

Hessequa Municipality



1ST ADJUSTMENT BUDGET 2026/2027

Table of Contents

Glossary.....	3
Legislative Requirements.....	5
Section 1 - Mayor's Report.....	7
Section 2 - Resolutions	9
Section 3 – Executive Summary.....	10
Section 4 – Adjustment Budget Tables.....	14
Section 5- Adjustments Budget Assumptions.....	27
Section 6- Adjustments to Budget Funding.....	27
Section 7- Adjustments to expenditure on allocations and grant programmes.....	27
Section 8- Adjustments to allocations or grants made by the municipality.....	27
Section 9- Adjustments to councillors and board members allowances and employee benefits...27	
Section 10- Adjustments to service delivery and budget implementation plan.....	27
Section 11- Adjustments to Capital Budget.....	28
Section 12- Other Supporting Documents.....	28
Quality Certificate.....	29

Glossary

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

Budget – The financial plan of the Municipality

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

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

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

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

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

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

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

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

MIG – Municipal Infrastructure Grant.

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

NDPG – Neighborhood Development Partnership Grant.

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

Rates – Local Government tax based on the assessed value of property. To determine the rates payable, the assessed 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.

HESSEQUA MUNICIPALITY

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

Legislative Requirements

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act

Municipal adjustments budgets

(1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget—

(a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during

the current year;

(b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget

but only to revise or accelerate spending programmes already budgeted for;

(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor

of the municipality;

(d) may authorise the utilisation of projected savings in one vote towards spending under another vote

(e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending

could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current

year was approved by the council;

(f) may correct any errors in the annual budget; and

(g) may provide for any other expenditure within a prescribed framework.

(3) An adjustments budget must be in a prescribed form.

(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection

(2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency

(5) When an adjustments budget is tabled, it must be accompanied by—

(a) an explanation how the adjustments budget affects the annual budget;

(b) a motivation of any material changes to the annual budget;

(c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two

financial years; and

(d) any other supporting documentation that may be prescribed.

(6) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery

plan.

(7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those

sections to an annual budget must be read as a reference to an adjustments budget.

Local Government: Municipal Finance Management Act, 2003: Municipal Budget and Reporting Regulations

An adjustments budget and supporting documentation of a municipality must be in a format specified in Schedule B and include

all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act

Funding of adjustments budgets

(1) An adjustments budget of a municipality must be appropriately funded.

(2) The supporting documentation to accompany an adjustments budget in terms of section 28(5) of the Act must contain an

explanation of how the adjustments budget is funded.

Submission of tabled adjustments budgets

(1) The municipal manager must comply with section 28(7) of the Act, read together with section 22(b)(i) of the Act, read

together with section 22(b)(i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the

municipal council.

(2) When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of

section 28(7) of the Act, the municipal manager must submit in both printed and electronic form-

(a) the supporting documentation referred to in section 28(5) of the Act within ten working days of the adjustments budget

being tabled in the municipal council; and

(b) any other information as may be required by the National Treasury

(3) The municipal manager must send copies of an adjustments budget and supporting documentation, in both printed form

and electronically

(a) any other municipality effected by that adjustments budget within ten working days of the adjustments budget being tabled

in the municipal council; and

(b) any other organ of state on receipt of a request from that organ of state

Section 1 – Mayor's Report

This report has been prepared in terms of the Local Government: Municipal Finance Management Act, 2003 and the Municipal Budget and Reporting Regulations, Government 32141, 17 April 2009.

The mayor's report accompanying an adjustments budget must provide:

- (a) A summary of the reasons for the adjustments budget having regard to the material variances highlighted in the latest monthly budget statement including at least the following where applicable:
 - i. New allocations of cash backed accumulated funds
 - ii. Multi-year funds shifting in relation to the capital programme
 - iii. Unforeseen and unavoidable expenditure; and
 - iv. Allocations and grant adjustments
- (b) A recommendation that the municipal council approves the adjustment budget
- (c) A recommendation that the municipal council approves the revision to the service delivery targets and performance indicators in the service delivery and implementation plan if applicable; and
- (d) Any other information considered relevant by the mayor.

Section 28 (2)(e) of the MFMA states the following:

“(2) An adjustments budget –

- (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;”*

Section 23 (5) of the MBRR states the following:

- “(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which roll-overs relate.”*

The reason for the 1st adjustments budget is to bring the relevant projects relating to 2025/26, as approved for rollover to 2026/2027, onto the 2026/2027 budget, in accordance with Section 28(2)(e) of the MFMA and Section 23(5) of the MBRR.

It should be noted that:

- No new allocations of cash backed accumulated funds are made. The funds are rolled over from the previous financial year to fund projects from the Capital Replacement Reserve and Borrowings.
- No multi-year funds shifting in relation to the capital programme with the approval of this adjustment budget
- No Unforeseen and unavoidable expenditure with the approval of this adjustment budget
- No new allocations or adjustment to grants with the approval of this adjustment budget
- No tariffs will be impacted with the approval of this adjustment budget

Requests for rollover was received for the following eight projects:

HESSEQUA MUNICIPALITY

1. Contracted Services- Building Contractors (Operating): R197 940
2. Firearm training for temporary law enforcement officers (Operating): R46 575
3. Witsand Desalination Plant and Pipeline (Capital): R100 000
4. New 1 ML Reservoir Jongensfontein (Capital): R442 270
5. PV Solar Plant Riversdale (Capital): R7 014 442
6. Renewable Energy Plant- H/Q (Capital): R218 589
7. Fencing of Pumpstations- H/Q (Capital): R131 514
8. Upgrading Roads & Stormwater- Gouritsmond (Capital): R1 200 000

Motivations for the rollover of the internally funded projects from 2025/2026 to 2026/2027 are as follows:

- Building Contractors: Delay in the implementation of extending an existing 20 m² dwelling to a 40m² dwelling on Erf 3837 in Filander street, Slangrivier. The Provincial Department of Human Settlements transferred a subsidy to Hessequa Municipality during 2023/24. The unspent amount concerns an allocation from internal funding.
- Firearm Training: Delay in rolling out the training due to challenges experienced in appointing a service provider. The current service provider was eventually appointed late in the financial year but was unable to complete the training before 30 June 2026
- Witsand Desalination Plant & Pipeline: The delay in spending was due to the completion of prerequisite technical and environmental processes, including route determination, specialist studies, chemical analysis, and the preparation of supporting documentation required before the Environmental Impact Assessment (EIA) processes could proceed and expenditure could be incurred.
- New 1 ML Reservoir Jongensfontein: The contract was approved on 22 June 2026. However, due to the mandatory 21-day appeal period, the allocated funds for 2025/2026 could not be utilised by 30 June 2026. An appeal was received and subsequently dismissed, which led to the confirmation of the final award on 29 July 2026. The rollover is requested to enable the municipality to complete the outstanding procurement processes and implement the planned infrastructure projects and studies in accordance with the approved capital programme.
- PV Solar Plant Riversdale & Renewable Energy Plant- H/Q: Final integration, testing, commissioning and project close-out could not be completed by 30 June 2026 due mainly to delays associated with external statutory, regulatory and Eskom approval processes. The timing and duration of these external processes were outside direct control of the municipality and could not reasonably have been foreseen when the 2026/2027 annual budget was prepared.
- Fencing of Pumpstations- H/Q: A service provider was appointed and a purchase order was issued on 11 June 2026. Unfortunately the service provider experienced unforeseen challenges in delivering all the required materials before the close of the 2025/2026 financial year. The reason for the procurement of the fencing material is to strengthen the security of municipal infrastructure and to assist in preventing the ongoing theft and vandalism experienced by the municipality. The outstanding materials have since been delivered and payment is awaited.
- Upgrading Roads & Stormwater- Gouritsmond: The contract for the Gouritsmond Road and Stormwater Project was terminated during the 2025/2026 financial year due to the appointed contractor's failure to meet their contractual obligations. A formal termination notice was issued and

the project will be reprocured to ensure that the planned road and stormwater infrastructure improvements are implemented.

Refer to the Roll-over documentation for all rollover requests and motivations per project.

Complete detail is provided in Annexures A & B (Operating and Capital Budgets)

It is hereby recommended that Council approve the 1st Adjustment Budget for 2026/2027 as per the recommended council resolutions in Section 2 of this report and as per the item submitted to Council.

It is hereby also recommended that Council Approve the adjustment to the Service Delivery Targets and Performance Indicators in the Service Delivery and Budget Implementation Plan (SDBIP) if applicable.

Section 2 – Resolutions

Resolutions

Resolutions dealing with at least the following matters must be prepared and presented as part of the adjustments budget documentation:

- (a) Approval of the adjustments budget
- (b) Approval of any adjustments permitted in terms of section 28(2) of the Act
- (c) Approval of the transfer of funds to a separate bank account for purposes contemplated in section 12 of the Act
- (d) Approval of revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan (SDBIP), if any, to correspond with the approval of the adjustments budget, and
- (e) Approval of any adjustment budget-related policies necessitated by the adjustments budget.

This is the resolution that will be presented to Council when the 1st Adjustment Budget is tabled:

Recommendation

1. That Total Expenditure increase with R244 515 from R881 766 438 to R882 010 953 (see Annexure A attached).
2. That the capital budget is increased by R9 106 815 from R176 397 762 to R185 504 577
3. That the capital budget is financed as follows:

	R
External Loans	21 398 589
Capital Replacement Reserve	108 306 838
Transfers & Subsidies	55 799 150
Public Donations	<u>0</u>
	185 504 577

4. That all amendments in Annexures A and B be approved.
5. That Council notes the virements for the year-to-date in Annexure C.
6. That the Service Delivery and Budget Implementation Plan (SDBIP) be adjusted in line with the adjustment budget.
7. That the 1st Adjustment budget (2026/2027) and National Treasury B- Schedules- Municipal Adjustment Budget & Supporting Tables be sent to the National- and Provincial Treasuries as required.
8. That the 1st Adjustment Budget for 2026/2027 be tabled to council for approval.

Complete detail is provided in Annexures A and B (Operating and Capital Budgets)

No tariffs will be impacted with the approval of this adjustments budget

Section 3 – Executive Summary

There are no material implications on service delivery for the remainder of this financial year as a result of this adjustments budget. The 1st adjustment budget is tabled in terms of Section 28 of the MFMA.

Section 28(2)(e) of the MFMA states the following:

“(2) An adjustments budget –

(e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;”

Section 23(5) of the MBRR states the following:

“(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which roll-overs relate.”

The following internally funded rollovers are included in the operating and capital budgets for the 1st Adjusted Budget in terms of the legislation as referenced above:

1. Contracted Services- Building Contractors (Operating) R197 940
 - The Provincial Department of Human Settlements transferred a subsidy to Hessequa Municipality to extend an existing 20 m2 to a 40 m2 dwelling on Erf 3837 in Filander street, Slangrivier. The unspent amount concerns an allocation from internal funding.
 - An item served on the DMC of 30 April 2026 to follow a procurement process for the appointment of a NHBRC registered contractor for building works/ alterations on Erf 3837, Filander street, Slangrivier. The project could not be completed before 30 June 2026 which necessitated a rollover request.
2. Firearms training for temporary law enforcement officers (Operating) R46 575
 - In the 2025/2026 financial year, provision was made in the budget for firearms training for temporary law enforcement officers in terms of an agreement with the Western Cape Department of Police Oversight and Community Safety (POCS). Challenges were however experienced in appointing a service provider to deliver the training.

- The current service provider was finally appointed late in the financial year but was unable to complete the training before 30 June 2026. Consequently, a request is now being made to roll over the remaining funds to the 2026/2027 financial year.

3. Witsand Desalination Plant and Pipeline (Capital) R100 000

- A rollover of the R100 000 allocated for the Witsand Environmental Impact Assessment (EIA) is requested, as the funds could not be spent by 30 June 2026.
- The delay was due to the completion of prerequisite technical and environmental processes, including route determination, specialist studies, chemical analysis, and the preparation of supporting documentation required before the EIA processes could proceed and expenditure could be incurred. As these activities are still in progress and remain essential for obtaining the required environmental authorisation, the allocated funds are still needed. The appointment letter is attached hereto for ease of reference and to serve as supporting documentation.

4. New 1 ML Reservoir Jongensfontein (Capital) R442 270

- The contract award was approved by the Bid Adjudication Committee on 22 June 2026. However, due to the mandatory 21-day appeal period, the allocated funds for the 2025/2026 financial year could not be utilized by 30 June 2026. An appeal was received during the prescribed appeal period and following due consideration, dismissed. Consequently, the final award could only be confirmed on 29 July 2026.
- The appointment letter is attached hereto for ease of reference and to serve as supporting documentation. The rollover is requested to enable the municipality to complete the outstanding procurement processes and implement the planned infrastructure projects and studies in accordance with the approved capital programme.

5. PV Solar Plant Riversdale (Capital) R7 014 442

- Technical Services requested the rollover of unspent funds relating to the Riversdale 10 MW Solar PV and Battery Energy Storage System Project.
- The project commenced during the 2025/2026 financial year under Contract Hes-Tech 12/2324 and has progressed substantially. Final integration, testing, commissioning and project close-out could, however, not be completed by 30 June 2026 due mainly to delays associated with external statutory, regulatory and Eskom approval processes.
- These processes included the Section 34 determination, NERSA-related requirements, Eskom grid-access and budget quotation processes, the submission and acceptance of the required guarantee, and associated technical approvals required for final energisation and commissioning.
- The timing and duration of these external processes were outside direct control of the municipality and could not reasonably have been foreseen when the 2026/2027 annual budget was prepared. The resulting under-expenditure therefore does not arise from cancellation, suspension or non-completion of the project. The Municipality remains contractually committed to completing the project and settling the remaining contractual obligations with the EVC, VE Reticulation JV with CVW Engineers. Failure to provide for the outstanding project commitments may delay final commissioning of the plant and expose the municipality to avoidable contractual, financial and operational risks.

6. Renewable Energy Plant H/Q

R218 589

- Technical Services requested the rollover of unspent funds relating to the Riversdale 10 MW Solar PV and Battery Energy Storage System Project.
- The project commenced during the 2025/2026 financial year under Contract Hes-Tech 12/2324 and has progressed substantially. Final integration, testing, commissioning and project close-out could, however, not be completed by 30 June 2026 due mainly to delays associated with external statutory, regulatory and Eskom approval processes.
- These processes included the Section 34 determination, NERSA-related requirements, Eskom grid-access and budget quotation processes, the submission and acceptance of the required guarantee, and associated technical approvals required for final energisation and commissioning.
- The timing and duration of these external processes were outside direct control of the municipality and could not reasonably have been foreseen when the 2026/2027 annual budget was prepared. The resulting under-expenditure therefore does not arise from cancellation, suspension or non-completion of the project. The Municipality remains contractually committed to completing the project and settling the remaining contractual obligations with the EVC, VE Reticulation JV with CVW Engineers. Failure to provide for the outstanding project commitments may delay final commissioning of the plant and expose the municipality to avoidable contractual, financial and operational risks.

7. Fencing of Pumpstations H/Q

R131 514

- A service provider was appointed, and a purchase order was issued on 11 June 2026. Unfortunately the service provider experienced unforeseen challenges in delivering all the required materials before the close of the 2025/2026 financial year.
- Following up with the service provider, confirmation was received that they already paid deposits to suppliers for the procurement of the outstanding materials and provided an undertaking that delivery would be completed. The fencing materials were procured to strengthen the security of municipal infrastructure and to assist in preventing the ongoing theft and vandalism experienced by the municipality.
- The user department confirmed that the outstanding materials have since been delivered and requested that the amount of R131 514 be rolled over to 2026/2027.

8. Upgrade Roads & Stormwater- Gouritsmond

R1 200 000

- The contract for the Gouritsmond Road and Stormwater project was terminated during the 2025/2026 financial year due to the appointed contractor's failure to meet their contractual obligations. The municipality issued formal termination correspondence, which is attached hereto as supporting documentation. The Technical Department therefore requested that the unspent amount of R1.2 million be rolled over to the 2026/2027 financial year to facilitate the re-procurement of the project and ensure the implementation of the planned road and stormwater infrastructure improvements.

In addition to the rollovers, several virement requests have been received and approved in terms of the virement policy for the year-to-date. The net effect of these virements are zero and are included in the B-Schedule.

The effect of the 1st Adjusted Budget on the 2026/2027 Operating and Capital Budgets will be as follows:

Operating Budget

- Expenditure increases from R881 766 438 to R882 010 953 (Increase of R244 515).

Description	Original Budget	Amendment	1st Adjustment Budget
Revenue (Excl. Capital Grants)	882 391 564	0	882 391 564
Expenditure	881 766 438	244 515	882 010 953
Surplus/(Deficit)	625 126	(244 515)	380 611
Capital Grants	55 799 150	0	55 799 150
Surplus / (Deficit)	56 424 276	(244 515)	56 189 761

Capital Budget

- The Capital Budget is increased from R176 397 762 to R185 504 577 (Increase of R9 106 815)

Funding	Original Budget	Virement	1st Adjustment Budget
CRR	100 598 612	7 708 226	108 306 838
External loans	20 000 000	1 398 589	21 398 589
Transfers & Subsidies	55 799 150	0	55 799 150
Public Contributions	0	0	0
TOTAAL	176 397 762	9 106 815	185 504 577

The item will be tabled at the Executive Mayoral Committee on 25 August 2026 and feedback will be provided during the Special Council Meeting.

HESSEQUA MUNICIPALITY

Section 4 – Adjustment Budget Tables

Table B1: Adjustment Budget Statement Summary

WC042 Hessequa - Table B1 Adjustments Budget Summary - 18/08/2026

Description	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	NaL or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	156 655	-	-	-	-	-	-	-	156 655	165 109	174 021
Service charges	411 483	-	-	-	-	-	-	-	411 483	441 942	474 548
Investment revenue	31 781	-	-	-	-	-	-	-	31 781	30 585	32 410
Transfer and subsidies - Operational	89 081	-	-	-	-	-	-	-	89 081	90 921	92 835
Other own revenue	193 432	-	-	-	-	-	-	-	193 432	202 043	189 528
Total Revenue (excluding capital transfers and contributions)	882 392	-	-	-	-	-	-	-	882 392	930 600	983 740
Expenditure											
Employee costs	290 063	-	-	-	-	-	-	-	290 063	303 304	316 955
Remuneration of councillors	10 537	-	-	-	-	-	-	-	10 537	10 989	11 418
Depreciation, amortisation and impairment	137 223	-	-	-	-	-	-	-	137 223	147 323	155 882
Interest, Dividends and Rent on Land	23 438	-	-	-	-	-	-	-	23 438	24 391	30 378
Inventory consumed and bulk purchases	272 853	-	-	-	-	-	253	253	272 907	291 891	311 933
Transfers and subsidies	2 775	-	-	-	-	-	-	-	2 775	2 874	2 972
Other expenditure	145 078	-	-	-	-	-	(9)	(9)	145 067	132 217	130 964
Total Expenditure	881 768	-	-	-	-	-	245	245	882 011	912 769	962 514
Surplus/(Deficit)	625	-	-	-	-	-	(245)	(245)	381	17 831	1 228
Transfers and subsidies - capital (monetary allocations)	55 799	-	-	-	-	-	-	-	55 799	32 485	68 063
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288
Capital expenditure & funds sources											
Capital expenditure	176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452
Transfers recognised - capital	55 799	-	-	-	-	-	-	-	55 799	32 485	68 063
Borrowing	20 000	-	-	-	-	-	1 369	1 369	21 369	70 000	34 600
Internally generated funds	100 599	-	-	-	-	-	7 708	7 708	108 307	38 333	69 789
Total sources of capital funds	176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452
Financial position											
Total current assets	499 419	-	-	-	-	-	(9 351)	(9 351)	490 068	549 800	578 376
Total non current assets	1 608 994	-	-	-	-	-	9 107	9 107	1 618 101	1 882 650	2 078 789
Total current liabilities	164 841	-	-	-	-	-	-	-	164 841	176 295	190 198
Total non current liabilities	287 474	-	-	-	-	-	-	-	287 474	368 926	405 185
Community wealth/Equity	1 448 575	-	-	-	-	-	(1 722)	(1 722)	1 446 853	1 887 429	2 081 774
Cash flows											
Net cash from (used) operating	179 652	-	-	-	-	-	(139)	(139)	179 513	134 700	208 788
Net cash from (used) investing	(194 857)	-	-	-	-	-	(9 107)	(9 107)	(203 964)	(133 941)	(188 319)
Net cash from (used) financing	(224)	-	-	-	-	-	-	-	(224)	49 507	7 738
Cash/cash equivalents at the year end	380 583	-	-	-	-	-	(9 246)	(9 246)	371 337	421 603	449 808
Cash backing/surplus reconciliation											
Cash and investments available	380 593	-	-	-	-	-	(9 246)	(9 246)	371 337	421 603	449 808
Application of cash and investments	(18 444)	-	-	-	-	-	-	-	(18 444)	29 889	25 713
Balance - surplus (shortfall)	397 027	-	-	-	-	-	(9 246)	(9 246)	387 781	391 614	424 095
Asset Management											
Asset register summary (WDV)	1 595 858	-	-	-	-	-	9 107	9 107	1 594 963	1 858 712	1 854 651
Depreciation	54 556	-	-	-	-	-	-	-	54 556	60 865	65 678
Renewal and Upgrading of Existing Assets	96 851	-	-	-	-	-	506	506	97 357	79 474	71 369
Repairs and Maintenance	131 687	-	-	-	-	-	(5)	(5)	131 682	137 872	143 720
Free services											
Cost of Free Basic Services provided	10 330	-	-	-	-	-	-	-	10 330	11 085	11 856
Revenue cost of free services provided	56 148	-	-	-	-	-	-	-	56 148	57 556	60 165
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

HESSEQUA MUNICIPALITY

Table B2 Adjustments Budget Financial Performance (standard classification)

WC042 Hessequa - Table B2 Adjustments Budget Financial Performance (functional classification) - 18/08/2026

Standard Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		216 336	-	-	-	-	-	-	-	216 336	224 041	235 901
Executive and council		19 141	-	-	-	-	-	-	-	19 141	19 462	20 108
Finance and administration		197 195	-	-	-	-	-	-	-	197 195	204 579	215 793
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		182 077	-	-	-	-	-	-	-	182 077	149 086	187 710
Community and social services		13 342	-	-	-	-	-	-	-	13 342	13 531	13 726
Sport and recreation		16 447	-	-	-	-	-	-	-	16 447	17 189	17 964
Public safety		110 413	-	-	-	-	-	-	-	110 413	114 673	119 742
Housing		21 876	-	-	-	-	-	-	-	21 876	3 693	46 278
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		48 638	-	-	-	-	-	-	-	48 638	55 800	25 186
Planning and development		20 055	-	-	-	-	-	-	-	20 055	40 388	22 946
Road transport		27 764	-	-	-	-	-	-	-	27 764	14 709	1 715
Environmental protection		820	-	-	-	-	-	-	-	820	503	626
<i>Trading services</i>		511 139	-	-	-	-	-	-	-	511 139	534 359	573 006
Energy sources		290 203	-	-	-	-	-	-	-	290 203	322 199	349 337
Water management		95 666	-	-	-	-	-	-	-	95 666	90 903	88 962
Waste water management		68 603	-	-	-	-	-	-	-	68 603	61 716	61 229
Waste management		56 667	-	-	-	-	-	-	-	56 667	58 541	73 478
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	938 191	-	-	-	-	-	-	-	938 191	963 065	1 031 603
Expenditure - Functional												
<i>Governance and administration</i>		132 088	-	-	-	-	-	41	41	132 129	141 052	144 743
Executive and council		38 555	-	-	-	-	-	-	-	38 555	40 808	42 630
Finance and administration		89 763	-	-	-	-	-	41	41	89 804	97 566	99 299
Internal audit		2 770	-	-	-	-	-	-	-	2 770	2 679	2 814
<i>Community and public safety</i>		232 084	-	-	-	-	-	203	203	232 287	222 410	230 368
Community and social services		33 409	-	-	-	-	-	-	-	33 409	34 515	35 678
Sport and recreation		41 712	-	-	-	-	-	5	5	41 718	44 187	46 553
Public safety		132 358	-	-	-	-	-	-	-	132 358	137 134	142 812
Housing		24 615	-	-	-	-	-	198	198	24 813	6 574	5 324
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		96 580	-	-	-	-	-	-	-	96 580	99 613	104 989
Planning and development		16 610	-	-	-	-	-	-	-	16 610	17 122	17 988
Road transport		72 195	-	-	-	-	-	-	-	72 195	74 659	78 771
Environmental protection		7 785	-	-	-	-	-	-	-	7 785	7 832	8 230
<i>Trading services</i>		419 144	-	-	-	-	-	-	-	419 144	447 770	480 414
Energy sources		264 931	-	-	-	-	-	-	-	264 931	284 618	306 724
Water management		55 333	-	-	-	-	-	-	-	55 333	58 451	63 462
Waste water management		48 169	-	-	-	-	-	-	-	48 169	50 853	53 209
Waste management		50 711	-	-	-	-	-	-	-	50 711	53 848	57 018
Other		1 851	-	-	-	-	-	-	-	1 851	1 924	2 001
Total Expenditure - Functional	3	881 768	-	-	-	-	-	245	245	882 011	912 769	962 514
Surplus (Deficit) for the year		56 424	-	-	-	-	-	(245)	(245)	58 180	50 316	69 288

HESSEQUA MUNICIPALITY

Table B3 Adjustments Budget Financial Performance

WC042 Hessequa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 18/08/2026

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	NaL or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 01 - Office Of The Mm		19 141	-	-	-	-	-	-	-	19 141	19 462	20 108
Vote 02 - Corporate Services		29 592	-	-	-	-	-	-	-	29 592	30 503	31 451
Vote 03 - Financial Services		193 005	-	-	-	-	-	-	-	193 005	200 077	210 953
Vote 04 - Community Services		132 341	-	-	-	-	-	-	-	132 341	118 419	166 074
Vote 05 - Technical Services		543 236	-	-	-	-	-	-	-	543 236	553 734	579 745
Vote 06 - Spatial Plannign & Environmental Management		20 875	-	-	-	-	-	-	-	20 875	40 881	23 471
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	938 191	-	-	-	-	-	-	-	938 191	863 085	1 031 803
Expenditure by Vote	1											
Vote 01 - Office Of The Mm		46 054	-	-	-	-	-	-	-	46 054	47 295	49 446
Vote 02 - Corporate Services		78 715	-	-	-	-	-	(5)	(5)	78 709	79 547	82 707
Vote 03 - Financial Services		50 532	-	-	-	-	-	-	-	50 532	56 292	55 197
Vote 04 - Community Services		166 156	-	-	-	-	-	198	198	166 354	153 353	168 249
Vote 05 - Technical Services		517 694	-	-	-	-	-	52	52	517 746	553 213	592 699
Vote 06 - Spatial Plannign & Environmental Management		22 517	-	-	-	-	-	-	-	22 517	23 063	24 217
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	881 786	-	-	-	-	-	245	245	882 031	912 789	962 514
Surplus/ (Deficit) for the year	2	56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 289

HESSEQUA MUNICIPALITY

Table B4 Adjustments Budget Financial Performance (revenue and expenditure)

WC042 Hessequa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	276 282	-	-	-	-	-	-	-	276 282	300 678	327 228
Service charges - Water	2	61 386	-	-	-	-	-	-	-	61 386	64 148	67 035
Service charges - Waste Water Management	2	34 195	-	-	-	-	-	-	-	34 195	36 734	37 342
Service charges - Waste Management	2	39 599	-	-	-	-	-	-	-	39 599	41 381	43 243
Sale of Goods and Rendering of Services		20 711	-	-	-	-	-	-	-	20 711	21 635	22 600
Agency services		3 884	-	-	-	-	-	-	-	3 884	4 012	4 144
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		3 511	-	-	-	-	-	-	-	3 511	3 669	3 834
Interest earned from Current and Non Current Assets		31 761	-	-	-	-	-	-	-	31 761	30 585	32 410
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 992	-	-	-	-	-	-	-	4 992	5 391	5 822
Licence and permits		2	-	-	-	-	-	-	-	2	2	2
Special rating levies		-	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue		21 100	-	-	-	-	-	-	-	21 100	2 888	1 333
Development Charges		8 800	-	-	-	-	-	-	-	8 800	9 196	9 510
Operational Revenue		2 493	-	-	-	-	-	-	-	2 493	2 555	2 621
Non-Exchange Revenue	2	156 655	-	-	-	-	-	-	-	156 655	165 109	174 021
Property rates		-	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		102 834	-	-	-	-	-	-	-	102 834	107 458	112 291
Fines, penalties and forfeits		2 691	-	-	-	-	-	-	-	2 691	2 812	2 938
Licences or permits		89 081	-	-	-	-	-	-	-	89 081	90 921	92 835
Transfer and subsidies - Operational		1 021	-	-	-	-	-	-	-	1 021	1 030	1 035
Interest Receivables		-	-	-	-	-	-	-	-	-	-	-
Fuel Levy		13 396	-	-	-	-	-	-	-	13 396	13 396	13 396
Operational Revenue - Service Charges		8 000	-	-	-	-	-	-	-	8 000	28 000	10 000
Gains on disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		882 392	-	-	-	-	-	-	-	882 392	930 600	963 740
Expenditure By Type												
Employee related costs		290 063	-	-	-	-	-	-	-	290 063	303 304	318 955
Remuneration of councillors		10 537	-	-	-	-	-	-	-	10 537	10 999	11 418
Bulk purchases - electricity		223 018	-	-	-	-	-	-	-	223 018	240 257	258 829
Inventory consumed		49 636	-	-	-	-	-	253	253	49 889	51 434	53 105
Debt impairment		82 667	-	-	-	-	-	-	-	82 667	86 358	90 216
Depreciation, amortisation and impairment		54 556	-	-	-	-	-	-	-	54 556	60 965	66 676
Interest, Dividends and Rent on Land		23 438	-	-	-	-	-	-	-	23 438	24 391	30 378
Contracted services		82 827	-	-	-	-	-	(105)	(105)	82 721	87 288	93 199
Transfers and subsidies		2 775	-	-	-	-	-	-	-	2 775	2 674	2 972
Irrecoverable debts written off		10 473	-	-	-	-	-	-	-	10 473	10 944	11 438
Operational Cost and Other Cost		51 776	-	-	-	-	-	97	97	51 873	54 006	56 330
Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		881 786	-	-	-	-	-	245	245	882 011	912 769	962 514
Surplus/(Deficit)		625	-	-	-	-	-	(245)	(245)	381	17 831	1 226
Transfers and subsidies - capital (monetary allocations)		55 799	-	-	-	-	-	-	-	55 799	32 485	68 063
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	56 424	-	-	-	-	-	(245)	(245)	56 180	50 316	69 288

HESSEQUA MUNICIPALITY

Table B5 Adjustments Capital Expenditure Budget by vote and funding

WC042 Hessequa - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget A	Prior Adjusted 5 A1	Accum. Funds 6 B	Multi-year capital 7 C	Unfore. Unavold. 8 D	Nat. or Prov. Govt 9 E	Other Adjusts. 10 F	Total Adjusts. 11 G	Adjusted Budget 12 H	Adjusted Budget	Adjusted Budget
R thousands												
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 01 - Office Of The Mm		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		1 300	-	-	-	-	-	-	-	1 300	300	300
Vote 03 - Financial Services		-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Community Services		1 150	-	-	-	-	-	(854)	(854)	296	1 450	2 800
Vote 05 - Technical Services		111 834	-	-	-	-	-	8 742	8 742	120 577	108 672	67 336
Vote 06 - Spatial Plannign & Environmental Management		-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	114 284	-	-	-	-	-	7 888	7 888	122 173	110 422	70 436
Single-year expenditure to be adjusted	2											
Vote 01 - Office Of The Mm		631	-	-	-	-	-	-	-	631	-	-
Vote 02 - Corporate Services		2 169	-	-	-	-	-	-	-	2 169	1 260	3 607
Vote 03 - Financial Services		510	-	-	-	-	-	-	-	510	458	50
Vote 04 - Community Services		4 425	-	-	-	-	-	854	854	5 279	3 984	49 731
Vote 05 - Technical Services		54 188	-	-	-	-	-	365	365	54 553	23 844	46 773
Vote 06 - Spatial Plannign & Environmental Management		190	-	-	-	-	-	-	-	190	850	1 855
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		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		62 113	-	-	-	-	-	1 219	1 219	63 332	30 396	102 015
Total Capital Expenditure - Vote		176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452
Capital Expenditure - Functional												
Governance and administration		15 781	-	-	-	-	-	-	-	15 781	12 854	2 264
Executive and council		626	-	-	-	-	-	-	-	626	-	-
Finance and administration		15 155	-	-	-	-	-	-	-	15 155	12 854	2 264
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		40 960	-	-	-	-	-	-	-	40 960	17 962	55 926
Community and social services		506	-	-	-	-	-	-	-	506	848	848
Sport and recreation		35 279	-	-	-	-	-	-	-	35 279	12 226	3 305
Public safety		3 676	-	-	-	-	-	-	-	3 676	4 688	5 966
Housing		1 500	-	-	-	-	-	-	-	1 500	200	45 808
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		22 254	-	-	-	-	-	1 200	1 200	23 454	28 089	28 993
Planning and development		57	-	-	-	-	-	-	-	57	12	30
Road transport		22 094	-	-	-	-	-	1 200	1 200	23 294	27 337	27 893
Environmental protection		103	-	-	-	-	-	-	-	103	740	1 070
Trading services		97 368	-	-	-	-	-	7 907	7 907	105 274	81 816	84 515
Energy sources		32 536	-	-	-	-	-	7 233	7 233	39 769	26 856	26 558
Water management		34 732	-	-	-	-	-	542	542	35 274	37 613	24 600
Waste water management		29 739	-	-	-	-	-	132	132	29 871	17 037	20 460
Waste management		360	-	-	-	-	-	-	-	360	310	12 896
Other		35	-	-	-	-	-	-	-	35	98	755
Total Capital Expenditure - Functional	3	176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452
Funded by:												
National Government		24 477	-	-	-	-	-	-	-	24 477	23 528	24 063
Provincial Government		31 322	-	-	-	-	-	-	-	31 322	8 957	44 000
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	55 799	-	-	-	-	-	-	-	55 799	32 485	68 063
Borrowing		20 000	-	-	-	-	-	1 399	1 399	21 399	70 000	34 600
Internally generated funds		100 599	-	-	-	-	-	7 708	7 708	108 307	38 333	69 789
Total Capital Funding		176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452

HESSEQUA MUNICIPALITY

Table B6 Adjustments Budget Financial Position

WC042 Hessequa - Table B6 Adjustments Budget Financial Position - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		380 583	-	-	-	-	-	(9 351)	(9 351)	371 232	430 849	458 054
Short term Investments		-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	1	58 954	-	-	-	-	-	-	-	58 954	54 509	49 867
Receivables from non-exchange transactions	1	42 494	-	-	-	-	-	-	-	42 494	45 621	48 866
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		4 457	-	-	-	-	-	-	-	4 457	4 266	4 317
VAT Receivable		11 734	-	-	-	-	-	-	-	11 734	13 347	15 058
Other current assets		1 197	-	-	-	-	-	-	-	1 197	1 205	1 214
Total current assets		499 419	-	-	-	-	-	(9 351)	(9 351)	490 068	549 800	578 376
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		124 139	-	-	-	-	-	-	-	124 139	124 139	124 139
Property, plant and equipment	3	1 677 225	-	-	-	-	-	9 107	9 107	1 686 332	1 750 081	1 945 999
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		8 452	-	-	-	-	-	-	-	8 452	8 452	8 482
Intangible assets		179	-	-	-	-	-	-	-	179	179	179
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		1 809 994	-	-	-	-	-	9 107	9 107	1 819 161	1 882 850	2 078 789
TOTAL ASSETS		2 309 413	-	-	-	-	-	(245)	(245)	2 309 168	2 432 650	2 657 164
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		19 553	-	-	-	-	-	-	-	19 553	22 306	28 782
Consumer deposits		13 436	-	-	-	-	-	-	-	13 436	14 242	15 067
Trade and other payables from exchange transactions		89 240	-	-	-	-	-	-	-	89 240	93 444	97 901
Trade and other payables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Provision		18 467	-	-	-	-	-	-	-	18 467	19 707	21 043
VAT Payable		11 043	-	-	-	-	-	-	-	11 043	11 705	12 407
Other current liabilities		13 102	-	-	-	-	-	-	-	13 102	14 890	14 965
Total current liabilities		164 841	-	-	-	-	-	-	-	164 841	176 295	190 186
Non current liabilities												
Financial liabilities	1	126 558	-	-	-	-	-	-	-	126 558	174 266	183 144
Provision	1	112 587	-	-	-	-	-	-	-	112 587	124 781	138 196
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		58 329	-	-	-	-	-	-	-	58 329	69 879	83 855
Total non current liabilities		297 474	-	-	-	-	-	-	-	297 474	368 926	405 195
TOTAL LIABILITIES		462 316	-	-	-	-	-	-	-	462 316	545 221	595 381
NET ASSETS	2	1 847 097	-	-	-	-	-	(245)	(245)	1 846 853	1 887 429	2 061 774
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 779 261	-	-	-	-	-	(1 722)	(1 722)	1 777 539	1 773 297	1 948 320
Funds and Reserves		69 314	-	-	-	-	-	-	-	69 314	114 132	113 454
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		1 848 575	-	-	-	-	-	(1 722)	(1 722)	1 846 853	1 887 429	2 061 774

HESSEQUA MUNICIPALITY

Table B7 Adjustments Budget Cash Flows

WC042 Hessequa - Table B7 Adjustments Budget Cash Flows - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		153 522	-	-	-	-	-	-	-	153 522	161 807	170 540
Service charges		439 411	-	-	-	-	-	-	-	439 411	470 094	503 227
Other revenue		112 571	-	-	-	-	-	105	105	112 677	89 050	123 564
Transfers and Subsidies - Operational	1	110 081	-	-	-	-	-	-	-	110 081	93 809	94 168
Transfers and Subsidies - Capital	1	55 799	-	-	-	-	-	-	-	55 799	32 485	68 063
Interest		32 070	-	-	-	-	-	-	-	32 070	30 948	32 833
Dividends									-	-		
Payments												
Suppliers and employees		(697 588)	-	-	-	-	-	(245)	(245)	(697 832)	(716 228)	(750 259)
Finance charges		(23 438)	-	-	-	-	-	-	-	(23 438)	(24 391)	(30 378)
Transfers and Subsidies	1	(2 775)	-	-	-	-	-	-	-	(2 775)	(2 874)	(2 972)
NET CASH FROM/(USED) OPERATING ACTIVITIES		179 652	-	-	-	-	-	(139)	(139)	179 513	134 700	208 786
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		8 000	-	-	-	-	-	-	-	8 000	28 000	10 000
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments									-	-		
Insurance Refund - Capital									-	-		
Interest on Short Term Investment (Greater than 90 days) and Long Term Investments									-	-		
Payments												
Capital assets		(202 857)	-	-	-	-	-	(9 107)	(9 107)	(211 964)	(161 941)	(198 319)
Retention (Capital)									-	-		
NET CASH FROM/(USED) INVESTING ACTIVITIES		(194 857)	-	-	-	-	-	(9 107)	(9 107)	(203 964)	(133 941)	(188 319)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing		20 000	-	-	-	-	-	-	-	20 000	70 000	34 500
Increase (decrease) in consumer deposits		1 690	-	-	-	-	-	-	-	1 690	1 792	1 899
Payments												
Repayment of borrowing		(21 914)	-	-	-	-	-	-	-	(21 914)	(22 285)	(28 761)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(224)	-	-	-	-	-	-	-	(224)	49 507	7 738
NET INCREASE/ (DECREASE) IN CASH HELD		(15 430)	-	-	-	-	-	(9 246)	(9 246)	(24 676)	50 265	28 205
Cash/cash equivalents at the year begin:	2	396 013							-	396 013	371 337	421 603
Cash/cash equivalents at the year end:	2	380 583						(9 246)	(9 246)	371 337	421 603	449 808

HESSEQUA MUNICIPALITY

Table B8 Cash backed reserves/accumulated surplus reconciliation

WC042 Hessequa - Table B8 Cash backed reserves/accumulated surplus reconciliation - 18/08/2026

Budget Year 2026/27												Budget Year +1 2027/28	Budget Year +2 2028/29
Description	Ref	Original Budget	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget	
R thousands		A		B	C	D	E	F	G	H			
Cash and investments available													
Cash/cash equivalents at the year end	1	380 583	-	-	-	-	-	(9 246)	(9 246)	371 337	421 603	449 808	
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-	-	
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-	
Cash and investments available:		380 583	-	-	-	-	-	(9 246)	(9 246)	371 337	421 603	449 808	
Applications of cash and investments													
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-	
Unspent borrowing													
Statutory requirements	2	(7 809)	-	-	-	-	-	-	-	(7 809)	(9 999)	(12 302)	
Other working capital requirements		(96 416)	-	-	-	-	-	-	-	(96 430)	(93 851)	(96 483)	
Other provisions		18 467	-	-	-	-	-	-	-	18 467	19 707	21 043	
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-	
Reserves to be backed by cash/investments		69 314	-	-	-	-	-	-	-	69 314	114 132	113 454	
Total Application of cash and investments:		(16 444)	-	-	-	-	-	-	-	(16 458)	29 989	25 713	
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		397 027	-	-	-	-	-	(9 246)	(9 246)	387 796	391 614	424 095	
Creditors transferred to Debt Relief - Non-Current portion													
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		397 027	-	-	-	-	-	(9 246)	(9 246)	387 796	391 614	424 095	

HESSEQUA MUNICIPALITY

Table B9 Asset Management

WC042 Hessequa - Table B9 Asset Management - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	79 547	-	-	-	-	-	8 801	8 801	88 148	61 345	101 083
Roads Infrastructure		300	-	-	-	-	-	(54)	(54)	246	2 640	14 250
Storm water Infrastructure		1 820	-	-	-	-	-	-	-	1 620	1 000	2 000
Electrical Infrastructure		5 772	-	-	-	-	-	7 233	7 233	13 005	7 500	9 150
Water Supply Infrastructure		24 882	-	-	-	-	-	542	542	25 424	21 450	25 250
Sanitation Infrastructure		6 500	-	-	-	-	-	(20)	(20)	6 480	9 437	22 160
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	50	12 646
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		590	-	-	-	-	-	-	-	590	300	200
Infrastructure		39 664	-	-	-	-	-	7 701	7 701	47 366	42 387	85 657
Community Facilities		1 700	-	-	-	-	-	-	-	1 700	50	-
Sport and Recreation Facilities		14 158	-	-	-	-	-	-	-	14 158	940	304
Community Assets		15 858	-	-	-	-	-	-	-	15 858	990	304
Heritage Assets		-	-	-	-	-	-	-	-	-	-	30
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		10 000	-	-	-	-	-	-	-	10 000	10 000	30
Housing		-	-	-	-	-	-	-	-	-	-	1 800
Other Assets	6	10 000	-	-	-	-	-	-	-	10 000	10 000	1 830
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 084	-	-	-	-	-	-	-	1 084	375	-
Furniture and Office Equipment		827	-	-	-	-	-	100	100	927	611	490
Machinery and Equipment		2 883	-	-	-	-	-	480	480	3 363	2 254	5 622
Transport Assets		9 230	-	-	-	-	-	320	320	9 550	4 730	7 150
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-

HESSEQUA MUNICIPALITY

WC042 Hessequa - Table B9 Asset Management - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Net. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
<u>Total Renewal of Existing Assets to be adjusted</u>	2	20 442	-	-	-	-	-	79	79	20 521	17 200	3 373
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		8 250	-	-	-	-	-	-	-	8 250	3 700	-
Water Supply Infrastructure		5 000	-	-	-	-	-	-	-	5 000	8 500	300
Sanitation Infrastructure		1 500	-	-	-	-	-	-	-	1 500	2 300	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		14 750	-	-	-	-	-	-	-	14 750	14 500	300
Community Facilities		2 600	-	-	-	-	-	79	79	2 679	600	2 500
Sport and Recreation Facilities		2 300	-	-	-	-	-	-	-	2 300	2 100	850
Community Assets		4 900	-	-	-	-	-	79	79	4 979	2 600	3 350
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		48	-	-	-	-	-	-	-	48	-	120
Furniture and Office Equipment		544	-	-	-	-	-	-	-	544	100	203
Machinery and Equipment		200	-	-	-	-	-	-	-	200	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
<u>Total Upgrading of Existing Assets to be adjusted</u>	2a	76 408	-	-	-	-	-	427	427	76 836	62 274	67 396
Roads Infrastructure		34 240	-	-	-	-	-	500	500	34 740	31 250	21 548
Storm water Infrastructure		1 500	-	-	-	-	-	-	-	1 500	1 600	2 000
Electrical Infrastructure		17 200	-	-	-	-	-	(53)	(53)	17 147	14 136	13 278
Water Supply Infrastructure		1 600	-	-	-	-	-	(20)	(20)	1 780	7 463	18 000
Sanitation Infrastructure		19 388	-	-	-	-	-	-	-	19 388	5 200	8 000
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-

HESSEQUA MUNICIPALITY

WC042 Hessequa - Table B9 Asset Management - 18/08/2026

Description	Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Infrastructure		74 126	-	-	-	-	-	427	427	74 556	59 049	62 826
Community Facilities		260	-	-	-	-	-	-	-	260	2 246	3 270
Sport and Recreation Facilities		520	-	-	-	-	-	-	-	520	530	900
Community Assets		780	-	-	-	-	-	-	-	780	2 775	4 170
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		1 500	-	-	-	-	-	-	-	1 500	450	400
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	1 500	-	-	-	-	-	-	-	1 500	450	400
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452
Roads Infrastructure		34 540	-	-	-	-	-	446	446	34 986	33 890	35 798
Storm water Infrastructure		3 120	-	-	-	-	-	-	-	3 120	2 000	4 000
Electrical Infrastructure		31 222	-	-	-	-	-	7 180	7 180	38 402	25 336	22 428
Water Supply Infrastructure		31 682	-	-	-	-	-	522	522	32 204	37 413	43 550
Sanitation Infrastructure		27 389	-	-	-	-	-	(20)	(20)	27 369	16 937	30 160
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	60	12 646
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		590	-	-	-	-	-	-	-	590	300	200
Infrastructure		128 544	-	-	-	-	-	8 128	8 128	136 672	115 935	148 783
Community Facilities		4 550	-	-	-	-	-	79	79	4 639	2 789	5 770
Sport and Recreation Facilities		16 978	-	-	-	-	-	-	-	16 978	3 570	2 054
Community Assets		21 538	-	-	-	-	-	79	79	21 617	6 365	7 824
Heritage Assets		-	-	-	-	-	-	-	-	-	-	30
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		11 500	-	-	-	-	-	-	-	11 500	10 450	430
Housing		-	-	-	-	-	-	-	-	-	-	1 800
Other Assets		11 500	-	-	-	-	-	-	-	11 500	10 450	2 230
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		1 132	-	-	-	-	-	-	-	1 132	373	120
Furniture and Office Equipment		1 371	-	-	-	-	-	100	100	1 471	711	693
Machinery and Equipment		3 083	-	-	-	-	-	480	480	3 563	2 254	5 622
Transport Assets		9 230	-	-	-	-	-	320	320	9 550	4 730	7 150
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	176 398	-	-	-	-	-	9 107	9 107	185 505	140 818	172 452

1ST ADJUSTMENT BUDGET 2026/2027

HESSEQUA MUNICIPALITY

WC042 Hessequa - Table B9 Asset Management - 18/08/2026

Description		Ref	Budget Year 2026/27									Budget Year +1 2027/28	Budget Year +2 2028/29
			Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands			A	A1	B	C	D	E	F	G	H		
ASSET REGISTER SUMMARY - PPE (WDV)		5	1 585 856	—	—	—	—	—	9 107	9 107	1 594 963	1 658 712	1 854 651
Roads Infrastructure			248 446	—	—	—	—	—	446	446	248 892	266 526	287 629
Storm water Infrastructure			130 578	—	—	—	—	—	—	—	130 578	129 961	130 697
Electrical Infrastructure			358 393	—	—	—	—	—	7 180	7 180	365 573	375 976	413 637
Water Supply Infrastructure			136 535	—	—	—	—	—	522	522	137 057	161 352	197 306
Sanitation Infrastructure			187 799	—	—	—	—	—	(20)	(20)	187 779	197 581	234 198
Solid Waste Infrastructure			19 867	—	—	—	—	—	—	—	19 867	14 878	18 729
Rail Infrastructure			—	—	—	—	—	—	—	—	—	—	—
Coastal Infrastructure			—	—	—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure			4 808	—	—	—	—	—	—	—	4 808	5 473	5 588
Infrastructure			1 086 425	—	—	—	—	—	8 128	8 128	1 094 553	1 151 746	1 287 784
Community Assets			87 227	—	—	—	—	—	79	79	87 306	83 793	138 760
Heritage Assets			8 630	—	—	—	—	—	—	—	8 630	8 630	8 660
Investment properties			124 139	—	—	—	—	—	—	—	124 139	124 139	124 139
Other Assets			18 723	—	—	—	—	—	—	—	18 723	29 241	30 669
Biological or Cultivated Assets			—	—	—	—	—	—	—	—	—	—	—
Intangible Assets			—	—	—	—	—	—	—	—	—	—	—
Computer Equipment			19 781	—	—	—	—	—	—	—	19 781	18 653	17 510
Furniture and Office Equipment			9 010	—	—	—	—	—	100	100	9 110	9 048	8 965
Machinery and Equipment			38 153	—	—	—	—	—	480	480	38 633	37 432	39 925
Transport Assets			59 984	—	—	—	—	—	320	320	60 304	62 245	64 455
Land			133 784	—	—	—	—	—	—	—	133 784	133 784	133 784
Zoo's, Marine and Non-biological Animals			—	—	—	—	—	—	—	—	—	—	—
Living Resources			—	—	—	—	—	—	—	—	—	—	—
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	1 585 856	—	—	—	—	—	9 107	9 107	1 594 963	1 658 712	1 854 651
EXPENDITURE OTHER ITEMS													
Depreciation & asset impairment			54 556	—	—	—	—	—	—	—	54 556	60 965	65 676
Repairs and Maintenance by asset class		3	131 687	—	—	—	—	—	(5)	(5)	131 682	137 872	143 720
Roads Infrastructure			32 746	—	—	—	—	—	—	—	32 746	34 390	36 227
Storm water Infrastructure			260	—	—	—	—	—	—	—	260	265	270
Electrical Infrastructure			25 040	—	—	—	—	—	—	—	25 040	26 110	27 243
Water Supply Infrastructure			19 622	—	—	—	—	—	—	—	19 622	20 629	21 649
Sanitation Infrastructure			17 452	—	—	—	—	—	—	—	17 452	18 354	19 279
Solid Waste Infrastructure			3 190	—	—	—	—	—	—	—	3 190	3 357	3 534
Rail Infrastructure			—	—	—	—	—	—	—	—	—	—	—
Coastal Infrastructure			—	—	—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure			—	—	—	—	—	—	—	—	—	—	—
Infrastructure			98 309	—	—	—	—	—	—	—	98 309	103 106	108 201
Community Facilities			4 542	—	—	—	—	—	—	—	4 542	4 614	4 264
Sport and Recreation Facilities			10 927	—	—	—	—	—	—	—	10 927	11 471	12 041
Community Assets			15 469	—	—	—	—	—	—	—	15 469	16 086	16 304
Heritage Assets			—	—	—	—	—	—	—	—	—	—	—
Revenue Generating			—	—	—	—	—	—	—	—	—	—	—
Non-revenue Generating			—	—	—	—	—	—	—	—	—	—	—
Investment properties			—	—	—	—	—	—	—	—	—	—	—
Operational Buildings			3 945	—	—	—	—	—	—	—	3 945	4 108	4 290
Housing			—	—	—	—	—	—	—	—	—	—	—
Other Assets			3 945	—	—	—	—	—	—	—	3 945	4 108	4 290
Biological or Cultivated Assets			—	—	—	—	—	—	—	—	—	—	—
Servitudes			—	—	—	—	—	—	—	—	—	—	—
Licences and Rights			—	—	—	—	—	—	—	—	—	—	—
Intangible Assets			—	—	—	—	—	—	—	—	—	—	—
Computer Equipment			3 975	—	—	—	—	—	—	—	3 975	4 258	4 269
Furniture and Office Equipment			658	—	—	—	—	—	—	—	658	673	696
Machinery and Equipment			2 866	—	—	—	—	—	—	—	2 866	2 963	3 061
Transport Assets			6 465	—	—	—	—	—	(5)	(5)	6 459	6 678	6 898
Land			—	—	—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals			—	—	—	—	—	—	—	—	—	—	—
Mature			—	—	—	—	—	—	—	—	—	—	—
Immature			—	—	—	—	—	—	—	—	—	—	—
Living Resources			—	—	—	—	—	—	—	—	—	—	—
TOTAL EXPENDITURE OTHER ITEMS to be adjusted			186 244	—	—	—	—	—	(5)	(5)	186 238	198 837	209 396
Renewal and upgrading of Existing Assets as % of total capex			54.9%	0.0%							52.5%	56.4%	41.4%
Renewal and upgrading of Existing Assets as % of deprecn"			177.5%	0.0%							178.5%	130.4%	108.7%
R&M as a % of PPE			8.3%	0.0%							8.3%	8.3%	7.7%
Renewal and upgrading and R&M as a % of PPE			14.4%	0.0%							14.4%	13.1%	11.6%

HESSEQUA MUNICIPALITY

Table B10 Basic service delivery measurement

WC042 Hessequa - Table B10 Basic service delivery measurement - 18/08/2026

Description	Ref	Budget Year 2026/27										Budget Year +1 2027/28	Budget Year +2 2028/29
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
Household service targets	1												
Water:													
Piped water inside dwelling		15406	0	0	0	0	0	0	0	15	15566	15666	
Piped water inside yard (but not in dwelling)		0	0	0	0	0	0	0	0	0	0	0	
Using public tap (at least min service level)	2	497	0	0	0	0	0	0	0	0	497	497	
Other water supply (at least min service level)													
Minimum Service Level and Above sub-total		16	-	-	-	-	-	-	-	16	16	16	
Using public tap (< min service level)	3												
Other water supply (< min service level)	3,4	0	0	0	0	0	0	0	0	0	0	0	
No water supply													
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	
Total number of households	5	16	-	-	-	-	-	-	-	16	16	16	
Sanitation/sewerage:													
Flush toilet (connected to sewerage)		14128	0	0	0	0	0	0	0	14 128	14228	14328	
Flush toilet (with septic tank)		1824	0	0	0	0	0	0	0	1 824	1824	1824	
Chemical toilet													
Pit toilet (ventilated)		0	0	0	0	0	0	0	0	0	0	0	
Other toilet provisions (> min service level)													
Minimum Service Level and Above sub-total		15 952	-	-	-	-	-	-	-	15 952	16 052	16 152	
Bucket toilet													
Other toilet provisions (< min service level)		0	0	0	0	0	0	0	0	0	0	0	
No toilet provisions													
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	
Total number of households	5	15 952	-	-	-	-	-	-	-	15 952	16 052	16 152	
Energy:													
Electricity (at least min. service level)		3597	0	0	0	0	0	0	0	3 597	3697	3797	
Electricity - prepaid (> min service level)		12668	0	0	0	0	0	0	0	12 668	12768	12868	
Minimum Service Level and Above sub-total		16 265	-	-	-	-	-	-	-	16 265	16 465	16 665	
Electricity (< min service level)		0	0	0	0	0	0	0	0	0	0	0	
Electricity - prepaid (< min service level)		0	0	0	0	0	0	0	0	0	0	0	
Other energy sources		0	0	0	0	0	0	0	0	0	0	0	
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	
Total number of households	5	16 265	-	-	-	-	-	-	-	16 265	16 465	16 665	
Refuse:													
Removed at least once a week (min service)		16844	0	0	0	0	0	0	0	16 844	16944	17044	
Minimum Service Level and Above sub-total		16 844	-	-	-	-	-	-	-	16 844	16 944	17 044	
Removed less frequently than once a week		0	0	0	0	0	0	0	0	0	0	0	
Using communal refuse dump													
Using own refuse dump		0	0	0	0	0	0	0	0	0	0	0	
Other rubbish disposal		0	0	0	0	0	0	0	0	0	0	0	
No rubbish disposal													
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-	
Total number of households	5	16 844	-	-	-	-	-	-	-	16 844	16 944	17 044	
Households receiving Free Basic Service	15												
Water (6 kilolitres per household per month)		4	-	-	-	-	-	-	-	4	4	4	
Sanitation (free minimum level service)		5	-	-	-	-	-	-	-	5	5	5	
Electricity/other energy (50kwh per household per month)		4	-	-	-	-	-	-	-	4	4	4	
Refuse (removed at least once a week)		5	-	-	-	-	-	-	-	5	5	5	
Informal Settlements		1	-	-	-	-	-	-	-	1	1	1	
Cost of Free Basic Services provided (R'000)	16												
Water (6 kilolitres per indigent household per month)		3 756	-	-	-	-	-	-	-	3 756	3 925	4 101	
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-	
Electricity/other energy (50kwh per indigent household per month)		6 223	-	-	-	-	-	-	-	6 223	6 772	7 370	
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-	
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		352	-	-	-	-	-	-	-	352	368	384	
Total cost of FBS provided		10 330	-	-	-	-	-	-	-	10 330	11 065	11 856	
Highest level of free service provided													
Property rates (R000 value threshold)		900000	0	0	0	0	0	0	0	900 000	900000	900000	
Water (kilolitres per household per month)		6	0	0	0	0	0	0	0	6	6	6	
Sanitation (kilolitres per household per month)		0	0	0	0	0	0	0	0	0	0	0	
Sanitation (Rand per household per month)		1072	0	0	0	0	0	0	0	1 072	1120	1171	
Electricity (kwh per household per month)		50	0	0	0	0	0	0	0	50	50	50	
Refuse (average litres per week)		240	0	0	0	0	0	0	0	240	240	240	
Revenue cost of free services provided (R'000)	17												
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		1 837	-	-	-	-	-	-	-	1 837	1 919	2 006	
Property rates, exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		11 499	-	-	-	-	-	-	-	11 499	10 879	11 368	
Water (in excess of 6 kilolitres per indigent household per month)		11 823	-	-	-	-	-	-	-	11 823	12 355	12 911	
Sanitation (in excess of free sanitation service to indigent households)		14 589	-	-	-	-	-	-	-	14 589	15 245	15 931	
Electricity/other energy (in excess of 50 kwh per indigent household per month)		411	-	-	-	-	-	-	-	411	447	487	
Refuse (in excess of one removal a week for indigent households)		15 990	-	-	-	-	-	-	-	15 990	16 710	17 462	
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-	-	-	
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	-	
Total revenue cost of subsidised services provided	6	56 149	-	-	-	-	-	-	-	56 149	57 556	60 165	

Section 5- Adjustments Budget assumptions

There were no adjustments to budget assumptions made.

Section 6- Adjustments to Budget Funding**6.1 Summary of the impact of the adjustments budget****6.1.1 Funding of operating and capital expenditure**

There were no new allocations made from Cash backed accumulated funds. The funds are rolled over from the 2025/26 financial year to fund projects from the Capital Replacement Reserve and Borrowings.

6.1.2 Financial plans

The current Medium-Term Revenue and Expenditure Framework is fully in line with the financial plans and strategies.

6.2 Expenditure funded in accordance with MFMA section 18

Refer to Annexure 1-'Supporting Table SB6 Adjustments Budget-funding measurement'.

6.3 Adjustments' to collection levels estimated

No adjustments are made to collection levels as all assumptions in this regard remains the same.

6.3 Adjustments related to allocations and grants to the municipality, distinguishing between operating and capital, from national government, provincial government and other municipalities and other donors.

Refer to Annexure 1-'Supporting Table SB7 Adjustments Budget -transfers and grants receipts'.

Section 7- Adjustments to expenditure on allocations and grant programmes

Disclosure on expenditure on allocations and grant programmes is done by way of the following tables in Annexure 1:

(i) Supporting Table SB7 Adjustments Budget-transfers and grant receipts

(ii) Supporting Table SB8 Adjustments Budget-expenditure on transfers and grant programme

(iii) Supporting Table SB9 Adjustments Budget-reconciliation of transfers, grant receipts , and unspent funds

Section 8- Adjustments to allocations or grants made by the municipality

Refer to Annexure 1, 'Supporting Table SB10 Adjustments Budget- transfers and grants made by the municipality.

Section 9- Adjustments to councillors and board members allowances and employee benefits

Refer to Annexure 1, 'Supporting Table SB11 Adjustments Budget- councillor and staff benefits.

Section 10- Adjustments to service delivery and budget implementation plan**10.1 Quarterly service delivery targets and performance indicators in the SDBIP**

Performance indicators needs to be adjusted to include spending of additional and amended allocations.

10.2 Key financial indicators

Refer to Annexure 1'Supporting Table SB4: Adjustments to budgeted performance indicators and benchmarks'.

10.3 Monthly targets for revenue, expenditure and cash flow

Disclosure on monthly targets for revenue, expenditure and cash flow is made in Annexure 1 in the following Supporting Tables:

10.3.1 Monthly operating budget revenue and expenditure projections

Supporting Table SB12 Adjustments Budget -monthly revenue and expenditure (municipal vote)' and 'Supporting Table SB13 Adjustments Budget-monthly revenue and expenditure (functional classification) broken down per month for the budget year, and shown in total for the following two years.

Supporting Table SB14 Adjustments Budget -monthly revenue and expenditure ' reflects consolidated projections of revenue by source and expenditure by type for the budget year broken down per month for the budget year, and shown in total for the following two years.

10.3.2 Monthly capital budget revenue and expenditure projections

Supporting Table SB16 and SB17 Adjustments Budget-monthly capital expenditure (municipal vote) and 'functional classification' show capital expenditure broken down per month for the budget year and shown in total for the following two years.

10.3.3 Monthly cash flow projections

Supporting Table SB15 Adjustments Budget- monthly Cash flow' sets out receipts by source and payments by type for both operating and capital, broken down per month for the budget year, and shown in total for the following two years.

Section 11- Adjustments to Capital Budget

The disclosure on the adjustments to the capital programme are provided in Annexure 1 in the following supporting tables:

Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote)

Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification)

Supporting Table SB18a Adjustments Budget-capital expenditure on new assets by asset class

Supporting Table SB 18b Adjustments Budget-capital expenditure on renewal of existing assets by asset class

Supporting Table SB 18c Adjustments Budget-expenditure on repairs and maintenance by asset class

Supporting Table SB 18d Adjustments Budget-depreciation by asset class

Supporting Table SB 18e Adjustments Budget-capital expenditure on upgrading of existing assets by asset class

Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget

Section 12- Other Supporting Documents

2026/2027 1st Adjustment Budget Annexures A, B & C

B Schedules

Memorandums/ Correspondence requesting the rollover of funds from 2025/2026 to 2026/2027

HESSEQUA MUNICIPALITY

QUALITY CERTIFICATE

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

- **The 1st Adjustment Budget for 2026/2027**

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 19 August 2026