Hessequa Municipality

Monthly Budget Statement
February 2026

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 **February 2026** has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations.

Section 2 – Resolutions

In-year Reports 2025/2026

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 February 2026.
(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 28 February 2026.
(d) That Council notes the instances of Unauthorized, Irregular, Fruitless and Wasteful (UIF&W) expenditure for the period ended 28 February 2026.

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 February 2026 is R514,624 million, compared to the SDBIP budget of R536,767 million, resulting in a variance of 4%. When including Transfers recognized – capital, the revenue to date is R559,003 million compared to An SDBIP budget of R585,386 million.

Total Expenditure

The expenditure to date is R442,287 million compared to an SDBIP budget of R458,426 million.

Capital Expenditure

The year-to-date expenditure on capital is R93,655 million against an SDBIP budget of R122,649 million.

Cash flow
Cash/cash equivalents at the end of February 2026 is R466,360 million.

Debtors Ageing
Debtors outstanding at the end of February 2026 is R101,518 million.

Creditors Ageing
Creditors outstanding at the end of February 2026 amount to R71,655 million.

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

Table C1: Monthly Budget Statement Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M08 February

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	11 327	104 954	102 997	1 957	2%	148 312
Service charges	365 374	384 481	386 481	36 640	255 623	252 482	3 140	1%	386 481
Investment revenue	46 305	36 046	36 046	2 307	10 108	13 450	(3 342)	-25%	36 046
Transfers and subsidies - Operational	68 053	75 755	79 731	653	53 354	58 194	(4 840)	(0)	79 731
Other own revenue	148 402	162 747	196 808	6 495	90 585	109 644	(19 058)	-17%	196 808
Total Revenue (excluding capital transfers and contributions)	768 330	807 340	847 377	57 422	514 624	536 767	(22 143)	-4%	847 377
Employee costs	230 661	270 128	269 389	19 375	166 093	171 670	(5 578)	-3%	269 389
Remuneration of Councillors	9 128	9 690	10 039	771	6 105	6 281	(176)	-3%	10 039
Depreciation and amortisation	44 248	52 188	52 188	3 907	31 013	35 056	(4 043)	-12%	52 188
Interest	21 681	19 809	20 309	-	5 993	8 856	(2 863)	-32%	20 309
Inventory consumed and bulk purchases	227 444	259 979	259 467	19 073	161 323	165 795	(4 472)	-3%	259 467
Transfers and subsidies	2 613	2 502	2 509	164	1 754	1 777	(23)	-1%	2 509
Other expenditure	153 821	191 601	225 283	6 075	70 005	68 990	1 015	1%	225 283
Total Expenditure	689 597	805 898	839 183	49 365	442 287	458 426	(16 139)	-4%	839 183
Surplus/(Deficit)	78 733	1 442	8 194	8 056	72 337	78 341	(6 004)	-8%	8 194
Transfers and subsidies - capital (monetary	161 096	62 341	54 530	1 947	44 379	48 492	###	-8%	54 530
Transfers and subsidies - capital (in-kind)	591	-	639	-	-	128	(128)	-100%	639
Surplus/(Deficit) after capital transfers & contributions	240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	-8%	63 363
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	-8%	63 363
Capital expenditure & funds sources									
Capital expenditure	237 139	187 628	182 378	3 754	93 655	122 649	(28 994)	-24%	182 378
Capital transfers recognised	143 410	62 341	55 169	1 005	45 090	50 027	(4 937)	-10%	55 169
Borrowing	-	50 000	50 000	4 577	24 004	32 621	(8 618)	-26%	50 000
Internally generated funds	93 729	75 287	77 209	(1 827)	24 561	40 001	(15 439)	-39%	77 209
Total sources of capital funds	237 139	187 628	182 378	3 754	93 655	122 649	(28 994)	-24%	182 378
Financial position									
Total current assets	529 808	453 099	490 446		583 792				490 446
Total non current assets	1 460 495	1 471 771	1 466 521		1 522 267				1 466 521
Total current liabilities	158 301	146 405	132 040		169 103				132 040
Total non current liabilities	259 658	301 986	302 486		247 896				302 486
Community wealth/Equity	1 572 345	1 476 479	1 522 441		1 689 061				1 522 441
Cash flows									
Net cash from (used) operating	1 299 356	119 297	149 052	12 644	125 818	97 814	(28 004)	-29%	149 052
Net cash from (used) investing	(235 881)	(177 628)	(168 378)	(3 254)	(87 435)	(121 156)	(33 721)	28%	(168 378)
Net cash from (used) financing	945	27 343	27 343	74	(10 979)	16 909	27 888	165%	27 343
Cash/cash equivalents at the month/year end	1 551 941	361 587	446 974	466 360	466 360	432 524	(33 837)	-8%	446 974
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	37 526	6 928	4 041	3 049	2 648	2 400	10 973	33 951	101 518
Creditors Age Analysis									
Total Creditors	71 655	-	-	-	-	-	-	-	71 655

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) - M08 February

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
Revenue - Functional										
Governance and administration		**234 881**	**214 112**	**214 750**	**14 338**	**137 777**	**140 125**	(2 348)	-2%	**214 750**
Executive and council		21 374	18 699	18 699	1	17 403	17 661	(258)	-1%	18 699
Finance and administration		213 507	195 413	196 052	14 337	120 373	122 464	(2 091)	-2%	196 052
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**104 960**	**119 533**	**153 559**	**3 475**	**62 185**	**81 203**	(19 018)	-23%	**153 559**
Community and social services		10 800	12 970	12 972	801	6 683	7 290	(607)	-8%	12 972
Sport and recreation		16 995	15 737	15 737	303	5 012	6 910	(1 898)	-27%	15 737
Public safety		51 627	67 044	116 755	3 083	51 025	61 692	(10 667)	-17%	116 755
Housing		25 538	23 782	8 095	(712)	(536)	5 310	(5 846)	-110%	8 095
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**17 973**	**27 999**	**31 999**	**3 095**	**18 003**	**18 047**	(43)	0%	**31 999**
Planning and development		7 720	21 923	25 923	1 168	13 019	14 613	(1 595)	-11%	25 923
Road transport		9 643	5 342	5 342	1 884	4 429	2 876	1 553	54%	5 342
Environmental protection		610	734	734	43	556	557	(1)	0%	734
Trading services		**571 723**	**507 569**	**501 769**	**38 459**	**340 927**	**345 830**	**(4 903)**	-1%	**501 769**
Energy sources		387 909	306 808	308 808	24 180	210 530	210 745	(215)	0%	308 808
Water management		79 614	89 874	82 074	6 997	60 998	63 217	(2 218)	-4%	82 074
Waste water management		52 580	57 513	57 513	3 773	40 834	41 149	(315)	-1%	57 513
Waste management		51 620	53 374	53 374	3 510	28 565	30 719	(2 154)	-7%	53 374
Other	4	**480**	**469**	**469**	–	**111**	**183**	**(72)**	**-39%**	**469**
Total Revenue - Functional	2	**930 018**	**869 682**	**902 546**	**59 368**	**559 003**	**585 386**	**(26 384)**	**-5%**	**902 546**
Expenditure - Functional										
Governance and administration		**97 675**	**123 994**	**125 077**	**9 593**	**66 359**	**71 528**	(5 169)	-7%	**125 077**
Executive and council		32 051	38 056	39 439	2 041	19 954	22 306	(2 352)	-11%	39 439
Finance and administration		63 565	83 523	83 210	7 360	44 864	47 647	(2 783)	-6%	83 210
Internal audit		2 059	2 414	2 427	192	1 540	1 575	(35)	-2%	2 427
Community and public safety		**148 202**	**188 872**	**217 198**	**8 084**	**72 239**	**67 624**	4 615	7%	**217 198**
Community and social services		25 254	29 305	29 397	2 109	19 159	19 269	(110)	-1%	29 397
Sport and recreation		33 899	40 870	40 382	2 990	23 916	25 398	(1 482)	-6%	40 382
Public safety		63 423	93 526	138 023	2 796	27 153	19 475	7 678	39%	138 023
Housing		25 626	25 170	9 396	189	2 011	3 482	(1 472)	-42%	9 396
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**83 692**	**92 464**	**94 575**	**6 136**	**59 841**	**61 787**	(1 946)	-3%	**94 575**
Planning and development		12 871	16 367	16 378	991	9 342	10 091	(749)	-7%	16 378
Road transport		64 581	68 802	70 967	4 604	46 041	47 057	(1 016)	-2%	70 967
Environmental protection		6 240	7 295	7 230	542	4 459	4 639	(181)	-4%	7 230
Trading services		**358 722**	**399 081**	**400 812**	**25 398**	**242 817**	**256 468**	**(13 651)**	-5%	**400 812**
Energy sources		221 041	239 667	240 749	17 243	155 046	160 195	(5 149)	-3%	240 749
Water management		49 546	58 489	58 438	3 385	32 041	35 075	(3 034)	-9%	58 438
Waste water management		46 854	51 080	52 548	2 799	30 791	32 337	(1 546)	-5%	52 548
Waste management		41 281	49 845	49 077	1 970	24 939	28 861	(3 922)	-14%	49 077
Other		**1 307**	**1 487**	**1 521**	**154**	**1 031**	**1 019**	**13**	**1%**	**1 521**
Total Expenditure - Functional	3	**689 597**	**805 898**	**839 183**	**49 365**	**442 287**	**458 426**	**(16 139)**	**-4%**	**839 183**
Surplus/ (Deficit) for the year		**240 420**	**63 783**	**63 363**	**10 003**	**116 716**	**126 961**	**(10 245)**	**-0.080696**	**63 363**

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) - M08 February

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	1	17 403	17 661	(258)	-1.5%	18 699
Vote 02 - Corporate Services		26 579	28 703	28 704	1 255	11 466	13 896	(2 430)	-17.5%	28 704
Vote 03 - Financial Services		190 742	189 357	189 357	13 870	117 183	118 954	(1 771)	-1.5%	189 357
Vote 04 - Community Services		77 383	91 050	125 074	2 394	50 705	67 201	(16 496)	-24.5%	125 074
Vote 05 - Technical Services		605 131	518 747	513 586	40 637	348 560	352 322	(3 761)	-1.1%	513 586
Vote 06 - Spatial Plannign & Environmental Management		8 810	23 126	27 126	1 211	13 685	15 353	(1 668)	-10.9%	27 126
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**	**902 546**	**59 368**	**559 003**	**585 386**	**(26 384)**	**-4.5%**	**902 546**
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		36 853	44 066	45 437	2 459	23 680	26 119	(2 439)	-9.3%	45 437
Vote 02 - Corporate Services		55 759	68 293	69 171	4 332	39 061	42 031	(2 970)	-7.1%	69 171
Vote 03 - Financial Services		39 178	49 427	48 319	2 812	25 934	28 349	(2 415)	-8.5%	48 319
Vote 04 - Community Services		95 985	126 277	155 087	3 578	34 987	28 267	6 720	23.8%	155 087
Vote 05 - Technical Services		444 148	496 281	499 611	34 724	305 980	320 150	(14 170)	-4.4%	499 611
Vote 06 - Spatial Plannign & Environmental Management		17 675	21 554	21 559	1 460	12 646	13 511	(865)	-6.4%	21 559
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	**689 597**	**805 898**	**839 183**	**49 365**	**442 287**	**458 426**	**(16 139)**	**-3.5%**	**839 183**
Surplus/ (Deficit) for the year	2	**240 420**	**63 783**	**63 363**	**10 003**	**116 716**	**126 961**	**(10 245)**	**-8.1%**	**63 363**

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

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	258 387	258 387	23 641	162 777	162 987	(209)	0%	258 387
Service charges - Water		59 596	58 186	58 186	6 617	41 416	39 476	1 940	5%	58 186
Service charges - Waste Water Management		31 842	32 413	32 413	2 951	23 456	22 887	569	2%	32 413
Service charges - Waste management		37 892	37 496	37 496	3 431	27 973	27 133	841	3%	37 496
Sale of Goods and Rendering of Services		51 900	52 666	33 267	596	12 924	19 970	(7 046)	-35%	33 267
Agency services		3 213	3 716	3 716	353	2 330	2 325	5	0%	3 716
Interest								–		
Interest earned from Receivables		3 440	3 019	3 019	322	2 375	2 246	129	6%	3 019
Interest from Current and Non Current Assets		46 305	36 046	36 046	2 307	10 108	13 450	(3 342)	-25%	36 046
Dividends								–		
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		4 431	4 622	4 622	315	3 507	3 473	34	1%	4 622
Licence and permits		2	–	7	(2)	1	4	(2)	-63%	7
Special rating levies								–		
Operational Revenue		5 028	11 390	11 390	681	5 015	5 682	(667)	-12%	11 390
Non-Exchange Revenue								–		
Property rates		140 197	148 312	148 312	11 327	104 954	102 997	1 957	2%	148 312
Surcharges and Taxes								–		
Fines, penalties and forfeits		44 899	60 606	110 061	2 520	47 100	57 677	(10 578)	-18%	110 061
Licence and permits		2 344	2 552	2 552	176	1 668	1 700	(31)	-2%	2 552
Transfers and subsidies - Operational		68 053	75 755	79 731	653	53 354	58 194	(4 840)	-8%	79 731
Interest		837	911	911	75	531	547	(16)	-3%	911
Fuel Levy								–		
Operational Revenue		11 374	13 264	13 264	958	8 045	8 322	(277)	-3%	13 264
Gains on disposal of Assets		1 258	10 000	14 000	500	7 090	7 699	(609)	-8%	14 000
Other Gains		19 676	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		768 330	807 340	847 377	57 422	514 624	536 767	(22 143)	-4%	847 377
Expenditure By Type										
Employee related costs		230 661	270 128	269 389	19 375	166 093	171 670	(5 578)	-3%	269 389
Remuneration of councillors		9 128	9 690	10 039	771	6 105	6 281	(176)	-3%	10 039
Bulk purchases - electricity		187 077	212 192	214 192	16 176	131 751	135 298	(3 548)	-3%	214 192
Inventory consumed		40 368	47 787	45 274	2 896	29 573	30 497	(924)	-3%	45 274
Debt impairment		31 801	4 014	93 814	–	–	(9 055)	9 055	-100%	93 814
Depreciation and amortisation		44 248	52 188	52 188	3 907	31 013	35 056	(4 043)	-12%	52 188
Interest		21 681	19 809	20 309	–	5 993	8 856	(2 863)	-32%	20 309
Contracted services		71 920	81 852	70 372	3 549	32 564	39 223	(6 658)	-17%	70 372
Transfers and subsidies		2 613	2 502	2 509	164	1 754	1 777	(23)	-1%	2 509
Irrecoverable debts written off		8 212	56 546	9 918	251	6 488	5 973	515	9%	9 918
Operational costs		37 914	49 189	51 179	2 275	30 083	32 850	(2 767)	-8%	51 179
Losses on Disposal of Assets		1 065	–	–	–	870	–	870	#DIV/0!	–
Other Losses		2 908	–	–	–	–	–	–		–
Total Expenditure		689 597	805 898	839 183	49 365	442 287	458 426	(16 139)	-4%	839 183
Surplus/(Deficit)		78 733	1 442	8 194	8 056	72 337	78 341	(6 004)	(0)	8 194
Transfers and subsidies - capital (monetary allocations)		161 096	62 341	54 530	1 947	44 379	48 492	(4 113)	(0)	54 530
Transfers and subsidies - capital (in-kind)		591	–	639	–	–	128	(128)	(0)	639
Surplus/(Deficit) after capital transfers & contributions		240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	(0)	63 363
Income Tax								–		
Surplus/(Deficit) after income tax		240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	(0)	63 363
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	(0)	63 363
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		240 420	63 783	63 363	10 003	116 716	126 961	(10 245)	(0)	63 363

Revenue by Source (Table C4)

Exchange Revenue

Service Levies:

Electricity Service

Levies for the year-to-date stand at R162,777 million, in comparison with the budgeted SDBIP amount of R162,987 million. No material deviation is expected at year-end.

Water Service

Levies for the year-to-date stands at R41,416 million, in comparison with the budgeted SDBIP projection of R39,476 million. The deviation was assessed during the mid-year budget and performance assessment and it was determined that no adjustment is necessary. No material deviations are expected at year-end at this stage.

Sewerage Service

Levies for the year-to-date stand at R23,456 million, in comparison with the budgeted SDBIP projection of R22,887 million. No material deviations are expected at year-end.

Refuse Removal Service

Levies for the year-to-date stands at R27,973 million, in comparison with the budgeted SDBIP projection of R27,133 million. No material deviations are expected at year-end.

Sale of Goods and Rendering of Services

Revenue for the year-to-date stands at R12,924 million, in comparison with the budgeted SDBIP projection of R19,970 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 R2,330 million, in comparison with the budgeted SDBIP projection of R2,325 million. No deviation is expected at this stage.

Interest earned from Receivables

Levies for the year-to-date stands at R2,375 million, in comparison with the budgeted SDBIP projection of R2,246 million. No deviation is expected at this stage.

Interest earned from Current and Non- Current Assets

Revenue for the year-to-date amounts to R10,108 million, in comparison with the budgeted SDBIP projection of R13,450 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 R3,507 million, in comparison with the budgeted SDBIP projection of R3,473 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 R0,004 million. No deviation is expected at year-end.

Operational Revenue

Revenue for the year-to-date stands at R5,015 million, in comparison with the budgeted SDBIP projection of R5,682 million. The deviation can be attributed to development charges that are currently behind budgeted projections. The deviation is expected to decrease as the year progresses. No material deviations are thus expected at year-end.

Non- Exchange Revenue

Property Rates:

Levies for the year-to-date amount to R104,954 million, in comparison with the budget of R102,997 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 material deviation is expected at year- end.

Fines, penalties and forfeits

Revenue for the year-to-date stands at R47,100 million, in comparison with the budgeted SDBIP projection of R57,677 million. The budget for fines issued was increased during the adjustment budget due to a projected overperformance when compared to the original budget. No material deviation is expected at year-end at this stage.

Licenses & Permits

Revenue for the year-to-date stands at R1,668 million, in comparison with the budgeted SDBIP projection of R1,700 million. No deviation is expected at this stage.

Grants & Subsidies - Operating:

Revenue for the year-to-date stands at R53,354 million, in comparison with the budgeted SDBIP projection of R58,194 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 R44,379 million, in comparison with the budgeted SDBIP projection of R48,620 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 R0,531 million, in comparison with the budgeted SDBIP projection of R0,547 million. No deviation is expected at this stage.

Operational Revenue:

Revenue for the year-to-date stands at R8,045 million, in comparison with the budgeted SDBIP projection of R8,322 million. No material deviation is expected at year-end at this stage.

Sale of land and PPE:

Revenue for the year-to-date stands at R7,090 million, in comparison with the budgeted SDBIP projection of R7,699 million. No material deviations are expected at year-end at this stage.

Expenditure by Type

Personnel Expenditure:

The year-to-date expenditure amounts to R166,093 million, in comparison with the budgeted SDBIP projection of R171,670 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. No material deviations are expected at year-end at this stage.

Councillors' Remuneration:

The expenditure for the period to date amounts to R6,105 million in comparison with the budgeted SDBIP projection of R6,281 million. No material deviations are expected at this stage.

Bulk purchases- electricity:

The expenditure for the year-to-date is R131,751 million, in comparison with the budgeted SDBIP projection of R135,298 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. Another provision will be made at year-end. No material deviation is expected at year-end at this stage.

Inventory Consumed

The expenditure for the year-to-date is R29,573 million, in comparison with the budgeted SDBIP projection of R30,497 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 (R9,055) million. The budget for debt impairment was amended during the main adjustments budget in February 2026. The deviation is due to traffic fines which are normally only finalized at year-end.

Depreciation:

The year-to-date expenditure is R31,013 million, in comparison with the budgeted SDBIP projection of R35,056 million. The deviation can be attributed to the rollover of certain projects and amendments to the planned starting and completion dates of other projects. The SDBIP budget does not necessarily take these into account. The deviation is expected to decrease as the year progresses.

Interest on External Borrowing:
The year-to-date expenditure is R5,993 million in comparison with the budgeted SDBIP projection of R8,856 million. Interest payments are made bi- annually in December and June. No material deviations are expected at year-end at this stage.

Contracted Services:
The expenditure for the year-to-date is R32,564 million, in comparison with the budgeted SDBIP projection of R39,223 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 year-end at this stage.

Transfers & Grants:
The expenditure for the year-to-date amounts to R1,754 million in comparison with the budgeted SDBIP projection of R1,777 million. No material deviations are expected at year-end at this stage.

Irrecoverable debts written off:
The expenditure for the period to date amounts to R6,488 million, in comparison with the budgeted SDBIP projection of R5,973 million. The budget for debt write-offs was amended during the main adjustment budget in February 2026. No material deviations are expected at this stage.

Operational Costs:
The year-to-date expenditure is R30,083 million, in comparison with the budgeted SDBIP projection of R32,850 million. 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) - M08 February

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	230	–	200	206	(6)	-3%	230
Vote 03 - Financial Services		–	–	–	–	–	–	–		–
Vote 04 - Community Services		512	1 020	1 072	219	488	430	58	14%	1 072
Vote 05 - Technical Services		193 083	126 801	129 997	1 876	67 342	84 822	(17 480)	-21%	129 997
Vote 06 - Spatial Plannign & Environmental Management		77	51	49	–	48	48	(0)	0%	49
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 Capital Multi-year expenditure	4,7	194 001	128 122	131 347	2 095	68 078	85 506	(17 428)	-20%	131 347
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		55	148	160	–	132	137	(6)	-4%	160
Vote 02 - Corporate Services		1 664	4 167	4 201	–	2 520	2 924	(403)	-14%	4 201
Vote 03 - Financial Services		258	758	746	–	695	705	(10)	-1%	746
Vote 04 - Community Services		6 410	3 171	4 750	–	404	1 435	(1 030)	-72%	4 750
Vote 05 - Technical Services		33 903	50 301	39 665	1 527	21 500	31 401	(9 901)	-32%	39 665
Vote 06 - Spatial Plannign & Environmental Management		647	961	1 508	132	326	542	(215)	-40%	1 508
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 Capital single-year expenditure	4	43 138	59 506	51 031	1 659	25 577	37 143	(11 566)	-31%	51 031
Total Capital Expenditure		237 139	187 628	182 378	3 754	93 655	122 649	(28 994)	-24%	182 378
Capital Expenditure - Functional Classification										
Governance and administration		2 044	16 417	8 764	56	4 101	11 456	(7 355)	-64%	8 764
Executive and council		51	148	160	–	132	137	(5)	-4%	160
Finance and administration		1 994	16 269	8 603	56	3 969	11 318	(7 349)	-65%	8 603
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		10 032	7 982	12 836	256	1 835	3 991	(2 156)	-54%	12 836
Community and social services		479	1 002	1 022	63	575	613	(39)	-6%	1 022
Sport and recreation		2 926	3 551	6 793	37	772	1 946	(1 174)	-60%	6 793
Public safety		2 932	1 183	2 789	156	486	984	(497)	-51%	2 789
Housing		3 694	2 246	2 232	–	2	448	(446)	-100%	2 232
Health								–		
Economic and environmental services		47 696	34 928	36 468	1 732	15 578	21 654	(6 076)	-28%	36 468
Planning and development		66	47	471	–	31	119	(88)	-74%	471
Road transport		47 424	34 386	35 381	1 600	15 315	21 332	(6 017)	-28%	35 381
Environmental protection		206	495	615	132	232	203	29	14%	615
Trading services		176 910	127 831	123 841	1 710	72 031	85 281	(13 250)	-16%	123 841
Energy sources		150 472	78 821	78 756	1 290	53 900	58 502	(4 601)	-8%	78 756
Water management		13 679	21 900	17 700	153	6 819	12 467	(5 648)	-45%	17 700
Waste water management		8 246	18 530	19 308	215	3 702	6 651	(2 950)	-44%	19 308
Waste management		4 514	8 580	8 077	53	7 610	7 661	(51)	-1%	8 077
Other		457	470	470	–	111	268	(157)	-59%	470
Total Capital Expenditure - Functional Classification	3	237 139	187 628	182 378	3 754	93 655	122 649	(28 994)	-24%	182 378
Funded by:										
National Government		18 704	15 021	15 021	977	7 951	8 584	(633)	-7%	15 021
Provincial Government		122 196	47 320	39 509	28	37 139	41 315	(4 176)	-10%	39 509
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		2 510	–	639	–	–	128	(128)	-100%	639
Transfers recognised - capital		143 410	62 341	55 169	1 005	45 090	50 027	(4 937)	-10%	55 169
Borrowing	6	–	50 000	50 000	4 577	24 004	32 621	(8 618)	-26%	50 000
Internally generated funds		93 729	75 267	77 209	(1 827)	24 561	40 001	(15 439)	-39%	77 209
Total Capital Funding		237 139	187 628	182 378	3 754	93 655	122 649	(28 994)	-24%	182 378

Capital Expenditure:

The total capital expenditure for the year amounts to R93,655 million in comparison with the budgeted SDBIP projection of R122,649 million. 51,35% was spent for the year-to-date up to 28 February 2026. Several amendments were made during the main adjustments budget in February. Expenditure is projected to increase over the remaining months of the year. No material deviation is expected at year-end at this stage.

External Loans:

The total financing for the year-to-date is R24,004 million in comparison with the budgeted SDBIP projection of R32,621 million. The deviation can be attributed to several projects that are behind schedule, including the upgrading of roads, stormwater, walkways and sidewalks and the refurbishment of electricity infrastructure. The budget for a new building was reprioritized during the main adjustments budget in February 2026. Projects will be sped up over the remaining months of the financial year to ensure that all the funds are spent at year-end.

Internal Financing:

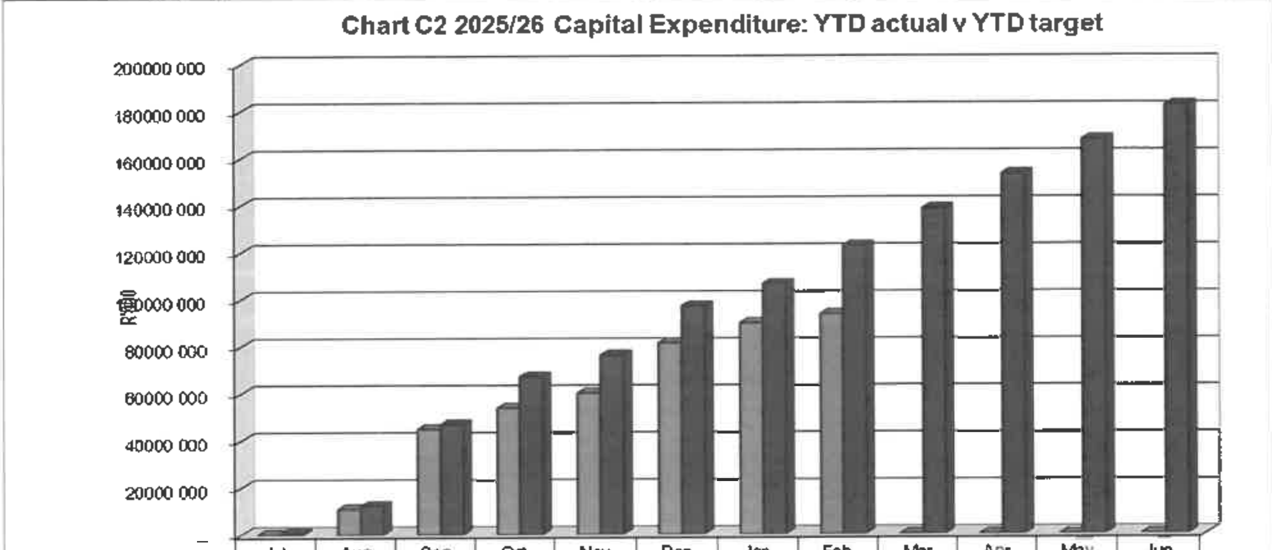
The total financing for the year-to-date is R24,561 million, in comparison with the budgeted SDBIP projection of R40,001 million. The deviation can be attributed to several projects that are behind schedule. Projects are projected to be sped up during the remainder of the financial year. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed by grants, is R45,090 million in comparison with the budgeted SDBIP projection of R50,027 million. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 28 February 2026 were R 6,910 million.

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	–	10917 81	44868 21	53866 89	60168 41	81432 03	89900 82	93655 28	–	–	–	–
YearTD budget	666 384	12250 58	46859 66	67192 29	76194 15	97067 17	106486 5	122649 2	138571 9	153232 6	167805 4	182378 1

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 - M08 February

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	94 148	484	54 940	66 038	11 098	16.8%	94 148
Roads Infrastructure		814	3 614	3 614	–	3 083	3 189	106	3.3%	3 614
Roads		684	3 414	3 414	–	3 000	3 083	83	2.7%	3 414
Road Furniture		130	200	200	–	83	107	23	21.9%	200
Storm water Infrastructure		–	2 000	4 122	–	140	936	796	85.1%	4 122
Drainage Collection		–	2 000	4 122	–	140	936	796	85.1%	4 122
Electrical Infrastructure		143 515	61 408	61 283	223	47 319	49 916	2 597	5.2%	61 283
Power Plants		143 185	59 500	59 500	132	46 794	49 229	2 436	4.9%	59 500
HV Substations		–	620	585	–	265	329	64	19.5%	585
HV Transmission Conductors		–	488	398	91	261	198	(63)	-31.9%	398
MV Substations		–	800	800	–	–	160	160	100.0%	800
LV Networks		330	–	–	–	–	–	–		–
Water Supply Infrastructure		4 913	14 914	10 678	–	1 033	6 556	5 523	84.2%	10 678
Boreholes		2 547	1 500	1 075	–	975	995	20	2.0%	1 075
Reservoirs		–	5 000	9 000	–	58	1 800	1 742	96.8%	9 000
Water Treatment Works		–	7 800	–	–	–	3 640	3 640	100.0%	–
Distribution		2 366	614	603	–	–	121	121	100.0%	603
Sanitation Infrastructure		5 865	11 914	11 314	208	1 574	3 356	1 782	53.1%	11 314
Pump Station		–	7 000	6 600	–	–	1 320	1 320	100.0%	6 600
Reticulation		5 865	4 914	4 714	208	1 574	2 036	462	22.7%	4 714
Solid Waste Infrastructure		129	280	280	53	113	105	(9)	-8.3%	280
Waste Drop-off Points		129	280	280	53	113	105	(9)	-8.3%	280
Information and Communication Infrastructure		142	3 130	2 858	–	1 678	1 981	303	15.3%	2 858
Core Layers		142	2 930	2 658	–	1 678	1 941	263	13.6%	2 658
Distribution Layers		–	200	200	–	–	40	40	100.0%	200
Community Assets		1 241	4 152	7 425	28	306	1 792	1 485	82.9%	7 425
Community Facilities		1 181	2 502	2 055	28	275	692	418	60.3%	2 055
Centres		8	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	60	52	–	52	52	0	0.0%	52
Parks		30	–	–	–	–	–	–		–
Public Open Space		847	1 452	1 453	–	110	463	353	76.2%	1 453
Nature Reserves		296	80	80	–	43	51	7	14.4%	80
Public Ablution Facilities		–	100	100	–	41	53	12	22.4%	100
Taxi Ranks/Bus Terminals		–	810	370	28	28	74	46	62.2%	370
Sport and Recreation Facilities		60	1 650	5 370	–	32	1 099	1 068	97.1%	5 370
Outdoor Facilities		60	1 650	5 370	–	32	1 099	1 068	97.1%	5 370
Other assets		4	8 000	–	–	–	6 400	6 400	100.0%	–
Operational Buildings		4	8 000	–	–	–	6 400	6 400	100.0%	–
Municipal Offices		4	8 000	–	–	–	6 400	6 400	100.0%	–
Computer Equipment		694	1 605	1 835	–	1 472	1 545	73	4.7%	1 835
Computer Equipment		694	1 605	1 835	–	1 472	1 545	73	4.7%	1 835
Furniture and Office Equipment		638	891	944	156	666	597	(69)	-11.5%	944
Furniture and Office Equipment		638	891	944	156	666	597	(69)	-11.5%	944
Machinery and Equipment		5 271	6 943	6 903	126	2 537	3 311	773	23.4%	6 903
Machinery and Equipment		5 271	6 943	6 903	126	2 537	3 311	773	23.4%	6 903
Transport Assets		8 958	12 600	15 477	418	8 337	9 592	1 255	13.1%	15 477
Transport Assets		8 958	12 600	15 477	418	8 337	9 592	1 255	13.1%	15 477
Total Capital Expenditure on new assets	1	172 185	131 449	126 732	1 211	68 259	89 275	21 015	23.5%	126 732

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M08

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	7 351	408	3 671	4 080	409	10.0%	7 351
Roads Infrastructure		500	–	–	–	–	–	–		–
Road Structures		500	–	–	–	–	–	–		–
Electrical Infrastructure		–	3 900	3 741	258	1 414	1 673	259	15.5%	3 741
MV Networks		–	3 900	3 741	258	1 414	1 673	259	15.5%	3 741
Water Supply Infrastructure		4 142	500	500	150	206	145	(61)	-42.4%	500
Pump Stations		638	–	–	–	–	–	–		–
Water Treatment Works		1 557	500	500	150	206	145	(61)	-42.4%	500
Distribution		1 947	–	–	–	–	–	–		–
Sanitation Infrastructure		982	1 730	3 109	–	2 051	2 262	212	9.4%	3 109
Pump Station		414	500	500	–	–	100	100	100.0%	500
Waste Water Treatment Works		567	1 230	2 609	–	2 051	2 162	112	5.2%	2 609
Community Assets		918	930	925	–	281	410	129	31.5%	925
Community Facilities		127	680	675	–	95	211	116	55.0%	675
Public Open Space		50	630	627	–	47	163	116	71.1%	627
Nature Reserves		77	50	48	–	48	48	0	0.0%	48
Sport and Recreation Facilities		791	250	250	–	186	198	13	6.5%	250
Outdoor Facilities		791	250	250	–	186	198	13	6.5%	250
Furniture and Office Equipment		–	88	79	28	57	39	(18)	-45.9%	79
Furniture and Office Equipment		–	88	79	28	57	39	(18)	-45.9%	79
Machinery and Equipment		125	–	–	–	–	–	–		–
Machinery and Equipment		125	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing assets	1	6 667	7 148	8 355	436	4 008	4 529	520	11.5%	8 355

WC042 Hessequa - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

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 upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		55 996	42 851	40 581	1 978	17 712	24 194	6 482	26.8%	40 581
Roads Infrastructure		42 537	24 651	23 701	1 600	9 429	13 813	4 384	31.7%	23 701
Roads		42 537	24 621	23 671	1 600	9 429	13 807	4 378	31.7%	23 671
Road Furniture		–	30	30	–	–	6	6	100.0%	30
Electrical Infrastructure		6 248	10 300	8 980	377	4 383	5 681	1 297	22.8%	8 980
HV Substations		–	2 200	1 350	–	–	950	950	100.0%	1 350
MV Networks		6 248	8 100	7 630	377	4 383	4 731	347	7.3%	7 630
Water Supply Infrastructure		5 441	3 900	3 900	–	3 900	3 900	–		3 900
Water Treatment Works		500	1 000	1 000	–	1 000	1 000	–		1 000
Distribution		4 941	2 900	2 900	–	2 900	2 900	–		2 900
Sanitation Infrastructure		1 770	4 000	4 000	–	–	800	800	100.0%	4 000
Reticulation		–	4 000	4 000	–	–	800	800	100.0%	4 000
Community Assets		1 722	5 280	5 460	101	3 203	4 047	845	20.9%	5 460
Community Facilities		407	1 080	1 490	101	595	694	98	14.2%	1 490
Centres		173	550	602	63	205	234	29	12.2%	602
Public Open Space		29	280	386	37	176	188	12	6.4%	386
Nature Reserves		55	–	–	–	–	–	–		–
Public Ablution Facilities		150	250	214	–	214	214	(0)	0.0%	214
Markets		–	–	289	–	–	58	58	100.0%	289
Sport and Recreation Facilities		1 315	4 200	3 970	–	2 607	3 354	746	22.3%	3 970
Outdoor Facilities		1 315	4 200	3 970	–	2 607	3 354	746	22.3%	3 970
Investment properties		–	–	350	–	–	70	70	100.0%	350
Revenue Generating		–	–	350	–	–	70	70	100.0%	350
Unimproved Property		–	–	350	–	–	70	70	100.0%	350
Other assets		424	900	900	29	473	535	62	11.6%	900
Operational Buildings		424	900	900	29	473	535	62	11.6%	900
Municipal Offices		195	300	302	–	288	291	3	1.0%	302
Workshops		229	300	298	–	135	167	33	19.6%	298
Stores		–	300	300	29	51	78	27	34.2%	300
Machinery and Equipment		146	–	–	–	–	–	–		–
Machinery and Equipment		146	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing assets	1	58 287	49 031	47 291	2 108	21 388	28 846	7 458	25.9%	47 291

4.4 Financial position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M08 February

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	396 059	466 360	396 059
Trade and other receivables from exchange transactions		46 673	39 333	39 333	38 987	39 333
Receivables from non-exchange transactions		28 565	34 634	37 509	61 428	37 509
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 775	4 509	4 509	4 333	4 509
VAT		9 774	11 975	11 975	11 620	11 975
Other current assets		1 064	1 060	1 060	1 064	1 060
Total current assets		**529 808**	**453 099**	**490 446**	**583 792**	**490 446**
Non current assets						
Investments						
Investment property		123 789	105 082	105 432	123 789	105 432
Property, plant and equipment		1 328 076	1 357 779	1 352 179	1 389 857	1 352 179
Biological assets						
Living and non-living resources Heritage assets		8 452	8 736	8 736	8 452	8 736
Intangible assets		179	174	174	170	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**	**1 466 521**	**1 522 267**	**1 466 521**
TOTAL ASSETS		**1 990 303**	**1 924 870**	**1 956 967**	**2 106 060**	**1 956 967**
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	27 071	12 676
Trade and other payables from exchange transactions		78 189	80 225	65 860	53 131	65 860
Trade and other payables from non-exchange transactions		3 643	–	–	20 574	–
Provision		12 177	18 787	18 787	12 177	18 787
VAT		24 464	10 417	10 417	31 924	10 417
Other current liabilities		–	–	–	–	–
Total current liabilities		**158 301**	**146 405**	**132 040**	**169 103**	**132 040**
Non current liabilities						
Financial liabilities		98 254	126 032	126 032	86 492	126 032
Provision		161 403	175 954	176 454	161 403	176 454
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**259 658**	**301 986**	**302 486**	**247 896**	**302 486**
TOTAL LIABILITIES		**417 958**	**448 391**	**434 527**	**416 999**	**434 527**
NET ASSETS	2	**1 572 345**	**1 476 479**	**1 522 441**	**1 689 061**	**1 522 441**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 508 820	1 365 841	1 411 802	1 625 536	1 411 802
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**	**1 522 441**	**1 689 061**	**1 522 441**

4.5 Cash Flow & Investments

Table C7: Reflects the Cash flow of the Municipality

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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	13 198	121 700	96 534	25 166	26%	145 346
Service charges		426 383	407 609	411 569	32 787	258 875	272 754	(13 880)	-5%	411 569
Other revenue		2 630 179	98 679	146 242	9 906	168 426	152 169	16 257	11%	146 242
Transfers and Subsidies - Operational		85 872	107 341	92 118	4 336	11 847	90 748	(78 901)	-87%	92 118
Transfers and Subsidies - Capital		110 675	61 792	53 981	4 828	51 466	37 611	13 856	37%	53 981
Interest		4 022	41 836	41 836	2 390	10 841	24 404	(13 563)	-56%	41 836
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees		(2 079 926)	(729 494)	(728 222)	(54 637)	(489 793)	(568 350)	(78 556)	14%	(728 222)
Interest		(13 604)	(11 309)	(11 309)	–	(5 993)	(6 597)	(604)	9%	(11 309)
Transfers and Subsidies		–	(2 502)	(2 509)	(164)	(1 551)	(1 460)	91	-6%	(2 509)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 299 356**	**119 297**	**149 052**	**12 644**	**125 818**	**97 814**	**(28 004)**	**-29%**	**149 052**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 258	10 000	14 000	500	6 220	5 838	382	7%	14 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		
Payments										
Capital assets		(237 139)	(187 628)	(182 378)	(3 754)	(93 655)	(126 994)	(33 339)	26%	(182 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(235 881)**	**(177 628)**	**(168 378)**	**(3 254)**	**(87 435)**	**(121 156)**	**(33 721)**	**28%**	**(168 378)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans					–	–	–	–		
Borrowing long term/refinancing		–	50 000	50 000	–	–	29 167	(29 167)	-100%	50 000
Increase (decrease) in consumer deposits		945	1 594	1 594	74	783	1 889	(1 106)	-59%	1 594
Payments										
Repayment of borrowing		–	(24 251)	(24 251)	–	(11 762)	(14 147)	(2 385)	17%	(24 251)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**945**	**27 343**	**27 343**	**74**	**(10 979)**	**16 909**	**27 888**	**165%**	**27 343**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 064 420**	**(30 988)**	**8 017**	**9 464**	**27 403**	**(6 433)**			**8 017**
Cash/cash equivalents at beginning:		487 521	392 575	438 957	456 896	438 957	438 957			438 957
Cash/cash equivalents at month/year end:		1 551 941	361 587	446 974	466 360	466 360	432 524			446 974

Cash Flow (Table C7)

Operating Activities:

The year-to-date cash from operating activities amounts to R125,818 million in comparison to the budgeted SDBIP projection of R97,814 million. This translates to a surplus of ± R28,004 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 (R87,435) million in comparison to the budgeted SDBIP projection of (R121,156) million. The deviation represents 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 (R10,979) million, in comparison with the budgeted SDBIP projection of R16,909 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 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.

Tables SC5: Investment Portfolio

WC042 Hessequa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
FNB MONEY MARKET 62299016686	Call	1	Call		Call	0.000%			2016/06/30	24 337	-	(27 000)	52 385	49 722
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	(0)				(0)
STANDARD BANK	724	11 Months	Fixed Deposits		Fixed Deposits	8.625%			2026/02/13	10 000	794	(10 794)		0
ABSA	725	10 Months	Fixed Deposits		Fixed Deposits	8.390%			2026/02/10	15 000	1 055	(16 055)		-
STANDARD BANK	726	11 Months	Fixed Deposits		Fixed Deposits	8.450%			2026/03/10	15 000				15 000
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	5 000	350	(5 350)		(0)
ABSA	729	10 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/03/09	10 000				10 000
ABSA	730	11 Months	Fixed Deposits		Fixed Deposits	8.160%			2026/04/09	15 000				15 000
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	5 000				5 000
ABSA	733	11 Months	Fixed Deposits		Fixed Deposits	8.250%			2026/04/30	10 000				10 000
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%			2026/04/24	5 000				5 000
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/05/29	15 000				15 000
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.180%			2026/06/24	15 000				15 000
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	8.090%			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
NEDBANK	746	10 Months	Fixed Deposits		Fixed Deposits	7.640%			2026/08/21	10 000				10 000
NEDBANK	747	11 Months	Fixed Deposits		Fixed Deposits	7.690%			2026/09/22	10 000				10 000
NEDBANK	748	11+ Months	Fixed Deposits		Fixed Deposits	7.750%			2026/10/16	20 000				20 000
NEDBANK	749	10 Months	Fixed Deposits		Fixed Deposits	7.584%			2026/09/21	20 000				20 000
NEDBANK	750	11 Months	Fixed Deposits		Fixed Deposits	7.634%			2026/10/21	20 000				20 000
ABSA	751	11 Months	Fixed Deposits		Fixed Deposits	7.680%			2026/10/27	10 000				10 000
ABSA	752	11+ Months	Fixed Deposits		Fixed Deposits	7.690%			2026/11/27	20 000				20 000
ABSA	753	11+ Months	Fixed Deposits		Fixed Deposits	7.720%			2026/12/04	20 000				20 000
NEDBANK	754	11 Months	Fixed Deposits		Fixed Deposits	7.590%			2026/11/10	20 000				20 000
NEDBANK	755	11 Months	Fixed Deposits		Fixed Deposits	7.410%			2026/12/17	10 000				10 000
NEDBANK	756	11+ Months	Fixed Deposits		Fixed Deposits	7.445%			2027/01/08	10 000				10 000
NEDBANK	757	11 Months	Fixed Deposits		Fixed Deposits	7.290%			2027/01/13				20 000	20 000
NEDBANK	758	11+ Months	Fixed Deposits		Fixed Deposits	7.320%			2027/02/05				20 000	20 000
ABSA	759	11+ Months	Fixed Deposits		Fixed Deposits	7.330%			2027/02/12				10 000	10 000
Municipality sub-total										429 337	2 199	(59 199)	102 385	474 722
TOTAL INVESTMENTS AND INTEREST	2									429 337	2 199	(59 199)	102 385	474 722

HESSEQUA MUNISIPALITEIT
KORTTERMYN BELEGGINGS

2026/02/28

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 2025/26	Balans 28/02/2026
	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	0.00
698	NEDBANK	11+ MNDE @ 9.017%	05 AUG 2025	10 000 000		Tjek 90069742-43 - 2024/08/14	793 001.92	86 484.38	793 001.92	10 000 000	Kw 794854-55- 22/08/2025	-10 879 486.30	0.00
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	0.00
700	ABSA	11+ MNDE @ 8.950%	16 AUG 2025	10 000 000		Tjek 90070029-30 - 2024/08/30	747 876.71	110 342.47	747 876.71	10 000 000	Kw 794862-63- 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 794867-68- 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 795081-82- 11/09/2025	-10 853 002.74	0.00
704	NEDBANK	11+ MNDE @ 8.774%	16 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- 18/09/2025	-10 841 342.47	0.00
706	STANDARD BANK	11+ MNDE @ 8.776%	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 90070878-79 - 2024/10/11	637 684.93	225 493.15	637 684.93	10 000 000	Kw 797186-87- 03/10/2025	-10 863 178.08	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 @ 8.850%	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 @ 8.690%	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	169 808.21	169 641.10	169 808.21	5 000 000	Kw 799924-25- 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 - 2025/02/26	148 438.36	204 986.30	148 438.36	5 000 000		-5 353 424.66	0.00
719	STANDARD BANK	11 MNDE @ 8.675%	26 JAN 2026	10 000 000		Tjek 90072846-46 - 2025/02/25	299 465.75	496 732.88	299 465.75	10 000 000	Kw 803074-75- 30/01/2026	-10 796 198.63	0.00
720	STANDARD BANK	11 MNDE @ 8.675%	28 JAN 2026	10 000 000		Tjek 90072925-26 - 2025/02/28	292 335.62	501 486.30	292 335.62	10 000 000	Kw 803072-73- 30/01/2026	-10 793 821.92	0.00
721	ABSA	10 MNDE @ 8.510%	12 JAN 2026	5 000 000		Tjek 90073072 - 2025/03/12	129 398.63	227 321.92	129 398.63	5 000 000	Kw 802466-67- 15/01/2026	-5 356 720.55	0.00
723	STANDARD BANK	10 MNDE @ 8.525%	14 JAN 2026	5 000 000		Tjek 90073169 - 2025/03/14	127 291.10	230 058.22	127 291.10	5 000 000	Kw 802463-64- 15/01/2026	-5 357 349.32	0.00
724	STANDARD BANK	11 MNDE @ 8.625%	13 FEB 2026	10 000 000		Tjek 90073170-71 - 2025/03/14	257 568.49	536 404.11	257 568.49	10 000 000	Kw 804092-93- 17/02/2026	-10 793 972.60	0.00
725	ABSA	10 MNDE @ 8.390%	10 FEB 2026	15 000 000		Tjek 90073582-84 - 2025/04/10	282 731.50	772 339.73	282 731.50	15 000 000	Kw 804014-15- 13/02/2026	-16 055 071.23	0.00
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 90073608 - 2025/04/15	88 602.74	261 205.48	88 602.74	5 000 000	Kw 804094-95- 17/02/2026	-5 349 808.22	0.00
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 @ 8.160%	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 @ 8.000%	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 90075620-21 - 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 @7.670%	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 90077576-78 - 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
755	NEDBANK	11 MNDE @ 7.410%	17 DEC 2026		10 000 000	Tjek 90078263-64 - 2026/01/16							10 000 000.00
756	NEDBANK	11+ MNDE @ 7.445%	08 JAN 2027		10 000 000	Tjek 90078265-66 - 2026/01/16							10 000 000.00
757	NEDBANK	11 MNDE @7.290%	13 JAN 2027		20 000 000	Tjek 90078720-23 - 2026/02/13							20 000 000.00
758	NEDBANK	11+ MNDE @7.320%	06 FEB 2027		20 000 000	Tjek 90078724-27 - 2026/02/13							20 000 000.00
759	ABSA	11+ MNDE @7.330%	12 FEB 2027		10 000 000	Tjek 90078922-23 - 2026/02/27							10 000 000.00
				390 000 000.00	335 000 000.00		15 309 916.55	8 921 514.12	16 006 749.94	300 000 000.00		-324 231 430.68	425 000 000.00

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 28/02/2026
1.	FNB	[illegible]	62299016686		26 571 694.06	290 906 000.00	0.00	1 243 981.56		0.00	269 000 000.00	Verskeie Onttrekkings Aangevra	49 721 675.62
					26 571 694.06	290 906 000.00	0.00	1 243 981.56			269 000 000.00		49 721 675.62

474 721 675.62

Development Charges

Development charges for municipal infrastructure are included in investments. Year- to- date revenue from development charges amounts to R4,205 million, compared to a budgeted SDBIP amount of R4,804 million.

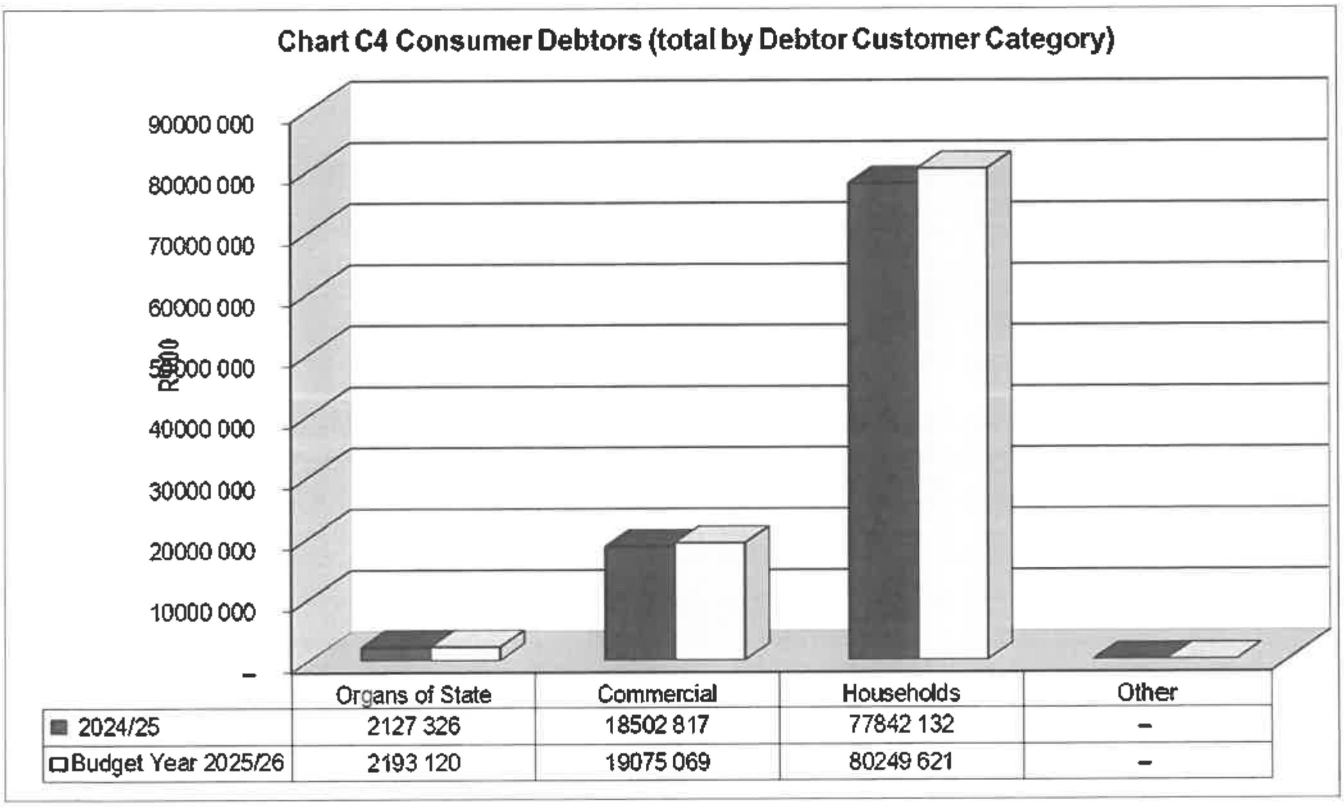
4.6 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

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	6 159	1 486	994	831	745	672	2 698	7 717	21 302	12 663	148	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15 549	1 772	450	313	271	244	1 009	2 987	22 596	4 825	13	–
Receivables from Non-exchange Transactions - Property Rates	1400	6 837	1 355	913	415	291	270	1 540	3 922	17 541	6 437	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 855	866	618	536	466	449	2 113	6 629	14 652	10 212	99	–
Receivables from Exchange Transactions - Waste Management	1600	3 180	908	631	660	500	457	1 972	5 335	13 532	6 813	108	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	389	353	322	309	293	268	1 369	4 930	8 232	7 168	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	658	188	114	98	62	40	272	2 432	3 763	2 902	39	–
Total By Income Source	**2000**	**37 526**	**6 928**	**4 041**	**3 049**	**2 646**	**2 400**	**10 973**	**33 951**	**101 518**	**53 021**	**406**	**–**
2024/25 - totals only		47030251 1/5	2920280 2/5	2480211	1942546 1/6	1710454 1/6	1691214 1/3	10216909 5/6	28881814 2/3	96 874	44 443	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 169	329	126	75	25	21	209	219	2 193	549	–	–
Commercial	2300	9 920	1 581	472	370	302	274	1 383	4 773	19 075	7 101	–	–
Households	2400	26 417	5 018	3 444	2 605	2 320	2 105	9 381	28 960	80 250	45 371	406	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**37 526**	**6 928**	**4 041**	**3 049**	**2 648**	**2 400**	**10 973**	**33 951**	**101 518**	**53 021**	**406**	**–**

Debtors, 30 days older on 28 February 2026, amount to R57,063 million, in comparison to the amount of R63,213 million for 31 January 2026. This represents a decrease of R6,150 million for the month. The debtors' collection rate for February 2026 is 95,89%. 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 February 2026.



4.7 Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400	31 924								**31 924**	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	5 420								**5 420**	
Auditor General	0800									–	
Other	0900	34 311								**34 311**	
Medical Aid deductions	0950									–	
Total By Customer Type	**1000**	**71 655**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**71 655**	–

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 (R20,597) million, payments received in advance (R8,985) million, retentions (R16,366) million, and other creditors (R40,884) million. Trade creditors amount to (R5,420) million.

4.8 Grants & Donations

Table SC6: Transfers and grant receipts

WC042 Hessequa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

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	590	52 897	56 110	(3 213)	-5.7%	71 320
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		63 158	67 378	67 378	–	50 533	53 902	(3 369)	-6.3%	67 378
Expanded Public Works Programme Integrated Grant		1 236	1 351	1 351	455	1 146	823	323	39.2%	1 351
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		1 700	1 800	1 800	71	745	899	(154)	-17.1%	1 800
Municipal Disaster Relief Grant	3	–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		762	791	791	63	473	486	(13)	-2.6%	791
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
Provincial Government:		817	3 835	7 560	40	434	1 914	(1 480)	-77.3%	7 560
Capacity Building and Other Grants		479	1 256	5 186	40	314	1 256	(942)	-75.0%	5 186
Infrastructure Grant		337	2 579	2 374	–	120	657	(537)	-81.8%	2 374
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		380	600	852	23	23	170	(147)	-86.4%	852
Buildings and Construction		–	–	–	–	–	–	–		–
Disaster Management Fund		–	–	–	–	–	–	–		–
Education Training and Development Practices SETA		78	600	600	23	23	120	(97)	-80.6%	600
Grant in Aid		–	–	–	–	–	–	–		–
Mining Companies		–	–	–	–	–	–	–		–
National Lotteries Board		–	–	–	–	–	–	–		–
Product		–	–	–	–	–	–	–		–
Unspecified		301	–	252	–	–	50	(50)	-100.0%	252
Total Operating Transfers and Grants	5	68 053	75 755	79 731	653	53 354	58 194	(4 840)	-8.3%	79 731
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
								–		
Provincial Government:		480	469	469	–	–	313	(313)	-100.0%	469
Capacity Building and Other Grants		480	469	469	–	–	313	(313)	-100.0%	469
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		1 500	–	639	–	–	128	(128)	-100.0%	639
[insert description]								–		
Developers Contribution		1 500	–	–	–	–	–	–		–
Unspecified		–	–	639	–	–	128	(128)	-100.0%	639
Total Capital Transfers and Grants	5	1 980	469	1 108	–	–	440	(440)	-100.0%	1 108
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	70 033	76 224	80 839	653	53 354	58 634	(5 280)	-9.0%	80 839

Receipts (Table SC6):

Operating:

The year-to-date receipt is R53,354 million against the budgeted SDBIP projection of R58,194 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 R0,440 million. No material deviation is expected at this stage.

Transfers and Grants Receipts as at 28 February 2026	
Row Labels	**Sum of Amount**
CDW	56 000.00
EPWP	1 351 000.00
EQUITABLE SHARE	50 533 000.00
FINANCIAL CAPABILITY GRANT	1 050 000.00
FMG	1 800 000.00
HMS	155 501.50
LG Seta	150 802.71
LG SKILLS DEVELOPMENT	9 237.00
LIBRARY REPLACEMENT FUNDING	7 298 000.00
LIBRRAY CONDITIONAL GRANT	4 496 000.00
MERG	37 000 000.00
MIG	13 412 000.00
MUNICIPAL WATER RESILIENCE GRANT	1 550 000.00
RSEP	810 000.00
Thusong Grant	150 000.00
TITLE DEED RESTORATION	244 291.50
Grand Total	**120 065 832.71**

Table SC7: Transfers and grant expenditure

WC042 Hessequa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

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	241	2 892	2 929	(37)	-1.3%	4 039
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		84	97	97	3	97	95	2	2.4%	97
Expanded Public Works Programme Integrated Grant		1 233	1 351	1 351	134	1 281	1 187	94	7.9%	1 351
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		1 629	1 800	1 800	41	1 042	1 162	(120)	-10.3%	1 800
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		762	791	791	63	473	486	(13)	-2.6%	791
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Provincial Government:		369	3 835	7 560	2 445	2 883	1 957	926	47.3%	7 560
Capacity Building and Other Grants		31	1 256	5 186	2 445	2 763	1 292	1 471	113.9%	5 186
Infrastructure Grant		337	2 579	2 374	–	120	665	(545)	-82.0%	2 374
District Municipality:		–	–	–	–	–	–	–		–
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		323	600	852	–	23	189	(166)	-87.7%	852
Buildings and Construction		–	–	–	–	–	–	–		–
Education Training and Development Practices SETA		74	600	600	–	23	139	(115)	-83.2%	600
Mining Companies		–	–	–	–	–	–	–		–
National Lotteries Board		–	–	–	–	–	–	–		–
Product		–	–	–	–	–	–	–		–
Unspecified		248	–	252	–	–	50	(50)	-100.0%	252
Total operating expenditure of Transfers and Grants:		4 400	8 474	12 450	2 686	5 798	5 074	724	14.3%	12 450
Capital expenditure of Transfers and Grants										
National Government:		18 704	15 021	15 021	977	7 951	8 584	(633)	-7.4%	15 021
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant		3 748	–	–	–	–	–	–		–
Local Government Financial Management Grant		–	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		490	–	–	–	–	–	–		–
Municipal Infrastructure Grant		14 466	15 021	15 021	977	7 951	8 584	(633)	-7.4%	15 021
Urban Settlement Development Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		122 196	47 320	39 509	28	37 139	41 315	(4 176)	-10.1%	39 509
Capacity Building and Other Grants		1 704	1 279	1 279	28	139	429	(290)	-67.6%	1 279
Infrastructure Grant		120 492	46 041	38 230	–	37 000	40 886	(3 886)	-9.5%	38 230
District Municipality:		–	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		2 510	–	639	–	–	128	(128)	-100.0%	639
Developers Contribution		1 181	–	–	–	–	–	–		–
National Sea Rescue Institute		–	–	–	–	–	–	–		–
Private Enterprises		–	–	–	–	–	–	–		–
Product		–	–	–	–	–	–	–		–
Unspecified		1 329	–	639	–	–	128	(128)	-100.0%	639
Total capital expenditure of Transfers and Grants		143 410	62 341	55 169	1 005	45 090	50 027	(4 937)	-9.9%	55 169
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		147 809	70 815	67 620	3 691	50 888	55 102	(4 213)	-7.6%	67 620

Expenditure (Table SC7)

Operating:

The year-to-date expenditure is R5,798 million against the budgeted SDBIP projection of R5,074 million. No material deviation is expected at this stage.

Capital:

The year-to-date expenditure from capital grants amounts to R45,090 million. The SDBIP projection for the year-to-date is R50,027 million. No material deviation is expected at year-end 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 - M08 February

Summary of Employee and Councillor remuneration	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
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages								–		
Pension and UIF Contributions		491	440	552	41	326	339	(12)	-4%	552
Medical Aid Contributions		147	168	168	14	105	107	(2)	-2%	168
Motor Vehicle Allowance								–		
Cellphone Allowance		799	860	830	67	533	539	(6)	-1%	830
Housing Allowances								–		
Other benefits and allowances		7 691	8 222	8 489	650	5 141	5 297	(156)	-3%	8 489
Sub Total - Councillors		**9 128**	**9 690**	**10 039**	**771**	**6 105**	**6 281**	**(176)**	**-3%**	**10 039**
% increase	4		**6.2%**	**10.0%**						**10.0%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 770	7 617	8 326	580	5 779	5 824	(45)	-1%	8 326
Pension and UIF Contributions		1 060	1 488	1 688	106	1 043	1 087	(44)	-4%	1 688
Medical Aid Contributions		164	210	210	16	120	126	(6)	-4%	210
Overtime								–		
Performance Bonus		1 045	1 511	1 511	–	–	302	(302)	-100%	1 511
Motor Vehicle Allowance		798	833	837	82	602	584	18	3%	837
Cellphone Allowance		47	141	152	15	88	88	(1)	-1%	152
Housing Allowances		13	14	14	1	9	9	(0)	-1%	14
Other benefits and allowances		201	116	146	29	207	87	120	137%	146
Payments in lieu of leave		26	–	–	–	–	–	–		–
Long service awards		–	106	–	–	–	53	(53)	-100%	-
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Municipality		**9 125**	**12 037**	**12 884**	**829**	**7 849**	**8 161**	**(312)**	**-4%**	**12 884**
% increase	4		**31.9%**	**41.2%**						**41.2%**
Other Municipal Staff										
Basic Salaries and Wages		144 409	170 552	169 792	12 904	104 397	106 989	(2 592)	-2%	169 792
Pension and UIF Contributions		26 468	30 743	30 910	2 377	19 041	19 543	(501)	-3%	30 910
Medical Aid Contributions		7 476	9 606	9 694	719	5 476	5 748	(273)	-5%	9 694
Overtime		8 374	7 884	8 474	970	5 802	5 563	239	4%	8 474
Performance Bonus		11 421	15 812	13 915	20	12 134	13 267	(1 133)	-9%	13 915
Motor Vehicle Allowance								–		
Cellphone Allowance		870	943	1 045	112	804	762	42	5%	1 045
Housing Allowances		1 367	905	925	70	559	569	(10)	-2%	925
Other benefits and allowances		9 364	9 287	9 239	902	6 620	6 428	192	3%	9 239
Payments in lieu of leave		1 371	–	151	81	229	150	79	53%	151
Long service awards		2 208	1 754	1 754	65	749	683	66	10%	1 754
Post-retirement benefit obligations	2	8 208	10 605	10 605	326	2 432	3 806	(1 374)	-36%	10 605
In kind benefits		0	1	1	–	–	0	(0)	-100%	1
Sub Total - Other Municipal Staff		**221 537**	**258 092**	**256 505**	**18 546**	**158 243**	**163 509**	**(5 265)**	**-3%**	**256 505**
% increase	4		**16.5%**	**15.8%**						**15.8%**
Total Parent Municipality		**239 790**	**279 818**	**279 427**	**20 146**	**172 198**	**177 951**	**(5 753)**	**-3%**	**279 427**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
TOTAL SALARY, ALLOWANCES & BENEFITS		**239 790**	**279 818**	**279 427**	**20 146**	**172 198**	**177 951**	**(5 753)**	**-3%**	**279 427**
% increase	4		**16.7%**	**16.5%**						**16.5%**
TOTAL MANAGERS AND STAFF		**230 661**	**270 128**	**269 389**	**19 375**	**166 093**	**171 670**	**(5 578)**	**-3%**	**269 389**

5. Cost Containment Report

Cost Containment Monthly Report										
Cost Containment Measures	**Budget YTD**	**Jul-25**	**Aug-25**	**Sept-25**	**Oct-25**	**Nov-25**	**Dec-25**	**Jan-26**	**Feb-25**	**Savings**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Use of consultants	6 088	105	302	573	552	391	464	191	288	3 222
Overtime	5 563	619	541	635	- 50	545	692	1 850	970	- 239
Vehicles used for political office-bearers	-	-	-	-						-
Travel and subsistence	1 374	149	68	301	73	178	189	146	121	149
Domestic accommodation	393	44	101	94	43	18	5	1	31	56
Sponsorships and catering	304	42	39	23	58	45	11	19	119	- 52
Communication	242	4	12	11	12	3	25	4	11	160
Conferences, Meetings & Study tours	428	26	84	84	5	45	45	- 2	123	18
Other related expenditure items (Events)	172	12	38	13	68	19	-	-	8	14
Total	**14 564**	**1 001**	**1 185**	**1 734**	**761**	**1 244**	**1 431**	**2 209**	**1 671**	**3 328**

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

QUALITY CERTIFICATE

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

- **The monthly budget statement**

For the month of **February 2026** 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 10 March 2026