDE @ 8.625%	19 FEB 2026	10 000 000		Tjek 90073170-71 - 2025/03/14			257 568.49				10 000 000.00
725	ABSA	10 MNDE @ 8.390%	10 FEB 2026	15 000 000		Tjek 90073582-84 - 2025/04/10			282 731.50				15 000 000.00
726	STANDARD BANK	11 MNDE @ 8.450%	10 MAR 2026	15 000 000		Tjek 900733585-87 - 2025/04/10			284 753.42				15 000 000.00
728	STANDARD BANK	10 MNDE @ 8.400%	13 FEB 2026	5 000 000		Tjek 90073605 - 2025/04/15			89 602.74				5 000 000.00
729	ABSA	10 MNDE @ 8.150%	09 MAR 2026	10 000 000		Tjek 90073968-69 - 2025/05/09			118 342.46				10 000 000.00
730	ABSA	11 MNDE @ 8.180%	09 APR 2026	15 000 000		Tjek 90073970-72 - 2025/05/09			177 731.50				15 000 000.00
732	ABSA	10 MNDE @ 8.180%	30 MAR 2026	5 000 000		Tjek 90074387 - 2025/05/30			35 857.53				5 000 000.00
733	ABSA	11 MNDE @ 8.250%	30 APR 2026	10 000 000		Tjek 90074388-89 - 2025/05/30			72 328.76				10 000 000.00
734	ABSA	9+ MNDE @ 8.070%	24 APR 2026	5 000 000		Tjek 90074954 - 2025/06/30			1 105.47				5 000 000.00
735	STANDARD BANK	11 MNDE @ 8.150%	29 MAY 2026	15 000 000		Tjek 90074955-57 - 2025/06/30			3 349.32				15 000 000.00
736	STANDARD BANK	11+ MNDE @ 8.188%	24 JUN 2026	15 000 000		Tjek 90074958-60 - 2025/06/30			3 364.93				15 000 000.00
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
746	NEDBANK	10 MNDE @7.640%	21 AUG 2026		10 000 000	Tjek 90076817-18 - 2025/10/22							10 000 000.00
747	NEDBANK	11 MNDE @7.690%	22 SEP 2026		10 000 000	Tjek 90076819-20 - 2025/10/22							10 000 000.00
748	NEDBANK	11+ MNDE @7.750%	16 OCT 2026		20 000 000	Tjek 90076821-24 - 2025/10/22							20 000 000.00
749	NEDBANK	10 MNDE @7.584%	21 SEP 2026		20 000 000	Tjek 9007411-14 - 2025/11/21							20 000 000.00
750	NEDBANK	11 MNDE @7.634%	21 OCT 2026		20 000 000	Tjek 9007415-18 - 2025/11/21							20 000 000.00
751	ABSA	11 MNDE @7.680%	27 OCT 2026		10 000 000	Tjek 90077573-74 - 2025/11/27							10 000 000.00
752	ABSA	11+ MNDE @7.690%	24 NOV 2026		20 000 000	Tjek 90077575-78 - 2025/11/27							20 000 000.00
753	ABSA	11+ MNDE @7.720%	04 DEC 2026		20 000 000	Tjek 90077789-92 - 2025/12/10							20 000 000.00
754	NEDBANK	11 MNDE @ 7.590%	10 NOV 2026		20 000 000	Tjek 90077793-96 - 2025/12/10							20 000 000.00
				390 000 000.00	265 000 000.00		13 832 522.72	5 895 965.48	16 006 749.94	240 000 000.00		- 259 728 488.21	415 000 000.00

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 31/12/2025
1.	FNB	Wisselend	62299018686		28 571 694.06	203 891 000.00	0.00	1 046 075.42		0.00	219 000 000.00	Verskeie Oordragte Aangeheg	12 508 769.48
					28 571 694.06	203 891 000.00	0.00	1 046 075.42			219 000 000.00		12 508 769.48

427 508 769.48

Development Charges

Development charges for municipal infrastructure are included in investments. Year- to- date revenue from development charges amounts to R3,755 million, compared to a budgeted SDBIP amount of R4,404 million.

8 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

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	5 811	1 394	954	809	723	723	2 289	7 369	20 072	11 913	351	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 606	1 683	716	490	353	369	821	2 920	21 957	4 952	31	–
Receivables from Non-exchange Transactions - Property Rates	1400	10 428	1 363	529	369	1 088	256	788	3 892	18 712	6 392	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 910	871	605	520	485	657	1 652	6 382	14 082	9 696	206	–
Receivables from Exchange Transactions - Waste Management	1600	3 230	915	615	534	483	497	1 733	5 070	13 078	8 317	214	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	360	335	313	281	255	252	1 313	4 621	7 729	6 721	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	531	260	185	68	45	124	206	2 418	3 838	2 862	146	–
Total By Income Source	2000	37 876	6 821	3 917	3 070	3 433	2 878	8 802	32 671	99 468	50 855	950	–
2024/25 - totals only		43339589 1/8	3315499 1/5	2362142 1/5	2141787 7/8	4878855 3/7	1641772	7655210 1/2	28122206 7/9	93 457	44 440	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 377	190	122	48	178	36	27	211	2 190	500	–	–
Commercial	2300	10 868	1 350	680	485	707	335	1 077	4 701	20 184	7 284	–	–
Households	2400	25 631	5 280	3 114	2 558	2 548	2 506	7 698	27 759	77 095	43 070	950	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	37 876	6 821	3 917	3 070	3 433	2 878	8 802	32 671	99 468	50 855	950	–

Debtors, 30 days older on 31 December 2025, amounts to R61,593 million, in comparison to the amount of R60,055 million for 30 November 2025. This represents an increase of R1,538 million for the month. The debtors' collection rate for December 2025 is 93,16%. Strict credit control measures are being applied.

9. Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

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	31 463								31 463	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	4 977								4 977	
Auditor General	0800									–	
Other	0900	31 430								31 430	
Medical Aid deductions	0950									–	
Total By Customer Type	1000	67 870	–	–	–	–	–	–	–	67 870	–

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 (R17,984) million, payments received in advance (R9,147) million, retentions (R15,934) million, and other creditors (R37,812) million. Trade creditors amount to (R4,977) million.

10 Grants & Donations

Table SC6: Transfers and grant receipts

WC042 Hessequa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

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	22 750	51 806	50 886	921	1.8%	71 320
Equitable Share		63 158	67 378	67 378	22 459	50 533	49 274	1 259	2.6%	67 378
Expanded Public Works Programme Integrated Grant		1 236	1 351	1 351	127	354	624	(270)	-43.3%	1 351
Local Government Financial Management Grant		1 700	1 800	1 800	71	573	641	(68)	-10.6%	1 800
Municipal Infrastructure Grant		762	791	791	93	346	347	(0)	-0.1%	791
Provincial Government:		817	3 835	3 835	41	292	1 869	(1 576)	-84.4%	3 835
Capacity Building and Other Grants		479	1 256	1 256	20	271	553	(282)	-50.9%	1 256
Infrastructure Grant		337	2 579	2 579	21	21	1 315	(1 295)	-98.4%	2 579
Other grant providers:		380	600	600	–	–	229	(229)	-100.0%	600
Education Training and Development Practices SETA		78	600	600	–	–	229	(229)	-100.0%	600
Unspecified		301	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	68 053	75 755	75 755	22 791	52 098	52 983	(885)	-1.7%	75 755
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
								–		
Provincial Government:		480	469	469	–	–	234	(234)	-100.0%	469
Capacity Building and Other Grants		480	469	469	–	–	234	(234)	-100.0%	469
Other grant providers:		1 500	–	–	–	–	–	–		–
Developers Contribution		1 500	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	1 980	469	469	–	–	234	(234)	-100.0%	469
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	70 033	76 224	76 224	22 791	52 098	53 218	(1 119)	-2.1%	76 224

Operating:

The year-to-date receipt is R52,098 million against the budgeted SDBIP projection of R52,983 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 R0,234 million. No material deviation is expected at this stage.

11 Councillor and Staff benefits

WC042 Hessequa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

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)										
Basic Salaries and Wages								–		
Pension and UIF Contributions		491	440	440	41	244	220	24	11%	440
Medical Aid Contributions		147	168	168	13	78	84	(6)	-7%	168
Motor Vehicle Allowance								–		
Cellphone Allowance		799	860	860	67	400	430	(30)	-7%	860
Housing Allowances								–		
Other benefits and allowances		7 691	8 222	8 222	651	3 841	4 111	(270)	-7%	8 222
Sub Total - Councillors		**9 128**	**9 690**	**9 690**	**771**	**4 563**	**4 845**	**(282)**	**-6%**	**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	601	3 185	3 937	(752)	-19%	7 617
Pension and UIF Contributions		1 060	1 488	1 488	95	572	769	(197)	-26%	1 488
Medical Aid Contributions		164	210	210	15	89	114	(25)	-22%	210
Overtime								–		
Performance Bonus		1 045	1 511	1 511	–	–	778	(778)	-100%	1 511
Motor Vehicle Allowance		798	833	833	73	439	454	(15)	-3%	833
Cellphone Allowance		47	141	141	15	58	71	(14)	-19%	141
Housing Allowances		13	14	14	1	7	8	(1)	-11%	14
Other benefits and allowances		201	116	116	25	148	63	85	134%	116
Payments in lieu of leave		26	–	–	–	–	–	–		–
Long service awards		–	106	106	–	–	58	(58)	-100%	106
Sub Total - Senior Managers of Municipality		**9 125**	**12 037**	**12 037**	**825**	**4 498**	**6 253**	**(1 755)**	**-28%**	**12 037**
% increase	4		**31.9%**	**31.9%**						**31.9%**
Other Municipal Staff										
Basic Salaries and Wages		144 409	170 552	170 516	13 484	78 384	92 923	(14 539)	-16%	170 516
Pension and UIF Contributions		26 468	30 743	30 743	2 383	14 280	16 769	(2 488)	-15%	30 743
Medical Aid Contributions		7 476	9 606	9 606	662	4 049	5 239	(1 190)	-23%	9 606
Overtime		8 374	7 884	7 920	693	2 982	4 314	(1 332)	-31%	7 920
Performance Bonus		11 421	15 812	15 812	3 588	12 111	8 625	3 486	40%	15 812
Cellphone Allowance		870	943	943	112	581	515	66	13%	943
Housing Allowances		1 367	905	905	71	417	494	(77)	-16%	905
Other benefits and allowances		9 364	9 287	9 287	871	4 757	5 065	(308)	-6%	9 287
Payments in lieu of leave		1 371	–	–	–	109	–	109	#DIV/0!	–
Long service awards		2 208	1 754	1 754	116	561	957	(395)	-41%	1 754
Post-retirement benefit obligations	2	8 208	10 605	10 605	310	1 769	5 784	(4 015)	-69%	10 605
In kind benefits		0	1	1	–	–	0	(0)	-100%	1
Sub Total - Other Municipal Staff		**221 537**	**258 092**	**258 092**	**22 291**	**120 001**	**140 684**	**(20 683)**	**-15%**	**258 092**
% increase	4		**16.5%**	**16.5%**						**16.5%**
Total Parent Municipality		**239 790**	**279 818**	**279 818**	**23 887**	**129 062**	**151 782**	**(22 720)**	**-15%**	**279 818**
TOTAL SALARY, ALLOWANCES & BENEFITS		**239 790**	**279 818**	**279 818**	**23 887**	**129 062**	**151 782**	**(22 720)**	**-15%**	**279 818**
% increase	4		**16.7%**	**16.7%**						**16.7%**
TOTAL MANAGERS AND STAFF		**230 661**	**270 128**	**270 128**	**23 116**	**124 499**	**146 937**	**(22 438)**	**-15%**	**270 128**

12 Top Layer SDBIP

Hessequa Quarter 2 Performance Report- 2025/2026

Hessequa Municipality

2025-2026: Top Layer KPI Report

Affordable and Quality Service Delivery

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter 2 ending September 2025			Quarter 2 ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL1	Office of the Municipal Manager	90% Expenditure of the Approved Capital Budget for the Municipality by end of financial year	% of budget spent	5%	23.67%	B	15%	42.96%	B	15%	42.96%	B	Target met
TL2	Office of the Municipal Manager	90% Expenditure of the Approved Operational Budget for the Municipality by end of financial year	% of budget spent	5%	17.19%	B	30%	42%	B	30%	42%	B	Target met
TL3	Office of the Municipal Manager	The % of registered indigent account holders (poor households) with access to free basic services	Number of registered indigent households with access to free basic services	90%	90%	G	90%	90%	G	90%	90%	G	Target met
TL4	Office of the Municipal Manager	% Provision of electricity to residential properties connected to the municipal infrastructure network for both prepaid and credit electrical metering	Percentage of formal residential properties connected to the municipal electrical infrastructure network	90%	90%	G	90%	90%	G	90%	90%	G	Target met

Affordable and Quality Service Delivery

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter 2 ending September 2025			Quarter 2 ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL5	Office of the Municipal Manager	% Provision of refuse removal and solid waste disposal for residential account holders	Percentage of residential properties billed for refuse removal	90%	90%	G	90%	90%	G	90%	90%	G	Target met
TL6	Office of the Municipal Manager	% Provision of sanitation/sewerage services to residential account holders	Percentage of residential properties billed for sanitation/sewerage services	90%	90%	G	90%	90%	G	90%	90%	G	Target met
TL7	Office of the Municipal Manager	% Provision of water to residential properties connected to the municipal infrastructure network for both prepaid and credit metering	Percentage of formal residential properties connected to the municipal water network	90%	90%	G	90%	90%	G	90%	90%	G	Target met
TL49	Technical Services	Submit stormwater masterplan for Stilbaai	Masterplan completed and submitted	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL50	Technical Services	90% Expenditure of the approved Capital Budget of the Technical Department for Financial year	% capital budget spent	15%	26.58%	B	40%	44.71%	G2	40%	44.71%	G2	Target met
TL51	Technical Services	90% Expenditure of the approved Operational Budget of the Technical Department for financial year	% of expenditure budget spent	20%	28.10%	B	40%	64.87%	B	40%	64.87%	B	Target met

Affordable and Quality Service Delivery

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter 2 ending September 2025			Quarter 2 ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL52	Technical Services	Compile telemetry implementation plan for Stilbaai	Telemetry implementation plan compiled	1	1	G	0	0	N/A	1	1	G	Target met
TL53	Technical Services	Waste water quality maintained in line with SANS 241 waste water quality indicators	Average 80% of E.coli results to comply with the SANS241 standards for all waste water works	80%	83%	G2	80%	86.67%	G2	80%	85.%	G2	Target met
TL54	Technical Services	Water quality maintained in line with SANS241 water quality indicators	average 90% of E.coli results to comply with the SANS241 standards for all water works	90%	100%	G2	90%	100%	G2	90%	100%	G2	Target met
TL55	Technical Services	Limit water losses to less than 30% for financial year	% of water losses	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL56	Technical Services	Water demand and conservation study in Riversdale	Water demand study completed	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL57	Technical Services	90% Expenditure of Municipal Infrastructure Grant (MIG) for Financial year	% of Grant spent	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL59	Technical Services	Limit electricity losses to 10% for financial year	% unaccounted electricity	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured

Good Governance and Performance Driven Organisation

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL8	Office of the Municipal Manager	Development & Submission of Annual Performance Report to AGSA by end August	Submission of documentation in time	1	1	G	0	0	N/A	1	1	G	Target met
TL9	Office of the Municipal Manager	Submission of Final IDP submitted to Council by May annually	Final IDP submitted to Council by May annually	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL10	Office of the Municipal Manager	Report quarterly on the implementation of Internal Audit Reports to the Audit committee	Number of reports submitted	1	1	G	1	1	G	2	2	G	Target met
TL11	Corporate Management	The number of employees appointed to positions that are in line with the Employment Equity Plan targets.	% of appointments that are in line with the approved Employment Equity Plan targets	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL12	Corporate Management	Maintain an average vacancy rate of less than 10% of budgeted staff establishment	Average % vacancy rate less than 10% reported Quarterly to Portfolio committee	10%	5%	B	10%	4.80%	B	10%	4.90%	B	Target met

Good Governance and Performance Driven Organisation

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
TL13	Corporate Management	Implement the Workplace Skills Plan annually (Actual training obtained by staff divided by staff identified for training)	% of personnel identified for training that completed training annually	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL14	Corporate Management	Develop ICT Policy Compliance Framework.	Approved ICT compliance framework.	0	0	N/A	1	1	G	1	1	G	Target met
TL15	Corporate Management	Develop a central electronic platform where members of the public can submit/register complaints and service requests as well as receive newsfeed, notifications and municipal accounts.	Development of central electronic platform.	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL16	Corporate Management	90% Spending of Municipal Replacement fund (Grant) and Community Library Services Grant by end of June of the financial year	Percentage of grant spent	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL17	Corporate Management	Review of the insured values of municipal buildings	Insurance values reviewed	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL19	Corporate Management	Compile a Marketing Strategy for the camps to increase the occupation rate and revenue, especially during the off season period	Marketing Strategy submitted to Portfolio Committee	0	0	N/A	1	0	R	1	0	R	The item was retracted from the Agenda, and will be resubmitted to the February 2026 Portfolio Committee as per discussion with the Director Corporate Management.

Safe Communities and Environment

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL18	Corporate Management	90% Expenditure of Approved budget for maintenance of Municipal camp sites by end of Financial year	% Budget Spent	15%	25.92%	B	40%	61.67%	B	40%	61.67%	B	Target met
TL38	Community Services	90% expenditure of funds allocated for Eradication of Title Deed Transfer Backlogs	% of funds spent of the budgeted amount for the eradication of Title Deeds Transfer Backlogs	0%	0%	N/A	5%	6%	G2	5%	6%	G2	Target met
TL39	Community Services	Monthly collection value of Traffic fines.	Achieve monthly collection rate of R 750 000.	2 250 000	9 328 087	B	2 250 000	6 736 295	B	4 500 000	16 064 382	B	Target met
TL40	Community Services	The successful obtaining of one (1) prohibitory interdict / declaratory order on all the pieces of vacant land earmarked for future housing projects against illegal occupation .	Interim / Final Court Orders	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL41	Community Services	Implement Thusong Outreach Programmes for financial year	Number of programmes	6	9	B	4	9	B	10	18	B	Target met
TL42	Community Services	% Spending of Capital funding of to be established Department of Home Affairs Service Point.	% of funding spent to establish service point	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured

Safe Communities and Environment

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL43	Community Services	90% Spending of Provincial funding for the rolling out of Affordable Housing initiatives	% of funding spent for rolling out of affordable housing initiatives	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL44	Community Services	40 BNG Top Structures or housing opportunities Melkhoutfontein Project	Number of top structures or housing opportunities at Melkhoutfontein	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL45	Community Services	33 Housing opportunities for qualifying beneficiaries who fall in the income bracket of between R3501 and R7000	Number of housing opportunities created	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL46	Community Services	Handover of Title Deeds	Number of Title Deeds handed over	35	36	G2	35	36	G2	70	72	G2	Target met
TL47	Community Services	Receive a performance of not less than 80% for the formal Provincial Audits on the Licensing Agency Services	Average % achieved for the financial year	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL48	Community Services	Feasibility study - Municipal Pound Services to be outsourced	Study submitted to PC	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL58	Technical Services	Tons recycle waste per year as reported by Henque Waste	Monthly Henque Waste reports	375	511.82	B	375	546.49	B	750	1 058.61	B	Target met

Socio-Economic Development

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL29	Development Planning	Quarterly report on Development Trends to PC	Number of reports submitted to PC	1	1	G	1	1	G	2	2	G	Target met
TL30	Development Planning	Stilbaai: Implementing Phase I of the Western Bypass Road	Phase 1 implemented	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL31	Development Planning	Evaluate land use applications within 120 days by the Planning Tribunal, after receipt of all relevant information and documents in terms of SPLUMA	Average number of days to process land use applications received not exceeding 120 days	120	0	N/A	120	62	B	120	62	B	Target met
TL32	Development Planning	Process land use applications within 14 working days	Average number of days to process land use applications received not exceeding 14 working days	14	2.32	B	14	2.98	B	14	2.65	B	Target met
TL33	Development Planning	Inspect illegal Building use activities and issue a notice within 10 working days after receipt of a formal, written complaint	Average number of days to issue notices not exceeding 10 working days	10	4.33	B	10	2.67	B	10	3.50	B	Target met

Socio-Economic Development

Ref	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL34	Development Planning	Finalise occupancy certification within 14 days after receipt of all applicable information	Average number of days to finalise occupancy certificates not exceeding 14 days	14	6	B	14	3.33	B	14	4.67	B	Target met
TL35	Development Planning	Operational budget spent for Environmental Management Department	% of budget spent	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	Not yet measured
TL36	Development Planning	Witsand: reconstruction of the Duma Jetty	Completed reconstruction of Duma Jette	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL37	Development Planning	90% expenditure of Tourism Budget	% of expenditure spent	0%	0%	N/A	30%	48%	B	30%	48%	B	Target met

Sustainable Financial Management

Internal Ref / Indicator Code	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL20	Financial Services	Complete the Annual Financial Statement and submit to the Auditor General by 31 August annually	Statements submitted	1	1	G	0	0	N/A	1	1	G	Target met
TL21	Financial Services	Report Bi-annually on the progress made on the Audit Outcomes report	Number of reports submitted to the Mayoral Committee	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL22	Financial Services	Submit a liquidity report of the Municipality to the Mayoral Portfolio Committee annually	Number of reports submitted	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL23	Financial Services	Unqualified Financial Audit as reported by Auditor General	Number of Unqualified Financial Audit result	0	0	N/A	1	1	G	1	1	G	Target met
TL24	Financial Services	Indigent affordability assessment report submitted to Portfolio Committee by February	Report submitted	0	0	N/A	0	0	N/A	0	0	N/A	Not yet measured
TL25	Financial Services	Complete the annual stock take to ensure that at least 80% inventory is accounted for by the end of June and report to Council by the end of August	Annual stock take completed by July and report by August on the % of stock accounted for	80%	100%	G2	0%	0%	N/A	80%	100%	G2	Target met

Sustainable Financial Management

Internal Ref / Indicator Code	Responsible Directorate	KPI	Unit of Measurement	Quarter ending September 2025			Quarter ending December 2025			Overall Performance for Quarter ending September 2025 to Quarter ending December 2025			Performance Comment
				Target	Actual	R	Target	Actual	R	Target	Actual	R	
TL26	Financial Services	Management of Income annual payment rate of thresholds higher than 95% for financial year	% Income thresholds higher than 95% maintained for financial year	0	0	N/A	95	93.16	O	95	93.16	O	Target almost met . Strict implementation of credit control policy by blocking of pre-paid meters in order for consumers to make appropriate arrangements to settle debt that will increase the collection rate.
TL27	Financial Services	Conduct quarterly outreaches to satellite offices for internal Revenue Management / Customer Care Improvement	Number of outreaches conducted at satellite offices	1	1	G	1	2	B	2	3	B	Target met
TL28	Financial Services	Conduct Outreach to external stakeholders for SCM Processes education	Number of outreaches conducted	0	0	N/A	1	0	R	1	0	R	No outreaches were conducted. SCM are in consultation with the LED unit to Collaborate with them on their outreaches

Cost Containment Measures

Cost Containment Monthly Report								
Cost Containment Measures	Budget YTD	Jul-25	Aug-25	Sept-25	Oct-25	Nov-25	Dec-25	Savings
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	8 994	105	302	573	552	391	464	6 607
Overtime	4 341	619	541	635	- 50	545	692	1 359
Vehicles used for political office-bearers	-	-	-	-				-
Travel and subsistence	925	149	68	301	73	178	189	- 33
Domestic accommodation	380	44	101	94	43	18	5	75
Sponsorships and catering	225	42	39	23	58	45	11	7
Communication	463	4	12	11	12	3	25	396
Conferences, Meetings & Study tours	513	26	84	84	5	45	45	224
Other related expenditure items (Events)	132	12	38	13	68	19	-	- 18
Total	**15 973**	**1 001**	**1 185**	**1 734**	**761**	**1 244**	**1 431**	**8 617**

Kindly note that savings are based on the implementation of cost containment measures and predicted cashflows for the period under review.

Cost Containment Annual Report			
Cost Containment Measure	Budget	Total Expenditure YTD	Savings
	R'000	R'000	R'000
Use of consultants	18 032	2 387	15 645
Overtime	7 920	2 982	4 938
Vehicles used for political office-bearers	-	-	-
Travel and subsistence	1 866	958	908
Domestic accommodation	762	305	457
Sponsorships and catering	541	218	323
Communication	925	67	858
Conferences, Meetings & Study tours	1 002	289	713
Other related expenditure items (Events)	264	150	114
Total	**31 312**	**7 356**	**23 956**

Kindly note that savings are based on the implementation of cost containment measures and predicted cashflows for the period under review.

HESSEQUA
Munisipaliteit / Municipality / U Masipala

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RIVERSDAL(E)

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QUALITY CERTIFICATE

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

The Quarterly report on the implementation of the budget and financial state affairs of the municipality (Section 52 Report)

For the period ending **31 December 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Acting Municipal Manager of Hessequa Municipality – WC042

A S A de Klerk

Signature

Date 19 January 2026