Hesequa Municipality

Monthly Budget Statement
June 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 **June 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 June 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 30 June 2026.

(d) That Council notes the instances of Unauthorized, Irregular, Fruitless and Wasteful (UIF&W) expenditure for the period ended 30 June 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 June 2026 is R798,649 million, compared to the SDBIP budget of R847,377 million, resulting in a variance of -6%. When including Transfers recognized – capital, the revenue to date is R849,788 million compared to An SDBIP budget of R902,546 million.

Total Expenditure

The expenditure to date is R658,564 million compared to an SDBIP budget of R839,183 million.

Capital Expenditure

The year-to-date expenditure on capital is R147,814 million against an SDBIP budget of R182,378 million.

Cash flow

Cash/cash equivalents at the end of June 2026 is R496,278 million.

Debtors Ageing
Debtors outstanding at the end of June 2026 is R89,162 million.

Creditors Ageing
Creditors outstanding at the end of June 2026 amount to R71,205 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 - M12 June

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	11 497	151 838	148 312	3 526	2%	148 312
Service charges	365 374	384 481	386 481	34 046	385 535	386 481	(946)	-0%	386 481
Investment revenue	46 305	36 046	36 046	5 403	22 027	36 046	(14 019)	-39%	36 046
Transfers and subsidies - Operational	68 053	75 755	79 731	258	71 480	79 731	(8 251)	(0)	79 731
Other own revenue	148 402	162 747	196 808	10 707	167 769	196 808	(29 039)	-15%	196 808
Total Revenue (excluding capital transfers and contributions)	**768 330**	**807 340**	**847 377**	**61 910**	**798 649**	**847 377**	**(48 728)**	**-6%**	**847 377**
Employee costs	230 661	270 128	269 273	19 353	243 216	269 273	(26 057)	-10%	269 273
Remuneration of Councillors	9 128	9 690	10 039	804	9 599	10 039	(440)	-4%	10 039
Depreciation and amortisation	44 248	52 188	52 188	–	42 788	52 188	(9 400)	-18%	52 188
Interest	21 681	19 809	20 311	5 318	11 311	20 311	(9 000)	-44%	20 311
Inventory consumed and bulk purchases	227 444	259 979	262 705	23 210	239 537	262 705	(23 168)	-9%	262 705
Transfers and subsidies	2 613	2 502	2 509	83	2 168	2 509	(341)	-14%	2 509
Other expenditure	153 821	191 601	222 159	11 067	109 945	222 159	(112 213)	-51%	222 159
Total Expenditure	**689 597**	**805 898**	**839 183**	**59 835**	**658 564**	**839 183**	**(180 619)**	**-22%**	**839 183**
Surplus/(Deficit)	**78 733**	**1 442**	**8 194**	**2 075**	**140 085**	**8 194**	**131 891**	**1610%**	**8 194**
Transfers and subsidies - capital (monetary	161 096	62 341	54 530	3 267	49 878	54 530	###	-9%	54 530
Transfers and subsidies - capital (in-kind)	591	–	639	655	1 261	639	622	97%	639
Surplus/(Deficit) after capital transfers & contributions	**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**202%**	**63 363**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**202%**	**63 363**
Capital expenditure & funds sources									
Capital expenditure	**237 139**	**187 628**	**182 378**	**11 989**	**147 814**	**182 378**	**(34 564)**	**-19%**	**182 378**
Capital transfers recognised	143 410	62 341	55 169	2 644	51 944	55 169	(3 225)	-6%	55 169
Borrowing	–	50 000	50 000	2 487	43 716	50 000	(6 284)	-13%	50 000
Internally generated funds	**93 729**	**75 287**	**77 209**	**6 858**	**52 154**	**77 209**	**(25 055)**	**-32%**	**77 209**
Total sources of capital funds	**237 139**	**187 628**	**182 378**	**11 989**	**147 814**	**182 378**	**(34 564)**	**-19%**	**182 378**
Financial position									
Total current assets	529 808	453 099	490 446		638 908				490 446
Total non current assets	1 460 495	1 471 771	1 466 521		1 563 523				1 466 521
Total current liabilities	158 301	146 405	132 040		153 403				132 040
Total non current liabilities	259 658	301 986	302 486		285 459				302 486
Community wealth/Equity	**1 572 345**	**1 476 479**	**1 522 441**		**1 763 569**				**1 522 441**
Cash flows									
Net cash from (used) operating	1 323 124	119 297	149 052	(444)	164 567	160 372	(4 195)	-3%	149 052
Net cash from (used) investing	(235 881)	(177 628)	(168 378)	(13 118)	(134 186)	(196 522)	(62 337)	32%	(168 378)
Net cash from (used) financing	945	27 343	27 343	37 638	26 940	27 343	403	1%	27 343
Cash/cash equivalents at the month/year end	**1 575 709**	**361 587**	**446 974**	**496 278**	**496 278**	**430 150**	**(66 128)**	**-15%**	**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	30 398	5 753	3 604	2 941	2 694	2 416	12 638	28 718	89 162
Creditors Age Analysis									
Total Creditors	71 205	–	–	–	–	–	–	–	71 205

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) - M12 June

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**	**19 269**	**201 521**	**214 750**	(13 230)	-6%	**214 750**
Executive and council		21 374	18 699	18 699	2	17 406	18 699	(1 293)	-7%	18 699
Finance and administration		213 507	195 413	196 052	19 267	184 115	196 052	(11 937)	-6%	196 052
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**104 960**	**119 533**	**153 559**	**7 900**	**121 019**	**153 559**	(32 540)	-21%	**153 559**
Community and social services		10 800	12 970	12 972	807	10 000	12 972	(2 972)	-23%	12 972
Sport and recreation		16 995	15 737	15 737	4 255	15 176	15 737	(561)	-4%	15 737
Public safety		51 627	67 044	116 755	2 810	95 447	116 755	(21 309)	-18%	116 755
Housing		25 538	23 782	8 095	29	397	8 095	(7 698)	-95%	8 095
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**17 973**	**27 999**	**31 999**	**1 210**	**31 075**	**31 999**	(924)	-3%	**31 999**
Planning and development		7 720	21 923	25 923	971	24 712	25 923	(1 211)	-5%	25 923
Road transport		9 643	5 342	5 342	183	5 678	5 342	336	6%	5 342
Environmental protection		610	734	734	56	686	734	(48)	-7%	734
Trading services		**571 723**	**507 569**	**501 769**	**37 453**	**495 720**	**501 769**	**(6 049)**	-1%	**501 769**
Energy sources		387 909	306 808	308 808	22 844	296 009	308 808	(12 799)	-4%	308 808
Water management		79 614	89 874	82 074	5 593	84 736	82 074	2 662	3%	82 074
Waste water management		52 580	57 513	57 513	5 511	57 260	57 513	(253)	0%	57 513
Waste management		51 620	53 374	53 374	3 505	57 715	53 374	4 341	8%	53 374
Other	4	**480**	**469**	**469**	**–**	**453**	**469**	**(16)**	**-3%**	**469**
Total Revenue - Functional	2	**930 018**	**869 682**	**902 546**	**65 832**	**849 788**	**902 546**	**(52 758)**	**-6%**	**902 546**
Expenditure - Functional										
Governance and administration		**97 675**	**123 994**	**125 037**	**7 356**	**96 402**	**125 037**	(28 634)	-23%	**125 037**
Executive and council		32 051	38 056	39 439	2 052	28 493	39 439	(10 946)	-28%	39 439
Finance and administration		63 565	83 523	83 170	5 131	65 655	83 170	(17 515)	-21%	83 170
Internal audit		2 059	2 414	2 427	173	2 254	2 427	(173)	-7%	2 427
Community and public safety		**148 202**	**188 872**	**216 249**	**11 847**	**108 978**	**216 249**	(107 272)	-50%	**216 249**
Community and social services		25 254	29 305	29 382	2 574	27 951	29 382	(1 431)	-5%	29 382
Sport and recreation		33 899	40 870	39 774	2 885	34 759	39 774	(5 015)	-13%	39 774
Public safety		63 423	93 526	137 697	3 899	41 139	137 697	(96 557)	-70%	137 697
Housing		25 626	25 170	9 396	2 490	5 128	9 396	(4 268)	-45%	9 396
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**83 692**	**92 464**	**95 562**	**6 688**	**86 695**	**95 562**	(8 867)	-9%	**95 562**
Planning and development		12 871	16 367	16 393	1 359	14 426	16 393	(1 967)	-12%	16 393
Road transport		64 581	68 802	72 000	4 779	65 657	72 000	(6 342)	-9%	72 000
Environmental protection		6 240	7 295	7 169	550	6 611	7 169	(557)	-8%	7 169
Trading services		**358 722**	**399 081**	**400 814**	**33 825**	**365 064**	**400 814**	**(35 750)**	-9%	**400 814**
Energy sources		221 041	239 667	240 497	22 198	229 900	240 497	(10 597)	-4%	240 497
Water management		49 546	58 489	57 786	4 135	49 614	57 786	(8 172)	-14%	57 786
Waste water management		46 854	51 080	52 497	4 933	47 967	52 497	(4 530)	-9%	52 497
Waste management		41 281	49 845	50 034	2 560	37 583	50 034	(12 451)	-25%	50 034
Other		**1 307**	**1 487**	**1 521**	**118**	**1 425**	**1 521**	**(96)**	**-6%**	**1 521**
Total Expenditure - Functional	3	**689 597**	**805 898**	**839 183**	**59 835**	**658 564**	**839 183**	**(180 619)**	**-22%**	**839 183**
Surplus/ (Deficit) for the year		**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**2.017911**	**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) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Office Of The Mm		21 374	18 699	18 699	2	17 406	18 699	(1 293)	-6.9%	18 699
Vote 02 - Corporate Services		26 579	28 703	28 704	5 053	24 906	28 704	(3 798)	-13.2%	28 704
Vote 03 - Financial Services		190 742	189 357	189 357	17 295	177 322	189 357	(12 035)	-6.4%	189 357
Vote 04 - Community Services		77 383	91 050	125 074	2 846	96 094	125 074	(28 980)	-23.2%	125 074
Vote 05 - Technical Services		605 131	518 747	513 586	39 610	508 209	513 586	(5 377)	-1.0%	513 586
Vote 06 - Spatial Plannign & Environmental Management		8 810	23 126	27 126	1 027	25 850	27 126	(1 276)	-4.7%	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**	**65 832**	**849 788**	**902 546**	**(52 758)**	**-5.8%**	**902 546**
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		36 853	44 066	45 437	2 467	33 911	45 437	(11 526)	-25.4%	45 437
Vote 02 - Corporate Services		55 759	68 293	68 917	4 628	57 013	68 917	(11 904)	-17.3%	68 917
Vote 03 - Financial Services		39 178	49 427	48 292	3 687	40 951	48 292	(7 341)	-15.2%	48 292
Vote 04 - Community Services		95 985	126 277	154 753	7 267	54 516	154 753	(100 237)	-64.8%	154 753
Vote 05 - Technical Services		444 148	496 281	500 272	40 000	452 875	500 272	(47 397)	-9.5%	500 272
Vote 06 - Spatial Plannign & Environmental Management		17 675	21 554	21 513	1 785	19 299	21 513	(2 214)	-10.3%	21 513
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**	**59 835**	**658 564**	**839 183**	**(180 619)**	**-21.5%**	**839 183**
Surplus/ (Deficit) for the year	2	**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**201.8%**	**63 363**

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

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	258 387	22 309	246 159	258 387	(12 228)	-5%	258 387
Service charges - Water		59 596	58 186	58 186	5 225	62 591	58 186	4 405	8%	58 186
Service charges - Waste Water Management		31 842	32 413	32 413	3 082	35 116	32 413	2 704	8%	32 413
Service charges - Waste management		37 892	37 496	37 496	3 429	41 669	37 496	4 174	11%	37 496
Sale of Goods and Rendering of Services		51 900	52 668	33 267	5 646	28 543	33 267	(4 724)	-14%	33 267
Agency services		3 213	3 716	3 716	249	3 239	3 716	(477)	-13%	3 716
Interest earned from Receivables		3 440	3 019	3 019	311	3 602	3 019	584	19%	3 019
Interest from Current and Non Current Assets		46 305	36 046	36 046	5 403	22 027	36 046	(14 019)	-39%	36 046
Rental from Fixed Assets		4 431	4 622	4 622	372	4 779	4 622	157	3%	4 622
Licence and permits		2	–	7	0	2	7	(5)	-71%	7
Operational Revenue		5 028	11 390	11 390	611	7 267	11 390	(4 123)	-36%	11 390
Non-Exchange Revenue								–		
Property rates		140 197	148 312	148 312	11 497	151 838	148 312	3 526	2%	148 312
Fines, penalties and forfeits		44 899	60 606	110 061	2 320	89 774	110 061	(20 287)	-18%	110 061
Licence and permits		2 344	2 552	2 552	198	2 341	2 552	(212)	-8%	2 552
Transfers and subsidies - Operational		68 053	75 755	79 731	258	71 480	79 731	(8 251)	-10%	79 731
Interest		837	911	911	69	805	911	(105)	-12%	911
Fuel Levy								–		
Operational Revenue		11 374	13 264	13 264	930	11 791	13 264	(1 472)	-11%	13 264
Gains on disposal of Assets		1 258	10 000	14 000	–	15 626	14 000	1 626	12%	14 000
Other Gains		19 676	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**768 330**	**807 340**	**847 377**	**61 910**	**798 649**	**847 377**	**(48 728)**	**-6%**	**847 377**
Expenditure By Type										
Employee related costs		230 661	270 128	269 273	19 353	243 216	269 273	(26 057)	-10%	269 273
Remuneration of councillors		9 128	9 690	10 039	804	9 599	10 039	(440)	-4%	10 039
Bulk purchases - electricity		187 077	212 192	214 192	18 656	194 992	214 192	(19 200)	-9%	214 192
Inventory consumed		40 368	47 787	48 512	4 554	44 544	48 512	(3 968)	-8%	48 512
Debt impairment		31 801	4 014	93 814	–	–	93 814	(93 814)	-100%	93 814
Depreciation and amortisation		44 248	52 188	52 188	–	42 788	52 188	(9 400)	-18%	52 188
Interest		21 681	19 809	20 311	5 318	11 311	20 311	(9 000)	-44%	20 311
Contracted services		71 920	81 852	68 726	6 476	51 556	68 726	(17 169)	-25%	68 726
Transfers and subsidies		2 613	2 502	2 509	83	2 168	2 509	(341)	-14%	2 509
Irrecoverable debts written off		8 212	56 546	9 918	1 143	16 895	9 918	6 977	70%	9 918
Operational costs		37 914	49 189	49 701	2 319	39 496	49 701	(10 205)	-21%	49 701
Losses on Disposal of Assets		1 065	–	–	1 128	1 998	–	1 998	#DIV/0!	–
Other Losses		2 908	–	–	–	–	–	–		–
Total Expenditure		**689 597**	**805 898**	**839 183**	**59 835**	**658 564**	**839 183**	**(180 619)**	**-22%**	**839 183**
Surplus/(Deficit)		**78 733**	**1 442**	**8 194**	**2 075**	**140 085**	**8 194**	**131 891**	**0**	**8 194**
Transfers and subsidies - capital (monetary allocations)		161 096	62 341	54 530	3 267	49 878	54 530	(4 652)	(0)	54 530
Transfers and subsidies - capital (in-kind)		591	–	639	655	1 261	639	622	0	639
Surplus/(Deficit) after capital transfers & contributions		**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**0**	**63 363**
Income Tax								–		
Surplus/(Deficit) after income tax		**240 420**	**63 783**	**63 363**	**5 997**	**191 224**	**63 363**	**127 861**	**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**	**5 997**	**191 224**	**63 363**	127 861	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**	**5 997**	**191 224**	**63 363**	**127 861**	**0**	**63 363**

Revenue by Source (Table C4)

Exchange Revenue

Service Levies:

Electricity Service

Levies for the year-to-date stand at R246,159 million, in comparison with the budgeted amount of R258,387 million. The deviation can be attributed to provisions that must still be processed. Provisions will be made at year-end for basic fees on prepaid electricity and for pro rata levies in respect of June 2026.

Water Service

Levies for the year-to-date stands at R62,591 million, in comparison with the budget of R58,186 million. The municipality projected a 1% growth in the budgeted revenue which was exceeded due to newly built units during the year and their consumption figures exceeding our forecasts. In addition, data cleansing is done on a continuous basis to improve billing accuracy.

Sewerage Service

Levies for the year-to-date stand at R35,116 million, in comparison with the budget of R32,413 million. Revenue for the year exceeded the budget. The municipality projected a 1% growth in the budgeted revenue which was exceeded due to newly built units during the year and their consumption figures exceeding our forecasts. In addition, data cleansing is done on a continuous basis to improve billing accuracy.

Refuse Removal Service

Levies for the year-to-date stands at R41,669 million, in comparison with the budget of R37,496 million. Revenue for the year exceeded the budget. The municipality projected a 1% growth in the budgeted revenue which was exceeded due to newly built units during the year and their consumption figures exceeding our forecasts. In addition, data cleansing is done on a continuous basis to improve billing accuracy.

Sale of Goods and Rendering of Services

Revenue for the year-to-date stands at R28,543 million, in comparison with the budget of R33,267 million. The deviation is due to construction contract revenue where no revenue has been recognized yet as at 30 June 2026. Income is only recognized after the conditions of these transfers are met. Year-end payments are still in process, and the expectation is that both expenditure and revenue recognition will increase.

Agency Services

Revenue for the year-to-date stands at R3,239 million, in comparison with the budget of R3,716 million.

Interest earned from Receivables

Levies for the year-to-date stand at R3,602 million, in comparison with the budget of R3,019 million.

Interest earned from Current and Non- Current Assets

Revenue for the year-to-date amounts to R22,027 million, in comparison with the budget of R36,046 million. The accrued interest for 2025/2026 must still be captured during the year-end processes and will result in the deviation being eliminated.

Rental from Fixed Assets
Levies and revenue for the year-to-date stands at R4,779 million, in comparison with the budget of R4,622 million.

Licenses & Permits
Revenue for the year-to-date stands at R0,002 million, in comparison with the budget of R0,007 million.

Operational Revenue
Revenue for the year-to-date stands at R7,267 million, in comparison with the budget of R11,390 million. The deviation can be attributed to revenue from development charges and collection charges being less than expected. The service in relation to collection charges has been downscaled as more cost-effective collection measures was introduced.

Non- Exchange Revenue

Property Rates:
Levies for the year-to-date amount to R151,838 million, in comparison with the budget of R148,312 million. Revenue for the year exceeded the budget. The municipality projected a 1% growth in the budgeted revenue which was exceeded due to newly built units during the year and their consumption figures exceeding our forecasts.

Fines, penalties and forfeits
Revenue for the year-to-date stands at R89,774 million, in comparison with the budget of R110,061 million. Fines take up to 30 days to be issued. The report for June 2026 will thus only be journalized in July 2026. Year-end reconciliations which will increase revenue from fines are also still in process. No material deviation is expected at year-end.

Licenses & Permits
Revenue for the year-to-date stands at R2,341 million, in comparison with the budget of R2,552 million.

Grants & Subsidies - Operating:
Revenue for the year-to-date stands at R71,480 million, in comparison with the budget of R79,731 million. Income is recognized after the conditions of a grant are met. The ongoing payment of creditors will reduce the deviation.

Grants & Subsidies - Capital:
Revenue for the year-to-date stands at R51,139 million, in comparison with the budget of R55,169 million. Income is only recognized after the conditions of a grant are met. The ongoing payment of creditors will reduce the deviation.

Interest earned from Receivables
Levies for the year-to-date stand R0,805 million, in comparison with the budget of R0,911 million.

Operational Revenue:
Revenue for the year-to-date stands at R11,791 million, in comparison with the budget of R13,264 million. The budget for revenue from availability charges has not been reached for the year.

Sale of land and PPE:
Revenue for the year-to-date stands at R15,626 million, in comparison with the budget of R14,000 million. Despite adjustments being made in the main adjustments budget, the budget for the year was exceeded due to some transactions concluding ahead of projections.

Expenditure by Type

Personnel Expenditure:
The year-to-date expenditure amounts to R243,216 million, in comparison with the budget of R269,273 million. The deviation can be attributed to several vacant posts that are still in the process of being filled and actuarial valuations that must still be done at year-end. The deviation between actual and budgeted expenditure will decrease when actuarial valuations are recorded.

Councillors' Remuneration:
The expenditure for the period to date amounts to R9,599 million in comparison with the budget of R10,039 million.

Bulk purchases- electricity:
The expenditure for the year-to-date is R194,992 million, in comparison with the budget of R214,192 million. Year-end payments are still in process, and a provisions journal must also be processed in respect of payments relating to 2025/2026. A saving on bulk purchases is, however, expected at year-end.

Inventory Consumed
The expenditure for the year-to-date is R44,544 million, in comparison with the budget of R48,512 million. Year-end payments are still in process. No material deviations are expected at year-end.

Debt Impairment:
The expenditure for the period to date amounts to R0,000 million, in comparison with the budget of R93,814 million. The municipality performs a yearly assessment for debt impairment at year-end. No transactions have thus been recorded up until 30 June 2026.

Depreciation:
The year-to-date expenditure is R42,788 million, in comparison with the budget of R52,188 million. The large deviation can be attributed to Work-In-Progress projects that must still be unbundled. The closing off at year-end will result in a smaller deviation between actual and budgeted amounts.

Interest on External Borrowing:
The year-to-date expenditure is R11,311 million in comparison with the budget of R20,311 million. Interest payments are made bi- annually in December and June. The unwinding of interest for landfill sites will increase the expenditure.

Contracted Services:

The expenditure for the year-to-date is R51,556 million, in comparison with the budget of R68,726 million. Year-end payments are still in process which will reduce the deviation.

Transfers & Grants:

The expenditure for the year-to-date amounts to R2,168 million in comparison with the budget of R2,509 million.

Irrecoverable debts written off:

The expenditure for the period to date amounts to R16,895 million, in comparison with the budget of R9,918 million. During the year under review, there was an additional write-off processed for Bad Debts that were deemed to be prescribed which resulted in the vote being over-expended.

Operational Costs:

The year-to-date expenditure is R39,496 million, in comparison with the budget of R49,701 million. Year-end payments are still in process which will increase the actual expenditure.

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) - M12 June

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 02 - Corporate Services		329	250	208	3	208	208	(0)	0%	208
Vote 04 - Community Services		512	1 020	1 076	127	786	1 076	(290)	-27%	1 076
Vote 05 - Technical Services		193 083	126 801	125 092	7 401	104 402	125 092	(20 690)	-17%	125 092
Vote 06 - Spatial Plannign & Environmental Management		77	51	49	–	48	49	(1)	-2%	49
Total Capital Multi-year expenditure	4,7	**194 001**	**128 122**	**126 426**	**7 531**	**105 445**	**126 426**	**(20 981)**	**-17%**	**126 426**
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		55	148	160	–	148	160	(12)	-8%	160
Vote 02 - Corporate Services		1 864	4 167	4 223	1 091	4 175	4 223	(48)	-1%	4 223
Vote 03 - Financial Services		258	758	746	42	737	746	(9)	-1%	746
Vote 04 - Community Services		6 410	3 171	4 746	416	1 838	4 746	(2 908)	-61%	4 746
Vote 05 - Technical Services		33 903	50 301	45 010	3 047	34 494	45 010	(10 516)	-23%	45 010
Vote 06 - Spatial Plannign & Environmental Management		647	961	1 068	(138)	977	1 068	(91)	-8%	1 068
Total Capital single-year expenditure	4	43 138	59 506	55 952	4 458	42 369	55 952	**(13 583)**	**-24%**	55 952
Total Capital Expenditure		**237 139**	**187 628**	**182 378**	**11 989**	**147 814**	**182 378**	**(34 564)**	**-19%**	**182 378**
Capital Expenditure - Functional Classification										
Governance and administration		**2 044**	**16 417**	**9 468**	**2 671**	**8 952**	**9 468**	(516)	-5%	**9 468**
Executive and council		51	148	160	–	148	160	(12)	-8%	160
Finance and administration		1 994	16 269	9 307	2 671	8 804	9 307	(503)	-5%	9 307
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**10 032**	**7 982**	**12 836**	**573**	**6 803**	**12 836**	(6 033)	-47%	**12 836**
Community and social services		479	1 002	1 022	113	902	1 022	(120)	-12%	1 022
Sport and recreation		2 926	3 551	6 793	31	3 966	6 793	(2 827)	-42%	6 793
Public safety		2 932	1 183	2 789	44	967	2 789	(1 822)	-65%	2 789
Housing		3 694	2 246	2 232	385	968	2 232	(1 264)	-57%	2 232
Health								–		
Economic and environmental services		**47 696**	**34 928**	**41 265**	**2 679**	**35 160**	**41 265**	(6 105)	-15%	**41 265**
Planning and development		66	47	31	(422)	31	31	(0)	0%	31
Road transport		47 424	34 386	40 618	2 817	34 587	40 618	(6 031)	-15%	40 618
Environmental protection		206	495	615	284	541	615	(74)	-12%	615
Trading services		**176 910**	**127 831**	**118 340**	**6 066**	**96 446**	**118 340**	(21 893)	-19%	**118 340**
Energy sources		150 472	78 821	78 756	3 248	66 176	78 756	(12 580)	-16%	78 756
Water management		13 679	21 900	17 700	554	11 455	17 700	(6 245)	-35%	17 700
Waste water management		8 246	18 530	13 807	2 260	10 908	13 807	(2 899)	-21%	13 807
Waste management		4 514	8 580	8 077	4	7 906	8 077	(170)	-2%	8 077
Other		457	470	470	–	452	470	(18)	-4%	470
Total Capital Expenditure - Functional Classification	3	**237 139**	**187 628**	**182 378**	**11 989**	**147 814**	**182 378**	**(34 564)**	**-19%**	**182 378**
Funded by:										
National Government		18 704	15 021	15 021	1 633	12 425	15 021	(2 597)	-17%	15 021
Provincial Government		122 196	47 320	39 509	356	38 259	39 509	(1 250)	-3%	39 509
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		2 510	–	639	655	1 261	639	622	97%	639
Transfers recognised - capital		**143 410**	**62 341**	**55 169**	**2 644**	**51 944**	**55 169**	**(3 225)**	**-6%**	**55 169**
Borrowing	6	–	50 000	50 000	2 487	43 716	50 000	(6 284)	-13%	50 000
Internally generated funds		93 729	75 287	77 209	6 858	52 154	77 209	(25 055)	-32%	77 209
Total Capital Funding		**237 139**	**187 628**	**182 378**	**11 989**	**147 814**	**182 378**	**(34 564)**	**-19%**	**182 378**

<u>Capital Expenditure:</u>
The total capital expenditure for the year amounts to R147,814 million in comparison with the budget of R182,378 million. 81,02% was spent for the year-to-date up to 30 June 2026. Year-end payments are still in process which will increase the total capital expenditure. The expectation is that the capital budget for the 2025/2026 financial year will be above 90% spent.

<u>External Loans:</u>
The total financing for the year-to-date is R43,716 million in comparison with the budget of R50,000 million. Year-end payments are still in process which will increase expenditure.

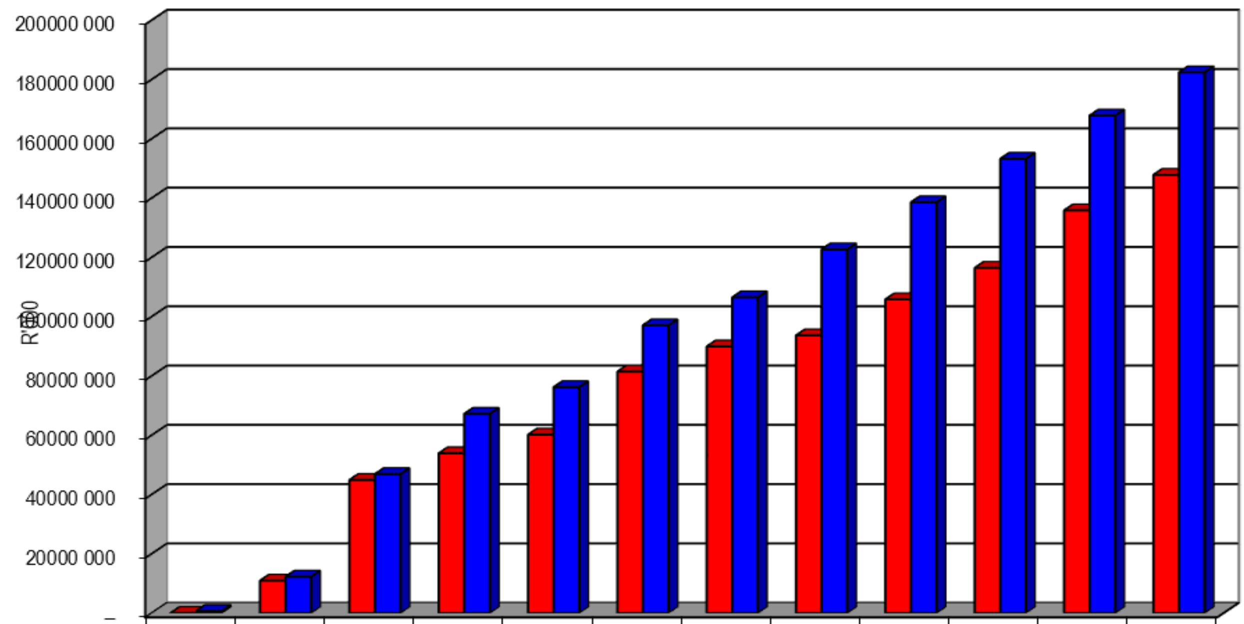
<u>Internal Financing:</u>
The total financing for the year-to-date is R52,154 million, in comparison with the budget of R77,209 million. The deviation can be attributed to several projects that are behind schedule. Projects are projected to be completed before year-end. Capital projects are financed as expenditure is incurred.

<u>Grants and Subsidies:</u>
The total year to date capital expenditure, financed by grants, is R51,944 million in comparison with the budget of R55,169 million. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 30 June 2026 were R 0,000 million.

The following graph 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	44868 21	53866 89	60168 41	81432 03	89900 82	93655 28	105811 5	116432 0	135824 1	147813 6
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 SxC13a (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 - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**155 377**	**97 259**	**89 420**	**2 073**	**70 700**	**89 420**	18 720	**20.9%**	**89 420**
Roads Infrastructure		814	3 614	617	(2 962)	146	617	470	**76.3%**	617
Roads		684	3 414	414	(3 000)	–	414	414	**100.0%**	414
Road Furniture		130	200	203	38	146	203	57	**27.9%**	203
Storm water Infrastructure		–	2 000	4 122	–	2 205	4 122	1 917	**46.5%**	4 122
Drainage Collection		–	2 000	4 122	–	2 205	4 122	1 917	**46.5%**	4 122
Electrical Infrastructure		143 515	61 408	61 083	1 440	53 636	61 083	7 447	**12.2%**	61 083
Power Plants		143 185	59 500	59 300	1 308	51 991	59 300	7 309	**12.3%**	59 300
HV Substations		–	620	585	132	585	585	0	**0.0%**	585
HV Transmission Conductors		–	488	398	–	261	398	138	**34.6%**	398
MV Substations		–	800	800	–	800	800	–		800
LV Networks		330	–	–	–	–	–	–		–
Water Supply Infrastructure		4 913	14 914	10 678	554	4 388	10 678	6 290	**58.9%**	10 678
Boreholes		2 547	1 500	9 575	455	4 231	9 575	5 344	**55.8%**	9 575
Reservoirs		–	5 000	500	–	58	500	442	**88.5%**	500
Water Treatment Works		–	7 800	–	–	–	–	–		–
Distribution		2 366	614	603	99	99	603	504	**83.6%**	603
Sanitation Infrastructure		5 865	11 914	9 813	1 985	7 265	9 813	2 548	**26.0%**	9 813
Pump Station		–	7 000	6 600	1 972	4 628	6 600	1 972	**29.9%**	6 600
Reticulation		5 865	4 914	3 213	12	2 637	3 213	576	**17.9%**	3 213
Solid Waste Infrastructure		129	280	280	4	234	280	46	**16.3%**	280
Waste Drop-off Points		129	280	280	4	234	280	46	**16.3%**	280
Information and Communication Infrastructure		142	3 130	2 828	1 053	2 825	2 828	3	**0.1%**	2 828
Core Layers		142	2 930	2 733	1 053	2 730	2 733	2	**0.1%**	2 733
Distribution Layers		–	200	95	–	95	95	0	**0.1%**	95
Community Assets		**1 241**	**4 152**	**7 419**	**741**	**4 534**	**7 419**	**2 885**	38.9%	**7 419**
Community Facilities		1 181	2 502	2 067	741	1 976	2 067	91	**4.4%**	2 067
Centres		8	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	60	52	–	52	52	0	0.0%	52
Purls		30	–	–	–	–	–	–		–
Public Open Space		847	1 452	1 450	385	1 410	1 450	40	2.7%	1 450
Nature Reserves		296	80	77	–	69	77	8	9.9%	77
Public Ablution Facilities		–	100	100	–	60	100	40	39.8%	100
Taxi Ranks/Bus Terminals		–	810	388	356	384	388	4	1.0%	388
Sport and Recreation Facilities		60	1 650	5 352	–	2 558	5 352	2 794	**52.2%**	5 352
Outdoor Facilities		60	1 650	5 352	–	2 558	5 352	2 794	52.2%	5 352
Other assets		**4**	**8 000**	**–**	**–**	**–**	**–**	**–**		**–**
Operational Buildings		4	8 000	–	–	–	–	–		–
Municipal Offices		4	8 000	–	–	–	–	–		–
Computer Equipment		**694**	**1 605**	**1 847**	**30**	**1 718**	**1 847**	**129**	7.0%	**1 847**
Computer Equipment		694	1 605	1 847	30	1 718	1 847	129	7.0%	1 847
Furniture and Office Equipment		**638**	**891**	**1 049**	**59**	**905**	**1 049**	**145**	13.8%	**1 049**
Furniture and Office Equipment		638	891	1 049	59	905	1 049	145	13.8%	1 049
Machinery and Equipment		**5 271**	**6 943**	**6 880**	**785**	**4 894**	**6 880**	**1 986**	28.9%	**6 880**
Machinery and Equipment		5 271	6 943	6 880	785	4 894	6 880	1 986	28.9%	6 880
Transport Assets		**8 958**	**12 600**	**15 677**	**–**	**12 159**	**15 677**	**3 518**	22.4%	**15 677**
Transport Assets		8 958	12 600	15 677	–	12 159	15 677	3 518	22.4%	15 677
Total Capital Expenditure on new assets	1	**172 185**	**131 449**	**122 292**	**3 688**	**94 909**	**122 292**	**27 383**	**22.4%**	**122 292**

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		**5 624**	**6 130**	**7 351**	**106**	**6 959**	**7 351**	392	**5.3%**	**7 351**
Roads Infrastructure		500	–	–	–	–	–	–		–
Roads								–		
Road Structures		500	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares								–		
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection								–		
Storm water Conveyance								–		
Attenuation								–		
Electrical Infrastructure		–	3 900	3 741	106	3 663	3 741	79	**2.1%**	3 741
MV Networks		–	3 900	3 741	106	3 663	3 741	79	**2.1%**	3 741
Water Supply Infrastructure		4 142	500	500	–	500	500	0	**0.0%**	500
Pump Stations		638	–	–	–	–	–	–		–
Water Treatment Works		1 557	500	500	–	500	500	0	**0.0%**	500
Distribution		1 947	–	–	–	–	–	–		–
Sanitation Infrastructure		982	1 730	3 109	–	2 796	3 109	313	**10.1%**	3 109
Pump Station		414	500	500	–	453	500	47	**9.5%**	500
Waste Water Treatment Works		567	1 230	2 609	–	2 343	2 609	266	**10.2%**	2 609
Community Assets		**918**	**930**	**925**	**273**	**589**	**925**	**336**	**36.4%**	**925**
Community Facilities		127	680	675	252	348	675	328	**48.5%**	675
Public Open Space		50	630	627	252	300	627	328	52.2%	627
Nature Reserves		77	50	48	–	48	48	0	0.2%	48
Sport and Recreation Facilities		791	250	250	21	241	250	9	**3.5%**	250
Outdoor Facilities		791	250	250	21	241	250	9	3.5%	250
Furniture and Office Equipment		**–**	**88**	**79**	**–**	**79**	**79**	**0**	0.1%	**79**
Furniture and Office Equipment		–	88	79	–	79	79	0	0.1%	79
Machinery and Equipment		**125**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Machinery and Equipment		125	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing ass	1	**6 667**	**7 148**	**8 355**	**380**	**7 626**	**8 355**	**729**	8.7%	**8 355**

WC042 Hessequa - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M12

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**55 996**	**42 851**	**44 796**	**7 017**	**38 972**	**44 796**	5 825	**13.0%**	**44 796**
Roads Infrastructure		42 537	24 651	31 917	5 516	28 133	31 917	3 784	**11.9%**	31 917
Roads		42 537	24 621	31 908	5 512	28 124	31 908	3 784	**11.9%**	31 908
Road Furniture		–	30	8	3	8	8	0	**0.1%**	8
Electrical Infrastructure		6 248	10 300	8 980	1 501	6 939	8 980	2 041	**22.7%**	8 980
HV Substations		–	2 200	1 350	520	520	1 350	830	**61.5%**	1 350
MV Networks		6 248	8 100	7 630	981	6 419	7 630	1 210	**15.9%**	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	–	–	–	–	–		–
Pump Station		1 770	–	–	–	–	–	–		–
Reticulation		–	4 000	–	–	–	–	–		–
Community Assets		**1 722**	**5 280**	**5 724**	**801**	**5 102**	**5 724**	**622**	**10.9%**	**5 724**
Community Facilities		407	1 080	1 490	801	1 625	1 490	(134)	**-9.0%**	1 490
Centres		173	550	602	113	489	602	112	18.6%	602
Public Open Space		29	280	386	33	266	386	120	31.1%	386
Nature Reserves		55	–	–	–	–	–	–		–
Public Ablution Facilities		150	250	214	–	214	214	0	0.0%	214
Markets		–	–	289	655	655	289	(366)	-126.7%	289
Sport and Recreation Facilities		1 315	4 200	4 234	–	3 478	4 234	756	**17.9%**	4 234
Outdoor Facilities		1 315	4 200	4 234	–	3 478	4 234	756	17.9%	4 234
Investment properties		**–**	**–**	**350**	**–**	**606**	**350**	(256)	-73.0%	**350**
Revenue Generating		–	–	350	–	606	350	(256)	**-73.0%**	350
Unimproved Property		–	–	350	–	606	350	(256)	-73.0%	350
Other assets		**424**	**900**	**861**	**104**	**599**	**861**	**262**	**30.4%**	**861**
Operational Buildings		424	900	861	104	599	861	262	**30.4%**	861
Municipal Offices		195	300	314	–	310	314	4	1.2%	314
Workshops		229	300	247	78	213	247	34	13.9%	247
Stores		–	300	300	25	77	300	223	74.5%	300
Machinery and Equipment		**146**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Machinery and Equipment		146	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing a	1	**58 287**	**49 031**	**51 732**	**7 922**	**45 279**	**51 732**	**6 453**	**12.5%**	**51 732**

4.4 Financial position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M12 June

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	496 278	396 059
Trade and other receivables from exchange transactions		46 673	39 333	39 333	32 059	39 333
Receivables from non-exchange transactions		28 565	34 634	37 509	92 568	37 509
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 775	4 509	4 509	4 175	4 509
VAT		9 774	11 975	11 975	12 764	11 975
Other current assets		1 064	1 060	1 060	1 064	1 060
Total current assets		**529 808**	**453 099**	**490 446**	**638 908**	**490 446**
Non current assets						
Investments						
Investment property		123 789	105 082	105 432	124 394	105 432
Property, plant and equipment		1 328 076	1 357 779	1 352 179	1 430 510	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	167	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**	**1 563 523**	**1 466 521**
TOTAL ASSETS		**1 990 303**	**1 924 870**	**1 956 967**	**2 202 431**	**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	18 436	12 676
Trade and other payables from exchange transactions		78 189	80 225	65 860	53 034	65 860
Trade and other payables from non-exchange transactions		3 643	–	–	13 959	–
Provision		12 177	18 787	18 787	12 177	18 787
VAT		24 464	10 417	10 417	31 570	10 417
Other current liabilities		–	–	–	–	–
Total current liabilities		**158 301**	**146 405**	**132 040**	**153 403**	**132 040**
Non current liabilities						
Financial liabilities		98 254	126 032	126 032	124 055	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**	**285 459**	**302 486**
TOTAL LIABILITIES		**417 958**	**448 391**	**434 527**	**438 862**	**434 527**
NET ASSETS	2	**1 572 345**	**1 476 479**	**1 522 441**	**1 763 569**	**1 522 441**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 508 820	1 365 841	1 411 802	1 700 044	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**	**1 763 569**	**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 - M12 June

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		135 755	145 346	145 346	16 113	178 979	145 346	33 633	23%	145 346
Service charges		426 383	407 609	411 569	34 142	392 714	411 569	(18 855)	-5%	411 569
Other revenue		2 642 063	98 679	146 242	12 694	231 031	145 262	85 769	59%	146 242
Transfers and Subsidies - Operational		85 872	107 341	92 118	152	13 261	92 118	(78 857)	-86%	92 118
Transfers and Subsidies - Capital		110 675	61 792	53 981	–	54 013	53 981	32	0%	53 981
Interest		4 022	41 836	41 836	5 520	23 177	41 836	(18 659)	-45%	41 836
Dividends			–	–	–	–	–	–		–
Payments										
Suppliers and employees		(2 068 042)	(729 494)	(728 222)	(63 664)	(715 332)	(715 922)	(590)	0%	(728 222)
Interest		(13 604)	(11 309)	(11 309)	(5 318)	(11 311)	(11 309)	2	0%	(11 309)
Transfers and Subsidies		–	(2 502)	(2 509)	(83)	(1 965)	(2 509)	(544)	22%	(2 509)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**1 323 124**	**119 297**	**149 052**	**(444)**	**164 567**	**160 372**	**(4 195)**	**-3%**	**149 052**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 258	10 000	14 000	(1 128)	13 628	14 000	(372)	-3%	14 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments			–	–	–	–	–	–		–
Payments										
Capital assets		(237 139)	(187 628)	(182 378)	(11 989)	(147 814)	(210 522)	(62 709)	30%	(182 378)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(235 881)**	**(177 628)**	**(168 378)**	**(13 118)**	**(134 186)**	**(196 522)**	**(62 337)**	**32%**	**(168 378)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–		
Borrowing long term/refinancing		–	50 000	50 000	50 000	50 000	50 000	–		50 000
Increase (decrease) in consumer deposits		945	1 594	1 594	75	1 139	1 594	(456)	-29%	1 594
Payments										
Repayment of borrowing		–	(24 251)	(24 251)	(12 437)	(24 199)	(24 251)	(52)	0%	(24 251)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**945**	**27 343**	**27 343**	**37 638**	**26 940**	**27 343**	**403**	**1%**	**27 343**
NET INCREASE/ (DECREASE) IN CASH HELD		**1 088 188**	**(30 988)**	**8 017**	**24 076**	**57 321**	**(8 807)**			**8 017**
Cash/cash equivalents at beginning:		487 521	392 575	438 957	472 202	438 957	438 957			438 957
Cash/cash equivalents at month/year end:		1 575 709	361 587	446 974	496 278	496 278	430 150			446 974

Cash Flow (Table C7)

Operating Activities:
The year-to-date cash from operating activities amounts to R164,567 million in comparison to the budget of R160,372 million. This translates to a surplus of ± R4,195 million on the budgeted projection. Year-end payments are still in process which are expected to have a further impact on the deviation.

Capital & Investments:
The year-to-date cash from capital and investment activities amounts to (R134,186) million in comparison to the budget of (R196,522) million. This translates to a variance of 32%. Year-end payments in relation to the capital program are still being processed, which will reduce the deviation.

Cash Flow from Financing Activities:
The year-to-date cash from financing activities amounts to R26,940 million, in comparison with the budget of R27,343 million.

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 - M12 June

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
FNB MONEY MARKET 62299016686	Call	1	Call		Call	0.000%			2016/06/30	31 271	297	(50 000)	62 130	43 698
ABSA	733	11 Months	Fixed Deposits		Fixed Deposits	8.250%			2026/04/30	–				-
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%			2026/04/24	–				-
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%			2026/05/29	15 000	1 115	(16 115)		(0)
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.188%			2026/06/24	15 000	1 208	(16 208)		0
ABSA	737	10 Months	Fixed Deposits		Fixed Deposits	8.050%			2026/05/07	–				-
ABSA	738	11 Months	Fixed Deposits		Fixed Deposits	8.090%			2026/06/08	15 000	1 117	(16 117)		-
ABSA	739	11 Months	Fixed Deposits		Fixed Deposits	8.120%			2026/06/18	10 000	745	(10 745)		-
ABSA	740	10+ Months	Fixed Deposits		Fixed Deposits	8.020%			2026/06/25	10 000	723	(10 723)		-
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
NEDBANK	760	11+ Months	Fixed Deposits		Fixed Deposits	7.324%			2027/02/19	10 000				10 000
ABSA	761	11+ Months	Fixed Deposits		Fixed Deposits	7.630%			2027/03/05	20 000				20 000
NEDBANK	762	11+ Months	Fixed Deposits		Fixed Deposits	7.552%			2027/02/27	15 000				15 000
ABSA	763	11 Months	Fixed Deposits		Fixed Deposits	7.970%			2027/03/12	10 000				10 000
ABSA	764	11+ Months	Fixed Deposits		Fixed Deposits	8.010%			2027/03/31	15 000				15 000
NEDBANK	765	11 Months	Fixed Deposits		Fixed Deposits	8.140%			2027/04/14	20 000				20 000
ABSA	767	11 Months	Fixed Deposits		Fixed Deposits	7.960%			2027/05/25	–			20 000	20 000
ABSA	768	11+ Months	Fixed Deposits		Fixed Deposits	8.000%			2027/06/11	–			30 000	30 000
FNB	766	10 Months	Fixed Deposits		Fixed Deposits	7.700%			2027/04/26	–			20 000	20 000
Municipality sub-total										471 271	5 206	(119 909)	132 130	488 698
Entities														
														–
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									471 271	5 206	(119 909)	132 130	488 698

HESSEQUA MUNISIPALITEIT

KORTTERMYN BELEGGINGS **2026/06/30**

Verw. No	Bankinstelling	Koers/Termyn	Verval Datum	Belê 2024/25	Belê 2025/26	Verwysing	Rente 2024/25	Rente 2025/26	Rente 2024/25 voorsien	Onttrekking 2025/26	Verwys No	Onttrekking 2025/26	Balans 30/06/2026
	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	86 464.38	793 001.92	10 000 000	Kw 794654-55- 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	747 876.71	71 109.59	747 876.71	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	747 876.71	110 342.47	747 876.71	10 000 000	Kw 794652-53- 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 794657-58- 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 795981-82- 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 796668-69- 30/09/2025	-16 298 219.18	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	-10 863 178.08	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 @ 8.775%	15 NOV 2025	15 000 000		Tjek 90071519-21 - 2024/11/22	802 849.32	495 369.86	802 849.32	15 000 000	Kw 799518-19- 19/11/2025	-16 298 219.18	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 @ 8.690%	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	189 808.21	169 641.10	189 808.21	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 - 2025/02/25	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 90072845-46 - 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	875 095.89	284 753.42	15 000 000	Kw 805728-29- 20/03/2026	-16 159 849.31	0.00
728	STANDARD BANK	10 MNDE @ 8.400%	13 FEB 2026	5 000 000		Tjek 90073605 - 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	560 452.06	118 342.46	10 000 000	Kw 805538-39- 11/03/2026	-10 678 794.52	0.00
730	ABSA	11 MNDE @ 8.160%	09 APR 2026	15 000 000		Tjek 90073970-72 - 2025/05/09	177 731.50	945 665.76	177 731.50	15 000 000	Kw 806624-25- 15/04/2026	-16 123 397.26	0.00
732	ABSA	10 MNDE @ 8.180%	30 MAR 2026	5 000 000		Tjek 90074387 - 2025/05/30	35 857.53	304 789.05	35 857.53	5 000 000	Kw 806039-40- 31/03/2026	-5 340 646.58	0.00
733	ABSA	11 MNDE @ 8.250%	30 APR 2026	10 000 000		Tjek 90074388-89 - 2025/05/30	72 328.76	684 863.02	72 328.76	10 000 000	Kw 807898-99- 13/05/2026	-10 757 191.78	0.00
734	ABSA	9+ MNDE @ 8.070%	24 APR 2026	5 000 000		Tjek 90074954 - 2025/06/30	1 105.47	328 327.41	1 105.47	5 000 000	Kw 807050-51- 29/04/2026	-5 329 432.88	0.00
735	STANDARD BANK	11 MNDE @ 8.150%	29 MAY 2026	15 000 000		Tjek 90074955-57 - 2025/06/30	3 349.32	1 111 972.60	3 349.32	15 000 000	Kw 808810-11- 03/06/2026	-16 115 321.92	0.00
736	STANDARD BANK	11+ MNDE @ 8.188%	24 JUN 2026	15 000 000		Tjek 90074958-60 - 2025/06/30	3 364.93	1 204 645.48	3 364.93	15 000 000	Kw 809547-48- 25/06/2026	-16 208 010.41	0.00
737	ABSA	10 MNDE @ 8.050%	07 MAY 2026		15 000 000	Tjek 90075009-11 - 2025/07/07		1 005 698.63		15 000 000	Kw 807895-96- 13/05/2026	-16 005 698.63	0.00
738	ABSA	11 MNDE @ 8.090%	08 JUNE 2026		15 000 000	Tjek 90075012-14 - 2025/07/07		1 117 084.93		15 000 000	Kw 809400-01- 19/06/2026	-16 117 084.93	0.00
739	ABSA	11 MNDE @ 8.120%	18 JUNE 2026		10 000 000	Tjek 90075257-88 - 2025/07/18		745 260.27		10 000 000	Kw 809402-03- 19/06/2026	-10 745 260.27	0.00
740	ABSA	10+ MNDE @ 8.020%	25 JUNE 2026		10 000 000	Tjek 90075520-21 - 2025/07/31		722 898.63		10 000 000	Kw 809624-25- 26/06/2026	-10 722 898.63	0.00
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 90077411-14 - 2025/11/21							20 000 000.00
750	NEDBANK	11 MNDE @7.634%	21 OCT 2026		20 000 000	Tjek 90077415-18 - 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
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%	05 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
760	NEDBANK	11+ MNDE @7.324%	19 FEB 2027		10 000 000	Tjek 90079017-18 - 2026/03/06							10 000 000.00
761	ABSA	11+ MNDE @7.630%	05 MAR 2027		20 000 000	Tjek 90079166-69 - 2026/03/12							20 000 000.00
762	NEDBANK	11+ MNDE @7.552%	24 FEB 2027		15 000 000	Tjek 90079170-72 - 2026/03/12							15 000 000.00
763	ABSA	11 MNDE @7.970%	12 MAR 2027		10 000 000	Tjek 90079483-84 - 2026/04/13							10 000 000.00
764	ABSA	11+ MNDE @8.010%	31 MAR 2027		15 000 000	Tjek 90079485-87 - 2026/04/13							15 000 000.00
765	NEDBANK	11 MNDE @8.140%	14 APR 2027		20 000 000	Tjek 90079896-99 - 2026/05/14							20 000 000.00
766	ABSA	11 MNDE @7.960%	25 MAY 2027		20 000 000	Tjek 90080572-75 - 2026/06/25							20 000 000.00
767	ABSA	11+ MNDE @8.000%	11 JUN 2027		30 000 000	Tjek 90080576-81 - 2026/06/25							30 000 000.00
768	FNB	10 MNDE @7.700%	25 APR 2027		20 000 000	Tjek 90080582-86 - 2026/06/25							20 000 000.00
				390 000 000.00	**495 000 000.00**		**16 006 749.94**	**18 524 569.22**	**16 006 749.94**	**440 000 000.00**		**- 474 531 319.16**	**445 000 000.00**

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 30/04/2026
1.	FNB	Wisselend	62299016686		26 571 694.06	486 116 000.00	0.00	2 747 583.26		0.00	471 500 000.00	Verskeie Drukstukke Aangeheg	43 935 277.32
					26 571 694.06	**486 116 000.00**	**0.00**	**2 747 583.26**			**471 500 000.00**		**43 935 277.32**
													488 935 277.32

Development Charges

Development charges for municipal infrastructure are included in investments. Year- to- date revenue from development charges amounts to R6,086 million, compared to a budgeted amount of R9,000 million. The budget for the year will not be reached.

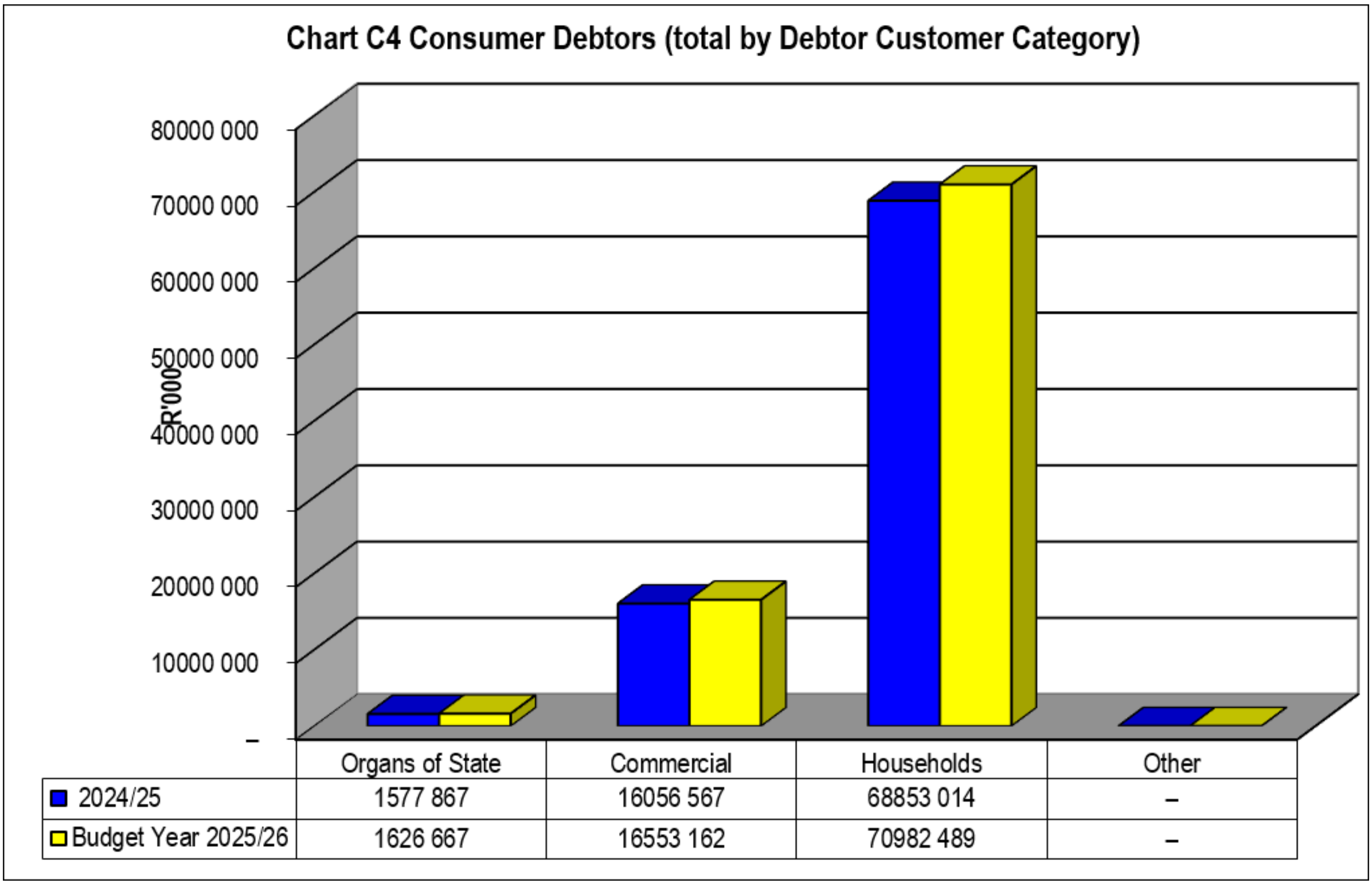
4.6 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 209	1 129	903	830	766	663	3 247	6 533	18 280	12 039	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 809	1 337	605	308	251	234	1 196	2 841	18 582	4 830	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	7 619	1 251	527	390	333	300	1 887	3 380	15 688	6 291	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 566	766	572	512	477	448	2 405	5 673	13 420	9 515	–	–
Receivables from Exchange Transactions - Waste Management	1600	2 887	793	584	517	484	452	2 215	4 383	12 316	8 051	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	362	327	303	328	312	295	1 477	3 592	6 995	6 003	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	945	150	109	55	70	25	211	2 317	3 882	2 678	–	–
Total By Income Source	**2000**	**30 398**	**5 753**	**3 604**	**2 941**	**2 694**	**2 416**	**12 638**	**28 718**	**89 162**	**49 408**	**–**	**–**
2024/25 - totals only		31973475 8/9	2804117	2243108 2/3	2075633 1/6	1757834 7/8	1564445 1/3	9310999 2/3	28428654 2/7	80 158	43 138	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	801	178	124	55	29	27	248	164	1 627	524	–	–
Commercial	2300	8 685	1 080	569	308	291	247	1 393	3 979	16 553	6 219	–	–
Households	2400	20 911	4 495	2 911	2 577	2 373	2 142	10 997	24 575	70 982	42 665	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**30 398**	**5 753**	**3 604**	**2 941**	**2 694**	**2 416**	**12 638**	**28 718**	**89 162**	**49 408**	**–**	**–**

Debtors, 30 days older on 30 June 2026, amount to R58,765 million, in comparison to the amount of R58,947 million for 31 May 2026. This represents a decrease of R0,182 million for the month. The debtors' collection rate for June 2026 is 101,74%. 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 June 2026.



4.7 Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description	NT	Budget Year 2025/26									Prior year
	Code	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	totals for chart
R thousands											(same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400	31 570								31 570	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	4 942								4 942	
Auditor General	0800									–	
Other	0900	34 693								34 693	
Medical Aid deductions	0950									–	
Total By Customer Type	**1000**	**71 205**	–	–	–	–	–	–	–	**71 205**	–

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 (R13,959) million, payments received in advance (R9,269) million, retentions (R17,832) million, VAT (31,570) and other creditors (R7,592) million. Trade creditors amount to (R4,942) million.

4.8 Grants & Donations

Table SC6: Transfers and grant receipts

WC042 Hessequa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

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	121	70 686	71 320	(634)	-0.9%	71 320
Equitable Share		63 158	67 378	67 378	–	67 378	67 378	–	0.0%	67 378
Expanded Public Works Programme Integrated Grant		1 236	1 351	1 351	16	1 349	1 351	(2)	-0.1%	1 351
Local Government Financial Management Grant		1 700	1 800	1 800	41	1 232	1 800	(568)	-31.6%	1 800
Municipal Infrastructure Grant		762	791	791	63	727	791	(63)	-8.0%	791
Provincial Government:		817	3 835	7 560	137	769	7 560	(6 791)	-89.8%	7 560
Capacity Building and Other Grants		479	1 256	5 186	125	506	5 186	(4 680)	-90.2%	5 186
Infrastructure Grant		337	2 579	2 374	11	263	2 374	(2 111)	-88.9%	2 374
Other grant providers:		380	600	852	0	25	852	(827)	-97.1%	852
Education Training and Development Practices SETA		78	600	600	–	23	600	(577)	-96.1%	600
Unspecified		301	–	252	0	1	252	(250)	-99.4%	252
Total Operating Transfers and Grants	5	68 053	75 755	79 731	258	71 480	79 731	(8 251)	-10.3%	79 731
Capital Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
Provincial Government:		480	469	469	–	452	469	(17)	-3.6%	469
Capacity Building and Other Grants		480	469	469	–	452	469	(17)	-3.6%	469
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		1 500	–	639	–	–	639	(639)	-100.0%	639
Developers Contribution		1 500	–	–	–	–	–	–		–
Unspecified		–	–	639	–	–	639	(639)	-100.0%	639
Total Capital Transfers and Grants	5	1 980	469	1 108	–	452	1 108	(656)	-59.2%	1 108
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	70 033	76 224	80 839	258	71 932	80 839	(8 907)	-11.0%	80 839

Receipts (Table SC6):

Operating:

The year-to-date receipt is R71,480 million against the budget of R79,731 million. Income is only recognized after the conditions of a grant are met.

Capital:

The year-to-date receipts amount to R0,452 million in comparison with the budgeted SDBIP projection of R1,108 million. Income is only recognized after the conditions of a grant are met.

Transfers and Grants Receipts as at 30 June 2026	
Row Labels	**Sum of Amount**
CDW	56 000.00
EPWP	1 351 000.00
EQUITABLE SHARE	67 378 000.00
FINANCIAL CAPABILITY GRANT	1 050 000.00
FMG	1 800 000.00
HMS	155 501.50
HMS - Gouritsmond	260 000.00
LG Seta	337 818.10
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	15 812 000.00
MUNICIPAL WATER RESILIENCE GRANT	1 550 000.00
RSEP	810 000.00
Thusong Grant	150 000.00
TITLE DEED RESTORATION	469 530.50
Tourism Growth Grant	452 311.87
Transport Infrastructure	135 000.00
Grand Total	**140 570 398.97**

Table SC7: Transfers and grant expenditure

WC042 Hessequa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

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	325	3 585	4 039	(454)	-11.2%	4 039
Equitable Share		84	97	97	–	97	97	(0)	-0.3%	97
Expanded Public Works Programme Integrated Grant		1 233	1 351	1 351	(8)	1 346	1 351	(5)	-0.4%	1 351
Local Government Financial Management Grant		1 629	1 800	1 800	270	1 415	1 800	(385)	-21.4%	1 800
Municipal Infrastructure Grant		762	791	791	63	727	791	(63)	-8.0%	791
Provincial Government:		369	3 835	7 548	352	3 530	7 548	(4 018)	-53.2%	7 548
Capacity Building and Other Grants		31	1 256	5 174	280	3 196	5 174	(1 979)	-38.2%	5 174
Infrastructure Grant		337	2 579	2 374	72	335	2 374	(2 039)	-85.9%	2 374
Other grant providers:		323	600	852	–	25	852	(826)	-97.0%	852
Education Training and Development Practices SETA		74	600	600	–	23	600	(577)	-96.1%	600
Unspecified		248	–	252	–	2	252	(249)	-99.1%	252
Total operating expenditure of Transfers and Grants:		4 400	8 474	12 439	677	7 141	12 439	(5 298)	-42.6%	12 439
Capital expenditure of Transfers and Grants										
National Government:		18 704	15 021	15 021	1 633	12 425	15 021	(2 597)	-17.3%	15 021
Integrated National Electrification Programme Grant		3 748	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		490	–	–	–	–	–	–		–
Municipal Infrastructure Grant		14 466	15 021	15 021	1 633	12 425	15 021	(2 597)	-17.3%	15 021
Provincial Government:		122 196	47 320	39 509	356	38 259	39 509	(1 250)	-3.2%	39 509
Capacity Building and Other Grants		1 704	1 279	1 279	356	1 259	1 279	(20)	-1.6%	1 279
Infrastructure Grant		120 492	46 041	38 230	–	37 000	38 230	(1 230)	-3.2%	38 230
Other grant providers:		2 510	–	639	655	1 261	639	622	97.3%	639
Developers Contribution		1 181	–	–	–	–	–	–		–
Unspecified		1 329	–	639	655	1 261	639	622	97.3%	639
Total capital expenditure of Transfers and Grants		143 410	62 341	55 169	2 644	51 944	55 169	(3 225)	-5.8%	55 169
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		147 809	70 815	67 608	3 321	59 085	67 608	(8 523)	-12.6%	67 608

Expenditure (Table SC7)

Operating:

The year-to-date expenditure is R7,141 million against the budget of R12,439 million. Year-end payments are still in process which will increase expenditure.

Capital:

The year-to-date expenditure from capital grants amounts to R51,944 million. The budget for the year is R55,169 million. Year-end payments are still in process which will increase expenditure.

4.9 Employee Related Costs
Table SC8: Councillor and Staff benefits

WC042 Hessequa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

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	552	43	518	552	(34)	-6%	552
Medical Aid Contributions		147	168	168	16	164	168	(4)	-2%	168
Cellphone Allowance		799	860	830	67	799	830	(31)	-4%	830
Other benefits and allowances		7 691	8 222	8 489	678	8 118	8 489	(371)	-4%	8 489
Sub Total - Councillors		**9 128**	**9 690**	**10 039**	**804**	**9 599**	**10 039**	**(440)**	**-4%**	**10 039**
% increase	4		**6.2%**	**10.0%**						**10.0%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 770	7 617	8 316	459	7 611	8 316	(705)	-8%	8 316
Pension and UIF Contributions		1 060	1 488	1 645	83	1 375	1 645	(271)	-16%	1 645
Medical Aid Contributions		164	210	210	12	168	210	(42)	-20%	210
Performance Bonus		1 045	1 511	1 414	–	1 228	1 414	(186)	-13%	1 414
Motor Vehicle Allowance		798	833	924	89	960	924	36	4%	924
Cellphone Allowance		47	141	148	13	138	148	(10)	-7%	148
Housing Allowances		13	14	14	1	14	14	(0)	-2%	14
Other benefits and allowances		201	116	270	29	325	270	54	20%	270
Payments in lieu of leave		26	–	–	–	–	–	–		–
Long service awards		–	106	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**9 125**	**12 037**	**12 942**	**686**	**11 819**	**12 942**	**(1 123)**	**-9%**	**12 942**
% increase	4		**31.9%**	**41.8%**						**41.8%**
Other Municipal Staff										
Basic Salaries and Wages		144 409	170 552	168 008	13 055	155 965	168 008	(12 044)	-7%	168 008
Pension and UIF Contributions		26 468	30 743	30 904	2 399	28 525	30 904	(2 379)	-8%	30 904
Medical Aid Contributions		7 476	9 606	9 669	721	8 324	9 669	(1 344)	-14%	9 669
Overtime		8 374	7 884	9 270	873	8 911	9 270	(359)	-4%	9 270
Performance Bonus		11 421	15 812	13 865	27	12 161	13 865	(1 704)	-12%	13 865
Motor Vehicle Allowance								–		
Cellphone Allowance		870	943	1 049	116	1 255	1 049	206	20%	1 049
Housing Allowances		1 367	905	917	70	834	917	(83)	-9%	917
Other benefits and allowances		9 364	9 287	9 934	937	10 200	9 934	265	3%	9 934
Payments in lieu of leave		1 371	–	356	19	398	356	42	12%	356
Long service awards		2 208	1 754	1 754	119	1 069	1 754	(685)	-39%	1 754
Post-retirement benefit obligations	2	8 208	10 605	10 605	331	3 757	10 605	(6 848)	-65%	10 605
In kind benefits		0	1	1	–	–	1	(1)	-100%	1
Sub Total - Other Municipal Staff		**221 537**	**258 092**	**256 331**	**18 667**	**231 398**	**256 331**	**(24 933)**	**-10%**	**256 331**
% increase	4		**16.5%**	**15.7%**						**15.7%**
Total Parent Municipality		**239 790**	**279 818**	**279 312**	**20 157**	**252 815**	**279 312**	**(26 497)**	**-9%**	**279 312**
TOTAL SALARY, ALLOWANCES & BENEFITS		**239 790**	**279 818**	**279 312**	**20 157**	**252 815**	**279 312**	**(26 497)**	**-9%**	**279 312**
% increase	4		**16.7%**	**16.5%**						**16.5%**
TOTAL MANAGERS AND STAFF		**230 661**	**270 128**	**269 273**	**19 353**	**243 216**	**269 273**	**(26 057)**	**-10%**	**269 273**

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-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	**Savings**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Use of consultants	14 879	105	302	573	552	391	464	191	288	906	578	697	1 202	8 630
Overtime	9 270	619	541	635	- 50	545	692	1 850	970	596	703	937	873	359
Vehicles used for political office-bearers	-	-	-	-	-	-	-	-	-	-				-
Travel and subsistence	2 435	149	68	301	73	178	189	146	121	177	146	156	186	545
Domestic accommodation	598	44	101	94	43	18	5	1	31	13	19	28	6	195
Sponsorships and catering	564	42	39	23	58	45	11	19	119	25	26	3	67	87
Communication	792	4	12	11	12	3	25	4	11	12	13	11	4	670
Conferences, Meetings & Study tours	976	26	84	84	5	45	45	- 2	123	31	34	32	14	455
Other related expenditure items (Events)	258	12	38	13	68	19	-	-	8	11	-	8	61	20
Total	**29 772**	**1 001**	**1 185**	**1 734**	**761**	**1 244**	1 431	**2 209**	**1 671**	**1 771**	**1 519**	**1 872**	**2 413**	**10 961**

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

QUALITY CERTIFICATE

I, **H S Visser**, the acting municipal manager of **Hessequa Municipality**, hereby certify that –

- **The monthly budget statement**

For the month of **June 2026** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: **H S Visser**

Acting Municipal Manager of Hessequa Municipality – WC042

Signature ______________________

Date 14 July 2026