

Hessequa Municipality



Monthly Budget Statement August 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.

Table of Contents

Section 1 – Mayor's Report.....	5
Section 2 - Resolutions	5
Section 3 – Executive Summary.....	5
Section 4 – In-year budget statement tables.....	5
4.1 Monthly Budget Summary.....	5-7
4.2 Operating Revenue and Expenditure.....	8-14
4.3 Capital Revenue and Expenditure.....	15-19
4.4 Financial Position.....	20
4.5 Cash Flow and Investments.....	21-24
4.6 Debtors Age Analysis.....	25
4.7 Creditors Age Analysis.....	26
4.8 Grants & Donations.....	27-29
4.9 Councillor allowances and Employee benefits.....	30
Section 5 – Cost Containment Report.....	31
Quality Certificate.....	32

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.

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

Section 1 – Mayor's Report

1.1 In-Year Report – Monthly Budget Statement

The monthly budget statement for **August 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 August **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 31 August 2026.
- (d) That Council notes the instances of Unauthorized, Irregular, Fruitless and Wasteful (UIF&W) expenditure for the period ended 31 August 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 August 2026 is R150,813 million, compared to the SDBIP budget of R163,770 million, resulting in a variance of 8%. When including Transfers recognized – capital, the revenue to date is R150,813 million compared to An SDBIP budget of R164,588 million.

Total Expenditure

The expenditure to date is R105,273 million compared to an SDBIP budget of R110,387 million.

Capital Expenditure

The year-to-date expenditure on capital is R1,047 million against an SDBIP budget of R5,229 million.

HESSEQUA MUNICIPALITY

Cash flow

Cash/cash equivalents at the end of August 2026 is R516,214 million.

Debtors Ageing

Debtors outstanding at the end of August 2026 is R99,289 million.

Creditors Ageing

Creditors outstanding at the end of August 2026 amount to R77,001 million.

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

HESSEQUA MUNICIPALITY

Table C1: Monthly Budget Statement Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M02 August

Description	2025/26	Budget Year 2026/27							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	151 838	156 655	156 655	12 146	38 334	26 109	12 225	47%	156 655
Service charges	391 226	411 463	411 463	31 787	65 050	68 577	(3 527)	-5%	411 463
Investment revenue	37 632	31 761	31 761	2 533	5 832	5 293	539	10%	31 761
Transfers and subsidies - Operational	80 109	89 081	89 081	1 051	30 677	31 563	(885)	(0)	89 081
Other own revenue	203 121	193 432	193 432	4 568	10 920	32 228	(21 308)	-66%	193 432
Total Revenue (excluding capital transfers and contributions)	863 926	882 392	882 392	52 085	150 813	163 770	(12 957)	-8%	882 392
Employee costs	254 416	290 063	290 063	20 059	40 255	43 201	(2 946)	-7%	290 063
Remuneration of Councillors	9 599	10 537	10 537	804	1 608	1 756	(148)	-8%	10 537
Depreciation, amortisation and impairment	46 116	54 556	54 556	-	-	-	-	-	54 556
Interest, Dividends and Rent on Land	19 052	23 438	23 438	-	-	-	-	-	23 438
Inventory consumed and bulk purchases	255 097	272 653	272 907	30 395	46 608	45 861	746	2%	272 907
Transfers and subsidies	2 295	2 775	2 775	493	651	469	181	39%	2 775
Other expenditure	186 945	227 743	227 734	10 784	16 152	19 099	(2 947)	-15%	227 734
Total Expenditure	773 519	881 766	882 011	62 534	105 273	110 387	(5 113)	-5%	882 011
Surplus/(Deficit)	90 407	625	381	(10 449)	45 540	53 383	(7 843)	-15%	381
Transfers and subsidies - capital (monetary)	53 313	55 799	55 799	-	-	818	(818)	-100%	55 799
Transfers and subsidies - capital (in-kind)	1 325	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	-16%	56 180
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	-16%	56 180
Capital expenditure & funds sources									
Capital expenditure	166 055	176 398	185 505	1 032	1 047	5 229	(4 182)	-80%	185 505
Capital transfers recognised	54 622	55 799	55 799	-	-	2 318	(2 318)	-100%	55 799
Borrowing	46 499	20 000	21 399	487	487	2 127	(1 640)	-77%	21 399
Internally generated funds	64 934	100 599	108 307	545	559	784	(225)	-29%	108 307
Total sources of capital funds	166 055	176 398	185 505	1 032	1 047	5 229	(4 182)	-80%	185 505
Financial position									
Total current assets	610 084	499 419	490 068		637 019				490 068
Total non current assets	1 567 967	1 809 994	1 819 101		1 569 014				1 819 101
Total current liabilities	182 167	164 841	164 841		167 197				164 841
Total non current liabilities	277 549	297 474	297 474		277 549				297 474
Community wealth/Equity	1 715 747	1 848 575	1 846 853		1 761 287				1 846 853
Cash flows									
Net cash from (used) operating	258 087	179 652	179 513	(7 929)	4 903	37 474	32 571	87%	179 513
Net cash from (used) investing	(210 962)	(194 857)	(203 964)	(965)	(757)	(33 994)	(33 237)	98%	(203 964)
Net cash from (used) financing	28 527	(224)	(224)	100	192	(1 685)	(1 877)	111%	(224)
Cash/cash equivalents at the month/year end	514 603	380 583	371 337	516 214	516 214	397 807	(118 407)	-30%	371 337
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	32 123	11 531	3 606	2 968	2 628	2 522	12 297	31 614	99 289
Creditors Age Analysis									
Total Creditors	77 001	-	-	-	-	-	-	-	77 001

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

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) - M02 August

Description	Ref	2025/26	Budget Year 2026/27							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		231 222	216 336	216 336	15 146	63 549	50 628	12 921	26%	216 336
Executive and council		17 406	19 141	19 141	-	17 779	18 006	(227)	-1%	19 141
Finance and administration		213 816	197 195	197 195	15 146	45 770	32 622	13 148	40%	197 195
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		149 882	162 077	162 077	3 389	6 045	26 893	(20 849)	-78%	162 077
Community and social services		11 326	13 342	13 342	984	1 100	2 222	(1 122)	-50%	13 342
Sport and recreation		15 210	16 447	16 447	123	363	2 730	(2 367)	-87%	16 447
Public safety		120 485	110 413	110 413	2 261	4 540	18 347	(13 807)	-75%	110 413
Housing		2 862	21 876	21 876	21	42	3 595	(3 552)	-99%	21 876
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		31 113	48 638	48 638	405	1 104	4 336	(3 231)	-75%	48 638
Planning and development		24 712	20 055	20 055	367	1 044	3 308	(2 264)	-68%	20 055
Road transport		5 713	27 764	27 764	-	4	916	(912)	-100%	27 764
Environmental protection		688	820	820	38	56	111	(55)	-49%	820
<i>Trading services</i>		505 894	511 139	511 139	33 145	80 115	82 730	(2 615)	-3%	511 139
Energy sources		300 993	290 203	290 203	20 805	42 883	47 268	(4 384)	-9%	290 203
Water management		87 056	95 686	95 686	5 283	22 308	22 270	38	0%	95 686
Waste water management		60 130	68 603	68 603	3 368	6 984	6 446	538	8%	68 603
Waste management		57 715	56 667	56 667	3 689	7 940	6 747	1 193	18%	56 667
<i>Other</i>	4	453	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	918 565	938 191	938 191	52 085	150 813	164 588	(13 775)	-8%	938 191
Expenditure - Functional										
<i>Governance and administration</i>		118 635	132 088	132 129	5 293	14 518	18 488	(3 970)	-21%	132 129
Executive and council		48 050	39 555	39 555	2 066	4 181	4 110	71	2%	39 555
Finance and administration		68 296	89 763	89 804	3 051	9 978	13 982	(4 004)	-29%	89 804
Internal audit		2 289	2 770	2 770	176	358	396	(38)	-10%	2 770
<i>Community and public safety</i>		177 093	232 094	232 297	12 241	19 062	17 458	1 603	9%	232 297
Community and social services		28 295	33 409	33 409	2 344	4 419	4 664	(245)	-5%	33 409
Sport and recreation		34 931	41 712	41 718	2 494	4 715	5 046	(331)	-7%	41 718
Public safety		108 733	132 358	132 358	2 824	5 151	7 297	(2 145)	-29%	132 358
Housing		5 135	24 815	24 813	4 579	4 776	452	4 324	957%	24 813
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		89 209	96 590	96 590	5 066	9 884	11 982	(2 098)	-18%	96 590
Planning and development		14 369	16 610	16 610	1 265	2 322	2 355	(33)	-1%	16 610
Road transport		68 118	72 195	72 195	3 353	6 722	8 388	(1 667)	-20%	72 195
Environmental protection		6 721	7 785	7 785	448	840	1 239	(398)	-32%	7 785
<i>Trading services</i>		387 127	419 144	419 144	39 721	61 482	57 698	3 782	7%	419 144
Energy sources		245 761	264 931	264 931	29 857	46 691	41 169	5 522	13%	264 931
Water management		54 916	55 333	55 333	4 132	5 235	6 068	(833)	-14%	55 333
Waste water management		49 748	48 169	48 169	2 945	5 102	5 288	(186)	-4%	48 169
Waste management		36 702	50 711	50 711	2 738	4 464	5 175	(711)	-14%	50 711
<i>Other</i>		1 455	1 851	1 851	213	319	330	(11)	-3%	1 851
Total Expenditure - Functional	3	773 519	881 786	882 011	82 534	105 273	105 957	(684)	-1%	882 011
Surplus/ (Deficit) for the year		145 046	56 424	56 180	(10 449)	45 540	58 631	(13 091)	-0.223278	56 180

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

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) - M02 August**

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Office Of The Mm		17 406	19 141	19 141	-	17 779	18 006	(227)	-1.3%	19 141
Vote 02 - Corporate Services		26 265	29 592	29 592	1 080	1 407	4 891	(3 484)	-71.2%	29 592
Vote 03 - Financial Services		193 998	193 005	193 005	14 896	44 591	31 965	12 626	39.5%	193 005
Vote 04 - Community Services		123 600	132 341	132 341	2 300	4 602	21 948	(17 346)	-79.0%	132 341
Vote 05 - Technical Services		531 444	543 236	543 236	33 405	81 334	84 359	(3 024)	-3.6%	543 236
Vote 06 - Spatial Plannign & Environmental Management		25 852	20 875	20 875	405	1 100	3 419	(2 319)	-67.8%	20 875
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	918 565	938 191	938 191	52 085	150 813	164 588	(13 775)	-8.4%	938 191
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		53 413	46 054	46 054	2 676	5 211	5 073	138	2.7%	46 054
Vote 02 - Corporate Services		57 693	78 715	78 709	4 974	10 448	12 899	(2 451)	-19.0%	78 709
Vote 03 - Financial Services		42 391	50 632	50 632	3 069	5 793	8 845	(3 052)	-34.5%	50 632
Vote 04 - Community Services		122 167	166 156	166 354	8 186	11 209	9 242	1 967	21.3%	166 354
Vote 05 - Technical Services		478 383	517 694	517 746	42 138	69 804	70 971	(1 168)	-1.6%	517 746
Vote 06 - Spatial Plannign & Environmental Management		19 471	22 517	22 517	1 492	2 809	3 356	(547)	-16.3%	22 517
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	773 519	881 766	882 011	62 534	105 273	110 387	(5 113)	-4.6%	882 011
Surplus/ (Deficit) for the year	2	145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	-16.0%	56 180

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		251 142	276 282	276 282	20 260	41 508	46 047	(4 539)	-10%	276 282
Service charges - Water		63 298	61 386	61 386	4 901	9 657	10 231	(574)	-6%	61 386
Service charges - Waste Water Management		35 116	34 195	34 195	3 016	6 099	5 699	399	7%	34 195
Service charges - Waste management		41 669	39 599	39 599	3 610	7 786	6 600	1 186	18%	39 599
Sale of Goods and Rendering of Services		26 455	20 711	20 711	462	1 112	3 440	(2 328)	-68%	20 711
Agency services		3 335	3 884	3 884	167	396	647	(252)	-39%	3 884
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		3 611	3 511	3 511	322	633	585	48	8%	3 511
Interest from Current and Non Current Assets		37 632	31 761	31 761	2 533	5 832	5 293	539	10%	31 761
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		5 222	4 992	4 992	317	1 374	832	542	65%	4 992
Licence and permits		2	2	2	0	0	0	(0)	-41%	2
Special rating levies		-	-	-	-	-	-	-	-	-
Construction Contract Revenue		-	21 100	21 100	-	-	3 517	-	-	21 100
Development Charges		6 086	8 800	8 800	37	206	1 467	-	-	8 800
Operational Revenue		1 168	2 493	2 493	75	142	416	(274)	-66%	2 493
Non-Exchange Revenue								-	-	
Property rates		151 838	156 655	156 655	12 146	38 334	26 109	12 225	47%	156 655
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		114 644	102 834	102 834	1 922	3 771	17 139	(13 368)	-78%	102 834
Licence and permits		2 394	2 691	2 691	149	321	448	(128)	-28%	2 691
Transfers and subsidies - Operational		80 109	89 081	89 081	1 051	30 677	31 563	(885)	-3%	89 081
Interest		805	1 021	1 021	68	135	170	(35)	-21%	1 021
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		11 791	13 396	13 396	982	2 540	2 233	307	14%	13 396
Gains on disposal of Fixed and Intangible Assets		15 626	8 000	8 000	67	290	1 333	(1 044)	-78%	8 000
Other Gains		11 981	-	-	-	-	-	-	-	-
Discontinued Operations								-	-	
Total Revenue (excluding capital transfers and contributions)		863 926	882 392	882 392	52 085	150 813	163 770	(12 957)	-8%	882 392
Expenditure By Type										
Employee related costs		254 416	290 063	290 063	20 059	40 255	43 201	(2 946)	-7%	290 063
Remuneration of councillors		9 599	10 537	10 537	804	1 608	1 756	(148)	-8%	10 537
Bulk purchases - electricity		208 411	223 018	223 018	27 618	43 125	37 170	5 956	16%	223 018
Inventory consumed		46 686	49 636	49 889	2 776	3 482	8 692	(5 209)	-60%	49 889
Debt impairment		67 096	82 667	82 667	-	-	-	-	-	82 667
Depreciation, amortisation and impairment		46 116	54 556	54 556	-	-	-	-	-	54 556
Interest, Dividends and Rent on Land		19 052	23 438	23 438	-	-	-	-	-	23 438
Contracted services		56 576	82 827	82 721	7 370	7 788	7 445	343	5%	82 721
Transfers and subsidies		2 295	2 775	2 775	493	651	469	181	39%	2 775
Irrecoverable debts written off		20 208	10 473	10 473	420	736	1 487	(751)	-50%	10 473
Operational costs		30 677	51 776	51 873	2 994	7 628	10 167	(2 539)	-25%	51 873
Disposal of Fixed and Intangible Assets		1 988	-	-	-	-	-	-	-	-
Other Losses		10 400	-	-	-	-	-	-	-	-
Total Expenditure		773 519	881 766	882 011	62 534	105 273	110 387	(5 113)	-5%	882 011
Surplus/(Deficit)		90 407	625	381	(10 449)	45 540	53 383	(7 843)	(0)	381
Transfers and subsidies - capital (monetary allocations)		53 313	55 799	55 799	-	-	818	(818)	(0)	55 799
Transfers and subsidies - capital (in-kind)		1 325	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	(0)	56 180
Income Tax								-	-	
Surplus/(Deficit) after income tax		145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	(0)	56 180
Share of Surplus/Deficit attributable to Joint Venture								-	-	
Share of Surplus/Deficit attributable to Minorities								-	-	
Surplus/(Deficit) attributable to municipality		145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	(0)	56 180
Share of Surplus/Deficit attributable to Associate								-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year		145 046	56 424	56 180	(10 449)	45 540	54 201	(8 661)	(0)	56 180

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

Revenue by Source (Table C4)**Exchange Revenue****Service Levies:****Electricity Service:**

Levies for the year-to-date stand at R41,508 million, in comparison with the budgeted SDBIP amount of R46,047 million. The deviation is due to electricity usage being less than anticipated during the months of July and August. No material deviations are expected at this stage.

Water Service:

Levies for the year-to-date stands at R9,657 million, in comparison with the budgeted SDBIP projection of R10,231 million. No material deviations are expected at this stage.

Sewerage Service:

Levies for the year-to-date stands at R6,099 million, in comparison with the budgeted SDBIP projection of R5,699 million. No material deviations are expected at this stage.

Refuse Removal Service:

Levies for the year-to-date stands at R7,786 million, in comparison with the budgeted SDBIP projection of R6,600 million. The developing deviation will be monitored over the following months and the budget amended during the main adjustments budget if necessary. The municipality forecasted growth of 1% for the financial year due to new units being built. The increased revenue is expected to materialize later in the financial year. No material deviations are expected at this stage.

Sale of Goods and Rendering of Services:

Revenue for the year-to-date stands at R1,112 million, in comparison with the budgeted SDBIP projection of R3,440 million. The deviation is due to the SDBIP budget being spread out evenly over the year. Revenue from camping sites is relatively low during the winter months as expected and projected to be higher during the summer season, especially during the December 2026 and January 2027 holiday periods. The SDBIP allocation will be corrected during the adjustments budget. No material deviations are expected at this stage.

Agency Services:

Revenue for the year-to-date stands at R0,396 million, in comparison with the budgeted SDBIP projection of R0,647 million. No deviation is expected at this stage.

Interest earned from Receivables:

Levies for the year-to-date stands at R0,633 million, in comparison with the budgeted SDBIP projection of R0,585 million. No deviation is expected at this stage.

Interest earned from Current and Non- Current Assets:

Revenue for the year-to-date amounts to R5,832 million, in comparison with the budgeted SDBIP projection of R5,293 million. No material deviation is expected at year- end at this stage.

Rental from Fixed Assets:

Levies and revenue for the year-to-date stands at R1,374 million, in comparison with the budgeted SDBIP projection of R0,832 million. No deviation is expected at this stage.

Licenses & Permits:

Revenue for the year-to-date stands at R0,0 million, in comparison with the budget of R0,0 million.

Construction Contract Revenue:

Revenue for the year-to-date stands at R0,0 million, in comparison with the budget of R3,517 million. Construction contract revenue is recognized after the conditions of the contract have been met, similar to grants.

Development Charges:

Revenue for the year-to-date stands at R0,206 million, in comparison with the budget of R1,467 million. The deviation is due to the SDBIP budget being spread evenly over the financial year, while the timing of actual revenue is more unpredictable and usually fluctuates. No material deviation is expected at this stage.

Operational Revenue:

Revenue for the year-to-date stands at R0,142 million, in comparison with the budgeted SDBIP projection of R0,416 million. No material deviation is expected at this stage.

Non- Exchange Revenue**Property Rates:**

Levies for the year-to-date amounts to R38,334 million, in comparison with the budget of R26,109 million. The deviation is attributed to a misalignment of the SDBIP distribution in July 2026 when compared to the rest of the financial year. The deviation is expected to decrease over the coming months. No deviation is expected at year-end.

Fines, penalties and forfeits

Revenue for the year-to-date stands at R3,771 million, in comparison with the budgeted SDBIP projection of R17,139 million. Fines may take up to 30 days to be issued. The report for August 2026 will thus only be journalized during September 2026. No material deviation is expected at year- end at this stage.

Licenses & Permits:

Revenue for the year-to-date stands at R0,321 million, in comparison with the budgeted SDBIP projection of R0,448 million. No deviation is expected at this stage.

HESSEQUA MUNICIPALITY

Grants & Subsidies - Operating:

Revenue for the year-to-date stands at R30,677 million, in comparison with the budgeted SDBIP projection of R31,563 million. Income is only recognized after the conditions of a grant are met. No deviation is expected at this stage.

Grants & Subsidies - Capital:

Revenue for the year-to-date stands at R0,0 million, in comparison with the budgeted SDBIP projection of R0,818 million.

Interest earned from Receivables:

Levies for the year-to-date stands at R0,135 million, in comparison with the budgeted SDBIP projection of R0,170 million. No deviation is expected at this stage.

Operational Revenue:

Revenue for the year-to-date stands at R2,540 million, in comparison with the budgeted SDBIP projection of R2,233 million. No deviation is expected at this stage.

Sale of land and PPE:

Revenue for the year-to-date stands at R0,290 million, in comparison with the budgeted SDBIP projection of R1,333 million. Transactions are only expected to conclude later in the financial year. Revenue is subject to the fulfillment of obligations culminating in deeds transfers and the municipality does not have direct control over the processes.

Expenditure by Type**Personnel Expenditure:**

The year-to-date expenditure amounts to R40,255 million, in comparison with the budgeted SDBIP projection of R43,201 million. No material deviations are expected at this stage.

Councillors' Remuneration:

The expenditure for the period to date amounts to R1,608 million in comparison with the budgeted SDBIP projection of R1,756 million. No material deviations are expected at this stage.

Bulk purchases- electricity:

The expenditure for the year-to-date is R43,125 million, in comparison with the budgeted SDBIP projection of R37,170 million. The deviation can be attributed to the SDBIP budget being spread out evenly over the financial year, while electricity demand fluctuates between seasons and based on the weather patterns. The deviation will be monitored, and the SDBIP budget will be corrected during the main adjustments budget. No material deviations are expected at year-end at this stage.

Inventory Consumed:

The expenditure for the year-to-date is R3,482 million, in comparison with the budgeted SDBIP projection of R8,692 million. The deviation can be attributed to expenditure not being in line with the budgeted projections. Expenditure will increase as the quarter progresses, which will result in deviation decreasing.

Debt Impairment:

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

Depreciation:

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

Interest on External Borrowing:

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

Contracted Services:

The expenditure for the year-to-date is R7,788 million, in comparison with the budgeted SDBIP projection of R7,445 million. No deviation is expected at this stage.

Transfers & Grants:

The expenditure for the year-to-date amounts to R0,651 million in comparison with the budgeted SDBIP projection of R0,469 million. No material deviations are expected at this stage.

Irrecoverable debts written off:

The expenditure for the period to date amounts to R0,736 million, in comparison with the budgeted SDBIP projection of R1,487 million. No material deviations are expected at this stage.

Operational Costs:

The year-to-date expenditure is R7,628 million, in comparison with the budgeted SDBIP projection of R10,167 million. The deviation can be attributed to expenditure not being in line with the budgeted projections. Expenditure will increase as the quarter progresses, which will result in the deviation decreasing.

HESSEQUA MUNICIPALITY

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) - M02 August

Vote Description	Ref	2025/26	Budget Year 2026/27							
		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 01 - Office Of The Mm		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		208	1 300	1 300	-	-	-	-		1 300
Vote 03 - Financial Services		-	-	-	-	-	-	-		-
Vote 04 - Community Services		842	1 150	296	-	-	(78)	78	-100%	296
Vote 05 - Technical Services		114 401	111 834	120 577	1 022	1 022	5 143	(4 121)	-80%	120 577
Vote 06 - Spatial Plannign & Environmental Management		48	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	115 500	114 284	122 173	1 022	1 022	5 065	(4 043)	-80%	122 173
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		148	631	631	-	13	-	13	#DIV/0!	631
Vote 02 - Corporate Services		4 175	2 169	2 169	4	4	53	(49)	-92%	2 169
Vote 03 - Financial Services		738	510	510	-	-	-	-		510
Vote 04 - Community Services		3 156	4 425	5 279	-	-	78	(78)	-100%	5 279
Vote 05 - Technical Services		41 341	54 188	54 553	5	5	33	(28)	-85%	54 553
Vote 06 - Spatial Plannign & Environmental Management		997	190	190	2	3	-	3	#DIV/0!	190
Total Capital single-year expenditure	4	50 555	62 113	63 332	11	25	164	(139)	-85%	63 332
Total Capital Expenditure		166 055	176 398	185 505	1 032	1 047	5 229	(4 182)	-80%	185 505
Capital Expenditure - Functional Classification										
Governance and administration		9 980	15 781	15 781	-	13	53	(40)	-76%	15 781
Executive and council		148	626	626	-	13	-	13	#DIV/0!	626
Finance and administration		9 832	15 155	15 155	-	-	53	(53)	-100%	15 155
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		10 850	40 960	40 960	34	34	2 318	(2 284)	-99%	40 960
Community and social services		902	506	506	4	4	-	4	#DIV/0!	506
Sport and recreation		6 638	35 279	35 279	30	30	2 318	(2 288)	-99%	35 279
Public safety		2 342	3 676	3 676	-	-	(0)	0	-100%	3 676
Housing		968	1 500	1 500	-	-	-	-		1 500
Health		-	-	-	-	-	-	-		-
Economic and environmental services		38 460	22 254	23 454	(2)	(2)	109	(111)	-102%	23 454
Planning and development		31	57	57	-	-	-	-		57
Road transport		37 868	22 094	23 294	(2)	(2)	109	(111)	-102%	23 294
Environmental protection		561	103	103	-	-	-	-		103
Trading services		106 312	97 368	105 274	999	999	2 749	(1 750)	-64%	105 274
Energy sources		70 096	32 536	39 769	380	380	658	(278)	-42%	39 769
Water management		15 175	34 732	35 274	-	-	49	(49)	-100%	35 274
Waste water management		13 134	29 739	29 871	619	619	2 042	(1 423)	-70%	29 871
Waste management		7 906	360	360	-	-	-	-		360
Other		452	35	35	2	3	-	3	#DIV/0!	35
Total Capital Expenditure - Functional Classification	3	166 055	176 398	185 505	1 032	1 047	5 229	(4 182)	-80%	185 505
Funded by:										
National Government		15 009	24 477	24 477	-	-	2 318	(2 318)	-100%	24 477
Provincial Government		38 259	31 322	31 322	-	-	-	-		31 322
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		1 355	-	-	-	-	-	-		-
Transfers recognised - capital		54 622	55 799	55 799	-	-	2 318	(2 318)	-100%	55 799
Borrowing	6	46 499	20 000	21 399	487	487	2 127	(1 640)	-77%	21 399
Internally generated funds		64 934	100 599	108 307	545	559	784	(225)	-29%	108 307
Total Capital Funding		166 055	176 398	185 505	1 032	1 047	5 229	(4 182)	-80%	185 505

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

Capital Expenditure:

The total capital expenditure for the year amounts to R1,047 million in comparison with the budgeted SDBIP projection of R5,229 million. Capital projects are currently in planning and tender phases, and spending will increase during the year.

External Loans:

The total financing for the year-to-date is R0,487 million in comparison with the budgeted SDBIP projection of R2,127 million.

Internal Financing:

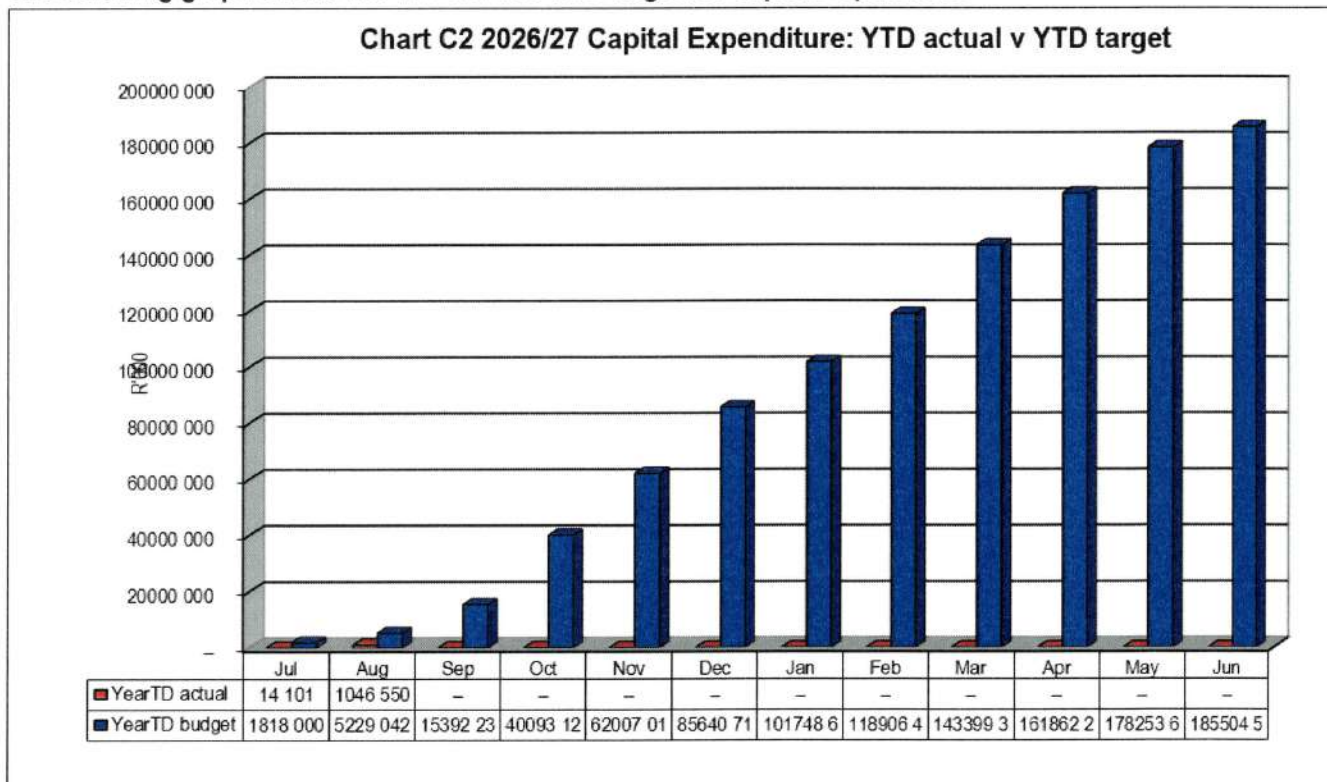
The total financing for the year-to-date is R0,559 million, in comparison with the budgeted SDBIP projection of R0,784 million. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed by grants, is R0,0 million in comparison with the budgeted SDBIP projection of R2,318 million. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 31 August 2026 were R0,402 million.

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



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

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

Table SC13a (Capital expenditure on new assets by asset class)

Table SC13b (Capital expenditure on renewal of existing assets by asset class)

Table SC13e (Capital expenditure on upgrading of existing assets by asset class)

WC042 Hessequa - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		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		78 045	39 664	47 366	867	867	2 700	1 833	67.9%	47 366
Roads Infrastructure		154	300	246	-	-	(5)	(5)	100.0%	246
Road Furniture		154	300	246	-	-	(5)	(5)	100.0%	246
Storm water Infrastructure		3 385	1 620	1 620	-	-	-	-	-	1 620
Drainage Collection		3 385	1 620	1 620	-	-	-	-	-	1 620
Electrical Infrastructure		53 834	5 772	13 005	380	380	658	278	42.3%	13 005
Power Plants		52 051	2 500	9 733	380	380	658	278	42.3%	9 733
HV Substations		585	-	-	-	-	-	-	-	-
HV Transmission Conductors		398	250	250	-	-	-	-	-	250
MV Substations		800	650	650	-	-	-	-	-	650
LV Networks		-	2 372	2 372	-	-	-	-	-	2 372
Water Supply Infrastructure		8 251	24 882	25 424	-	-	49	49	100.0%	25 424
Boreholes		7 993	2 000	2 100	-	-	9	9	100.0%	2 100
Reservoirs		58	9 000	9 442	-	-	40	40	100.0%	9 442
Water Treatment Works		-	13 582	13 582	-	-	-	-	-	13 582
Distribution		200	300	300	-	-	-	-	-	300
Sanitation Infrastructure		9 362	6 500	6 480	487	487	1 998	1 511	75.6%	6 480
Pump Station		6 599	3 000	2 980	487	487	1 998	1 511	75.6%	2 980
Reticulation		2 763	3 500	3 500	-	-	-	-	-	3 500
Solid Waste Infrastructure		234	-	-	-	-	-	-	-	-
Waste Drop-off Points		234	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		2 825	590	590	-	-	-	-	-	590
Core Layers		2 730	590	590	-	-	-	-	-	590
Distribution Layers		95	-	-	-	-	-	-	-	-
Community Assets		7 365	15 858	15 858	-	-	2 318	2 318	100.0%	15 858
Community Facilities		2 044	1 700	1 700	-	-	-	-	-	1 700
Cemeteries/Crematoria		52	-	-	-	-	-	-	-	-
Public Open Space		1 479	1 700	1 700	-	-	-	-	-	1 700
Nature Reserves		69	-	-	-	-	-	-	-	-
Public Ablution Facilities		60	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		384	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		5 321	14 158	14 158	-	-	2 318	2 318	100.0%	14 158
Outdoor Facilities		5 321	14 158	14 158	-	-	2 318	2 318	100.0%	14 158
Other assets		-	10 000	10 000	-	-	-	-	-	10 000
Operational Buildings		-	10 000	10 000	-	-	-	-	-	10 000
Municipal Offices		-	10 000	10 000	-	-	-	-	-	10 000
Computer Equipment		1 767	1 084	1 084	2	2	5	3	62.7%	1 084
Computer Equipment		1 767	1 084	1 084	2	2	5	3	62.7%	1 084
Furniture and Office Equipment		905	827	927	-	-	9	9	100.0%	927
Furniture and Office Equipment		905	827	927	-	-	9	9	100.0%	927
Machinery and Equipment		5 361	2 883	3 363	5	6	74	67	91.6%	3 363
Machinery and Equipment		5 361	2 883	3 363	5	6	74	67	91.6%	3 363
Transport Assets		15 169	9 230	9 550	-	-	29	29	100.0%	9 550
Transport Assets		15 169	9 230	9 550	-	-	29	29	100.0%	9 550
Total Capital Expenditure on new assets	1	108 613	79 547	88 148	874	875	5 135	4 260	83.0%	88 148

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02

Description	Ref	2025/26	Budget Year 2026/27							
		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		6 998	14 750	14 750	-	-	-	-		14 750
Electrical Infrastructure		3 663	8 250	8 250	-	-	-	-		8 250
<i>MV Networks</i>		3 663	4 700	4 700	-	-	-	-		4 700
<i>LV Networks</i>		-	3 550	3 550	-	-	-	-		3 550
Water Supply Infrastructure		500	5 000	5 000	-	-	-	-		5 000
<i>Pump Stations</i>		-	1 000	1 000	-	-	-	-		1 000
<i>Water Treatment Works</i>		500	1 000	1 000	-	-	-	-		1 000
<i>Distribution</i>		-	3 000	3 000	-	-	-	-		3 000
Sanitation Infrastructure		2 835	1 500	1 500	-	-	-	-		1 500
<i>Pump Station</i>		453	1 000	1 000	-	-	-	-		1 000
<i>Waste Water Treatment Works</i>		2 382	500	500	-	-	-	-		500
Community Assets		678	4 900	4 979	132	132	7	(124)	-1742.5%	4 979
Community Facilities		437	2 600	2 679	132	132	7	(124)	-1742.5%	2 679
<i>Public Open Space</i>		389	2 600	2 679	132	132	7	(124)	-1742.5%	2 679
<i>Nature Reserves</i>		48	-	-	-	-	-	-		-
Sport and Recreation Facilities		241	2 300	2 300	-	-	-	-		2 300
<i>Indoor Facilities</i>		-	-	-	-	-	-	-		-
<i>Outdoor Facilities</i>		241	2 300	2 300	-	-	-	-		2 300
Computer Equipment		-	48	48	-	-	48	48	100.0%	48
Computer Equipment		-	48	48	-	-	48	48	100.0%	48
Furniture and Office Equipment		79	544	544	4	17	-	(17)	#DIV/0!	544
Furniture and Office Equipment		79	544	544	4	17	-	(17)	#DIV/0!	544
Machinery and Equipment		-	200	200	-	-	-	-		200
Machinery and Equipment		-	200	200	-	-	-	-		200
Total Capital Expenditure on renewal of existing ass	1	7 755	20 442	20 521	136	148	55	(93)	-168.9%	20 521

HESSEQUA MUNICIPALITY

WC042 Hessequa - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M02

Description	Ref	2025/26	Budget Year 2026/27							
		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		42 451	74 129	74 556	(7)	(7)	39	46	117.7%	74 556
Roads Infrastructure		30 192	34 240	34 740	(7)	(7)	45	52	115.2%	34 740
Roads		30 183	34 240	34 740	(7)	(7)	45	52	115.2%	34 740
Road Furniture		8	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	1 500	1 500	-	-	-	-	-	1 500
Storm water Conveyance		-	1 500	1 500	-	-	-	-	-	1 500
Electrical Infrastructure		8 360	17 200	17 147	-	-	(5)	(5)	100.0%	17 147
HV Substations		850	4 200	4 200	-	-	-	-	-	4 200
HV Transmission Conductors		-	1 000	1 000	-	-	-	-	-	1 000
MV Networks		7 510	12 000	11 947	-	-	(5)	(5)	100.0%	11 947
Water Supply Infrastructure		3 900	1 800	1 780	-	-	(2)	(2)	100.0%	1 780
Boreholes		-	500	500	-	-	-	-	-	500
Water Treatment Works		1 000	800	800	-	-	-	-	-	800
Distribution		2 900	500	480	-	-	(2)	(2)	100.0%	480
Sanitation Infrastructure		-	19 389	19 389	-	-	-	-	-	19 389
Pump Station		-	500	500	-	-	-	-	-	500
Reticulation		-	17 159	17 159	-	-	-	-	-	17 159
Waste Water Treatment Works		-	1 000	1 000	-	-	-	-	-	1 000
Toilet Facilities		-	730	730	-	-	-	-	-	730
Community Assets		5 803	780	780	30	30	-	(30)	#DIV/0!	780
Community Facilities		1 737	260	260	30	30	-	(30)	#DIV/0!	260
Halls		-	-	-	-	-	-	-	-	-
Centres		489	-	-	-	-	-	-	-	-
Public Open Space		379	230	230	30	30	-	(30)	#DIV/0!	230
Nature Reserves		-	30	30	-	-	-	-	-	30
Public Ablution Facilities		214	-	-	-	-	-	-	-	-
Markets		655	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		4 065	520	520	-	-	-	-	-	520
Outdoor Facilities		4 065	520	520	-	-	-	-	-	520
Investment properties		606	-	-	-	-	-	-	-	-
Revenue Generating		606	-	-	-	-	-	-	-	-
Unimproved Property		606	-	-	-	-	-	-	-	-
Other assets		828	1 500	1 500	-	-	-	-	-	1 500
Operational Buildings		828	1 500	1 500	-	-	-	-	-	1 500
Municipal Offices		310	1 500	1 500	-	-	-	-	-	1 500
Workshops		234	-	-	-	-	-	-	-	-
Stores		284	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing	1	49 687	76 409	76 836	23	23	39	16	40.5%	76 836

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

4.4 Financial position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2025/26	Budget Year 2026/27			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		514 465	380 583	371 232	516 214	371 232
Short term Investments						
Trade and other receivables from exchange transactions		38 886	58 954	58 954	40 796	58 954
Receivables from non-exchange transactions		44 712	42 494	42 494	51 370	42 494
Current portion of non-current receivables		0	—	—	0	—
Inventory		4 120	4 457	4 457	3 856	4 457
VAT Receivable		6 419	11 734	11 734	23 301	11 734
Other current assets		1 483	1 197	1 197	1 483	1 197
Total current assets		610 084	499 419	490 068	637 019	490 068
Non current assets						
Investments						
Investment property		132 508	124 139	124 139	132 508	124 139
Property, plant and equipment		1 426 842	1 677 225	1 686 332	1 427 889	1 686 332
Biological assets						
Living resources						
Heritage assets		8 452	8 452	8 452	8 452	8 452
Intangible assets		166	179	179	166	179
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets						
Total non current assets		1 567 967	1 809 994	1 819 101	1 569 014	1 819 101
TOTAL ASSETS		2 178 051	2 309 413	2 309 168	2 206 033	2 309 168
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		25 440	19 553	19 553	25 440	19 553
Consumer deposits		18 385	13 436	13 436	22 141	13 436
Trade and other payables from exchange transactions		93 678	89 240	89 240	55 898	89 240
Trade and other payables from non-exchange transactions		7 159	—	—	15 521	—
Provision		9 017	18 467	18 467	8 079	18 467
VAT Payable		24 272	11 043	11 043	34 963	11 043
Other current liabilities		4 216	13 102	13 102	5 154	13 102
Total current liabilities		182 167	164 841	164 841	167 197	164 841
Non current liabilities						
Financial liabilities		122 980	126 558	126 558	122 980	126 558
Provision		70 633	112 587	112 587	71 447	112 587
Long term portion of trade payables						
Other non-current liabilities		83 937	58 329	58 329	83 122	58 329
Total non current liabilities		277 549	297 474	297 474	277 549	297 474
TOTAL LIABILITIES		459 716	462 316	462 316	444 747	462 316
NET ASSETS	2	1 718 335	1 847 097	1 846 853	1 761 287	1 846 853
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 592 937	1 779 261	1 777 539	1 638 477	1 777 539
Reserves and funds		122 810	69 314	69 314	122 810	69 314
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	1 715 747	1 848 575	1 846 853	1 761 287	1 846 853

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

4.5 Cash Flow & Investments

Table C7: Reflects the Cash flow of the Municipality

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		147 543	153 522	153 522	19 462	36 184	12 793	23 390	183%	153 522
Service charges		400 989	439 411	439 411	30 388	64 637	36 618	28 019	77%	439 411
Other revenue		72 350	112 571	112 677	12 651	51 046	9 178	41 868	456%	112 677
Transfers and Subsidies - Operational		59 249	110 081	110 081	9 383	9 413	29 057	(19 644)	-68%	110 081
Transfers and Subsidies - Capital		80 109	55 799	55 799	-	-	-	-		55 799
Interest		37 632	32 070	32 070	2 615	6 006	2 672	3 334	125%	32 070
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(526 178)	(697 588)	(697 832)	(81 936)	(161 733)	(52 628)	109 105	-207%	(697 832)
Finance charges		(11 311)	(23 438)	(23 438)	-	-	-	-		(23 438)
Transfers and Subsidies		(2 295)	(2 775)	(2 775)	(493)	(651)	(217)	434	-200%	(2 775)
NET CASH FROM/(USED) OPERATING ACTIVITIES		258 087	179 652	179 513	(7 929)	4 903	37 474	32 571	87%	179 513
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		15 626	8 000	8 000	67	290	1 333	(1 044)	-78%	8 000
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		(226 588)	(202 857)	(211 964)	(1 032)	(1 047)	(35 327)	(34 281)	97%	(211 964)
Retention (Capital)		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(210 962)	(194 857)	(203 964)	(965)	(757)	(33 994)	(33 237)	98%	(203 964)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		50 000	20 000	20 000	-	-	-	-		20 000
Increase (decrease) in consumer deposits		2 726	1 690	1 690	100	192	141	51	36%	1 690
Payments										
Repayment of borrowing		(24 199)	(21 914)	(21 914)	-	-	(1 826)	(1 826)	100%	(21 914)
NET CASH FROM/(USED) FINANCING ACTIVITIES		28 527	(224)	(224)	100	192	(1 685)	(1 877)	111%	(224)
NET INCREASE/ (DECREASE) IN CASH HELD		75 652	(15 430)	(24 676)	(8 795)	4 337	1 794			(24 676)
Cash/cash equivalents at beginning:		438 951	396 013	396 013	525 009	511 877	396 013			396 013
Cash/cash equivalents at month/year end:		514 603	380 583	371 337	516 214	516 214	397 807			371 337

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

Cash Flow (Table C7)**Operating Activities:**

The year-to-date cash from operating activities amounts to R4,903 million in comparison to the budgeted SDBIP projection of R37,474 million. This is a deficit of ±R32,571 million on the SDBIP budget. The deviation is largely resultant of the payment of suppliers, which was more than the budgeted SDBIP projection for the year-to-date. No material deviation is expected at this stage.

Capital & Investments:

The year-to-date cash from capital and investment activities amounts to (R0,757) million in comparison to the budgeted SDBIP projection of (R33,994) million. The deviation represents the Actuals for Proceeds of Disposal of PPE and the spending on capital programs not being in line with projections for July. No material deviations are expected at this stage.

Cash Flow from Financing Activities:

The year-to-date cash from financing activities amounts to R0,192 million, in comparison with the budgeted SDBIP projection of (R1,685) million. The deviation is attributed to the budgeted SDBIP cash flow projections not considering the bi-annual payments of borrowings. No material deviations are expected at this stage.

Financial problems and potential risks for the Municipality

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

HESSEQUA MUNICIPALITY

Tables SC5: Investment Portfolio

WC042 Hessequa - Supporting Table SC16 Monthly Budget Statement - Investment Portfolio - M02 August

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 %	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%	35 535	283	(30 000)	26 865	32 684
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%	-				-
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%	-				-
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.188%	-				-
ABSA	737	10 Months	Fixed Deposits		Fixed Deposits	8.050%	-				-
ABSA	738	11 Months	Fixed Deposits		Fixed Deposits	8.090%	-				-
ABSA	739	11 Months	Fixed Deposits		Fixed Deposits	8.120%	-				-
ABSA	740	10+ Months	Fixed Deposits		Fixed Deposits	8.020%	-				-
ABSA	741	11+ Months	Fixed Deposits		Fixed Deposits	8.050%	739				739
ABSA	742	11 Months	Fixed Deposits		Fixed Deposits	7.900%	1 065				1 065
ABSA	743	11 Months	Fixed Deposits		Fixed Deposits	7.850%	688				688
ABSA	744	11+ Months	Fixed Deposits		Fixed Deposits	7.870%	21 350	1 540	(21 540)		1 350
NEDBANK	745	11 Months	Fixed Deposits		Fixed Deposits	7.724%	662				662
NEDBANK	746	10 Months	Fixed Deposits		Fixed Deposits	7.640%	10 527	634	(10 634)		527
NEDBANK	747	11 Months	Fixed Deposits		Fixed Deposits	7.690%	10 531				10 531
NEDBANK	748	11+ Months	Fixed Deposits		Fixed Deposits	7.750%	21 070				21 070
NEDBANK	749	10 Months	Fixed Deposits		Fixed Deposits	7.584%	20 923				20 923
NEDBANK	750	11 Months	Fixed Deposits		Fixed Deposits	7.634%	20 929				20 929
ABSA	751	11 Months	Fixed Deposits		Fixed Deposits	7.680%	10 454				10 454
ABSA	752	11+ Months	Fixed Deposits		Fixed Deposits	7.690%	20 910				20 910
ABSA	753	11+ Months	Fixed Deposits		Fixed Deposits	7.720%	20 859				20 859
NEDBANK	754	11 Months	Fixed Deposits		Fixed Deposits	7.590%	20 844				20 844
NEDBANK	755	11 Months	Fixed Deposits		Fixed Deposits	7.410%	10 337				10 337
NEDBANK	756	11+ Months	Fixed Deposits		Fixed Deposits	7.445%	10 339				10 339
NEDBANK	757	11 Months	Fixed Deposits		Fixed Deposits	7.290%	20 551				20 551
NEDBANK	758	11+ Months	Fixed Deposits		Fixed Deposits	7.320%	20 554				20 554
ABSA	759	11+ Months	Fixed Deposits		Fixed Deposits	7.330%	10 249				10 249
NEDBANK	760	11+ Months	Fixed Deposits		Fixed Deposits	7.324%	10 235				10 235
ABSA	761	11+ Months	Fixed Deposits		Fixed Deposits	7.630%	20 464				20 464
NEDBANK	762	11+ Months	Fixed Deposits		Fixed Deposits	7.552%	15 344				15 344
ABSA	763	11 Months	Fixed Deposits		Fixed Deposits	7.970%	10 173				10 173
ABSA	764	11+ Months	Fixed Deposits		Fixed Deposits	8.010%	15 260				15 260
NEDBANK	765	11 Months	Fixed Deposits		Fixed Deposits	8.140%	20 214				20 214
ABSA	766	11 Months	Fixed Deposits		Fixed Deposits	7.960%	20 026				20 026
ABSA	767	11+ Months	Fixed Deposits		Fixed Deposits	8.000%	30 039				30 039
FNB	768	10 Months	Fixed Deposits		Fixed Deposits	7.700%	20 025				20 025
ABSA	769	10 Months	Fixed Deposits		Fixed Deposits	7.940%	20 000				20 000
ABSA	770	11 Months	Fixed Deposits		Fixed Deposits	7.990%	20 000				20 000
STANDARD BANK	771	5 Months	Fixed Deposits		Fixed Deposits	7.675%	20 000				20 000
ABSA	772	10 Months	Fixed Deposits		Fixed Deposits	7.830%	-			5 000	5 000
ABSA	773	11 Months	Fixed Deposits		Fixed Deposits	7.890%	-			10 000	10 000
NEDBANK	774	11+ Months	Fixed Deposits		Fixed Deposits	7.957%	-			20 000	20 000
Municipality sub-total							510 897	2 457	(62 174)	61 865	513 045
TOTAL INVESTMENTS AND INTEREST	2						510 897	2 457	(62 174)	61 865	513 045

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

HESSEQUA MUNISIPALITEIT
KORTTERMYN BELEGGINGS

2026/08/31

Verw. No	Bankinstelling	Koers/Termyn	Verval Datum	Belê 2025/26	Belê 2026/27	Verwysing	Rente 2025/26	Rente 2026/27	Rente 2025/26 voorsien	Onttrekking 2026/27	Verwys No	Onttrekking 2025/26	Balans 31/08/2026
	SALDO 1/07/2026												
741	ABSA	11+ MNDE @ 8.050%	25 JULY 2026	10 000 000		Tjek 90075522-23 - 2025/07/31	738 835.62	50 726.02	738 835.62	10 000 000	Kw 811103-4 - 29/07/2026	-10 789 561.64	738 835.62
742	ABSA	11 MNDE @ 7.900%	07 JUL 2026	15 000 000		Tjek 90075593-95 - 2025/08/07	1 064 876.71	19 479.45	1 064 876.71	15 000 000	Kw 291355-56 - 08/07/2026	-16 084 356.16	1 064 876.71
743	ABSA	11 MNDE @ 7.850%	15 JUL 2026	10 000 000		Tjek 90075684-85 - 2025/08/15	688 219.18	30 109.59	688 219.18	10 000 000	Kw 291411-12 - 16/07/2026	-10 718 328.77	688 219.18
744	ABSA	11+ MNDE @ 7.870%	14 AUG 2026	20 000 000		Tjek 90075826-31 - 2025/08/22	1 349 758.90	189 742.47	1 349 758.90	20 000 000	Kw 812633-04 - 28/08/2026	-21 539 501.37	1 349 758.90
745	NEDBANK	11 MNDE @ 7.724%	22 JUL 2026	10 000 000		Tjek 90075832-33 - 2025/08/22	662 359.45	44 439.45	662 359.45	10 000 000	Kw 810771-72 - 23/07/2026	-10 706 798.90	662 359.45
746	NEDBANK	10 MNDE @ 7.640%	21 AUG 2026	10 000 000		Tjek 90076817-18 - 2025/10/22	527 473.97	106 750.69	527 473.97	10 000 000	Kw 812631-02 - 28/08/2026	-10 634 224.66	527 473.97
747	NEDBANK	11 MNDE @ 7.690%	22 SEP 2026	10 000 000		Tjek 90076819-20 - 2025/10/22			530 926.03				10 530 926.03
748	NEDBANK	11+ MNDE @ 7.750%	16 OCT 2026	20 000 000		Tjek 90076821-24 - 2025/10/22			1 070 136.99				21 070 136.99
749	NEDBANK	10 MNDE @ 7.584%	21 SEP 2026	20 000 000		Tjek 9007411-14 - 2025/11/21			922 546.95				20 922 546.95
750	NEDBANK	11 MNDE @ 7.634%	21 OCT 2026	20 000 000		Tjek 9007415-18 - 2025/11/21			928 629.04				20 928 629.04
751	ABSA	11 MNDE @ 7.680%	27 OCT 2026	10 000 000		Tjek 90077573-74 - 2025/11/27			454 487.67				10 454 487.67
752	ABSA	11+ MNDE @ 7.690%	24 NOV 2026	20 000 000		Tjek 90077575-78 - 2025/11/27			910 158.90				20 910 158.90
753	ABSA	11+ MNDE @ 7.720%	04 DEC 2026	20 000 000		Tjek 90077789-92 - 2025/12/10			858 717.81				20 858 717.81
754	NEDBANK	11 MNDE @ 7.590%	10 NOV 2026	20 000 000		Tjek 90077793-96 - 2025/12/10			844 257.53				20 844 257.53
755	NEDBANK	11 MNDE @ 7.410%	17 DEC 2026	10 000 000		Tjek 90078263-64 - 2026/01/16			337 002.74				10 337 002.74
756	NEDBANK	11+ MNDE @ 7.445%	08 JAN 2027	10 000 000		Tjek 90078265-66 - 2026/01/16			338 594.52				10 338 594.52
757	NEDBANK	11 MNDE @ 7.290%	13 JAN 2027	20 000 000		Tjek 90078720-23 - 2026/02/13			551 243.84				20 551 243.84
758	NEDBANK	11+ MNDE @ 7.320%	06 FEB 2027	20 000 000		Tjek 90078724-27 - 2026/02/13			553 512.33				20 553 512.33
759	ABSA	11+ MNDE @ 7.330%	12 FEB 2027	10 000 000		Tjek 90078922-23 - 2026/02/27			249 019.18				10 249 019.18
760	NEDBANK	11+ MNDE @ 7.324%	19 FEB 2027	10 000 000		Tjek 90079017-18 - 2026/03/06			234 769.32				10 234 769.32
761	ABSA	11+ MNDE @ 7.630%	05 MAR 2027	20 000 000		Tjek 90079166-69 - 2026/03/12			464 071.23				20 464 071.23
762	NEDBANK	11+ MNDE @ 7.562%	24 FEB 2027	15 000 000		Tjek 90079170-72 - 2026/03/12			344 495.34				15 344 495.34
763	ABSA	11 MNDE @ 7.970%	12 MAR 2027	10 000 000		Tjek 90079483-84 - 2026/04/13			172 501.37				10 172 501.37
764	ABSA	11+ MNDE @ 8.010%	31 MAR 2027	15 000 000		Tjek 90079485-87 - 2026/04/13			260 050.68				15 260 050.68
765	NEDBANK	11 MNDE @ 8.140%	14 APR 2027	20 000 000		Tjek 90079896-99 - 2026/05/14			214 093.15				20 214 093.15
766	ABSA	11 MNDE @ 7.960%	25 MAY 2027	20 000 000		Tjek 90080572-75 - 2026/06/25			26 169.86				20 026 169.86
767	ABSA	11+ MNDE @ 8.000%	11 JUN 2027	30 000 000		Tjek 90080575-81 - 2026/06/25			39 452.05				30 039 452.05
768	FNB	10 MNDE @ 7.700%	25 APR 2027	20 000 000		Tjek 90080582-86 - 2026/06/25			25 315.07				20 025 315.07
769	ABSA	10 MNDE @ 7.940%	14 MAY 2027		20 000 000	Tjek 90080836-39 - 2026/07/15							20 000 000.00
770	ABSA	11 MNDE @ 7.990%	15 JUN 2027		20 000 000	Tjek 90080840-43 - 2026/07/15							20 000 000.00
771	STANDARD BANK	5 MNDE @ 7.675%	15 DEC 2026		20 000 000	Tjek 9080844-47 - 2025/07/15							20 000 000.00
772	ABSA	10 MNDE @ 7.830%	14 JUN 2027		5 000 000	Tjek 90081291 - 2026/08/14							5 000 000.00
773	ABSA	11 MNDE @ 7.890%	14 JUL 2027		10 000 000	Tjek 90081292-93 - 2026/08/14							10 000 000.00
774	NEDBANK	11+ MNDE @ 7.957%	05 AUG 2027		20 000 000	Tjek 90081294-97 - 2026/08/14							20 000 000.00
				445 000 000.00	95 000 000.00		5 031 523.83	441 247.67	15 361 675.33	75 000 000.00		- 80 472 771.50	480 361 654.01

CALL DEPOSIT ACCOUNT

2026/2027

Verw. No	Bankinstelling	Koers/Termyn	Verw. No.	Saldo 01/07/2026	Belê 2026/27	Bankkoste	Rente	Verw. No.	Onttrekking 2026/27	Verwys. No.	Balans 31/08/2026
1.	FNB	Weselend	62299016886	43 935 277.32	98 465 360.00	0.00	283 006.96	0.00	110 000 000.00	Verskeie Druksake Aangeheg	32 683 644.28
				43 935 277.32	98 465 360.00	0.00	283 006.96		110 000 000.00		32 683 644.28

513 045 298.29

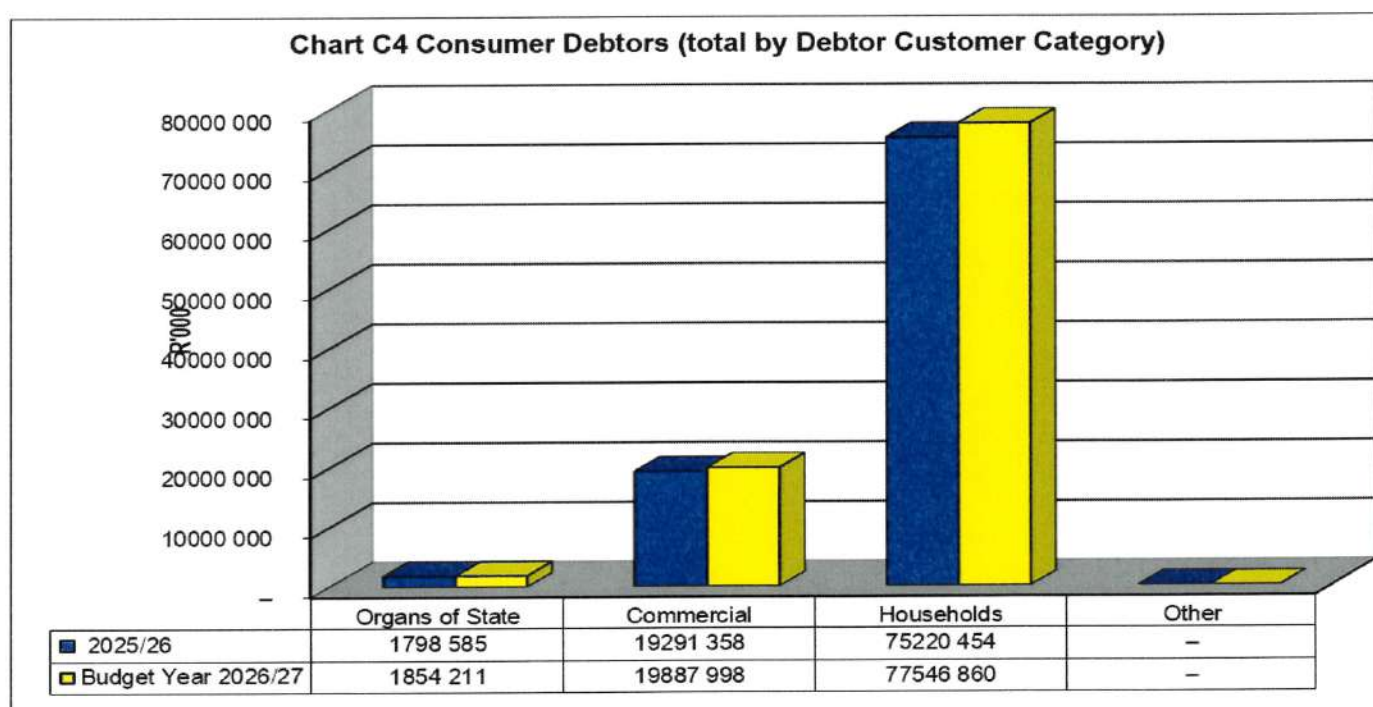
4.6 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC2 Monthly Budget Statement - aged debtors - M02 August

WC042 Hessequa - Supporting Table SC2 Monthly Budget Statement - aged debtors - mo2 August													
Description	NT Code	Budget Year 2026/27										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 394	1 226	905	759	730	709	3 305	7 196	19 224	12 699	174	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 833	1 535	455	326	267	242	1 097	3 149	18 906	5 082	22	-
Receivables from Non-exchange Transactions - Property Rates	1400	8 965	5 718	545	470	350	305	1 530	3 848	21 732	6 504	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	2 823	960	577	507	476	452	2 286	6 317	14 399	10 039	91	-
Receivables from Exchange Transactions - Waste Management	1600	3 166	1 136	593	518	485	454	2 290	4 812	13 454	8 559	96	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	380	353	328	302	284	315	1 587	3 941	7 489	6 428	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	561	604	202	86	35	44	201	2 352	4 085	2 718	37	-
Total By Income Source	2000	32 123	11 531	3 606	2 968	2 628	2 522	12 297	31 614	99 289	52 029	420	-
2025/26 - totals only		49 173 270 1/6	46 356 470 9/7	36 195 974 1/7	31 318 342 1/3	28 027 533 1/4	25 204 408 3/8	10 797 7143 2/9	35 540 1800 6/7	1 122 213	547 929	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	815	458	147	92	30	26	82	205	1 854	434	-	-
Commercial	2300	8 368	4 572	536	306	250	246	1 292	4 318	19 888	6 412	-	-
Households	2400	22 940	6 502	2 923	2 570	2 347	2 250	10 924	27 091	77 547	45 182	420	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	32 123	11 531	3 606	2 968	2 628	2 522	12 297	31 614	99 289	52 029	420	-

Debtors, 30 days and older on 31 August 2026, amounts to R67,166 million, in comparison to the amount of R60,449 million for 31 July 2026. This represents an increase of R6,717 million for the month. The debtors' collection rate for August 2026 is 89,21%. The lower collection rate is attributable to the levying of annual property rates and services that is only due and payable on 30 September 2026. Strict credit control measures are being applied.

The graph below compares 2025/2026 to 2026/2027 Outstanding debt by customer classification for the month of August 2026



MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

4.7 Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

W0042 Hessqua - Supporting Table 004 Monthly Budget Statement - aged creditors - 1002 August											
Description	NT Code	Budget Year 2026/27									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400	32 638								32 638	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	6 333								6 333	
Auditor General	0800									-	
Other	0900	38 031								38 031	
Medical Aid deductions	0950									-	
Total By Customer Type	1000	77 001	-	-	-	-	-	-	-	77 001	-

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 (R15,521) million, payments received in advance (R7,648) million, retentions (R16,800) million, VAT (32,638) and other creditors (R13,582) million. Trade creditors amount to (R6,333) million.

HESSEQUA MUNICIPALITY

4.8 Grants & Donations

Table SC18: Transfers and grant receipts

WC042 Hessequa - Supporting Schedule SC18 Monthly Budget Statement - Transfers and Grant Receipts - M02 August

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations								311	#DIV/0!	
Equitable Share		67 378	71 102	71 102	-	29 626	29 057	569	2.0%	71 102
Expanded Public Works Programme Integrated Grant		1 351	1 378	1 378	22	22	158	(136)	-86.2%	1 378
Local Government Financial Management Grant		1 800	1 900	1 900	51	51	173	(122)	-70.5%	1 900
Municipal Infrastructure Grant		791	798	798	64	64	73	302	417.1%	798
Total Monetary Allocations		71 320	75 178	75 178	137	29 763	29 460	302	1.0%	75 178
Total Operating/National Government		71 320	75 178	75 178	137	29 763	29 460	302	1.0%	75 178
Provincial Government								-		
Monetary Allocations								-		
Capacity Building and Other Grants		6 871	13 095	13 095	915	915	2 047	(1 133)	-55.3%	13 095
Infrastructure Grant		1 894	308	308	-	-	-	-		308
Total Monetary Allocations		8 765	13 403	13 403	915	915	2 047	(1 133)	-55.3%	13 403
Total Operating/Provincial Government		8 765	13 403	13 403	915	915	2 047	(217)	-10.6%	13 403
Other Grant Providers								-		
Monetary Allocations								-		
Education Training and Development Practices SETA		23	250	250	-	-	-	-		250
Unspecified		1	250	250	-	-	55	-		250
Total Monetary Allocations		25	500	500	-	-	55	(55)	-100.0%	500
Total Operating/Other Grant Providers		25	500	500	-	-	55	-		500
Total Operating	5	80 109	89 081	89 081	1 051	30 677	31 563			89 081
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		-	24 477	24 477	-	-	-			24 477
Total Monetary Allocations		-	24 477	24 477	-	-	-			24 477
Total Capital/National Government		-	24 477	24 477	-	-	-			24 477
Capacity Building and Other Grants		452	-	-	-	-	-			-
Infrastructure Grant		-	31 322	31 322	-	-	-			31 322
Total Monetary Allocations		452	31 322	31 322	-	-	-			31 322
Total Capital/Provincial Government		452	31 322	31 322	-	-	-			31 322
Total Capital	5	452	55 799	55 799	-	-	-			55 799
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		80 561	144 880	144 880	1 051	30 677	31 563			144 880

Receipts (Table SC18):**Operating:**

The year-to-date receipt is R30,677 million against the budgeted SDBIP projection of R31,563 million. No material deviation is expected at this stage.

Capital:

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

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

Transfers and Grants Receipts 31 August 2026	
Sum of Amount	
Grants Description	Total
EPWP	345 000.00
EQUITABLE SHARE	29 626 000.00
FMG	350 000.00
HMS	4 396 300.00
LG SETA	30 669.56
Library Service Conditional Grant	1 561 334.00
Library Service Grant	2 530 000.00
RSEP	200 000.00
(blank)	
Grand Total	39 039 303.56

HESSEQUA MUNICIPALITY

Table SC19: Transfers and grant expenditure

WC042 Hessequa - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M02 August

Description		Ref	2025/26	Budget Year 2026/27							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
EXPENDITURE		1									
Operating											
National Government											
Monetary Allocations											
Local Government Equitable Share			97	102	102	16	30	34	(4)	-12.2%	102
Expanded Public Works Programme Integrated Grant			1 350	1 378	1 378	253	274	230	45	19.5%	1 378
Local Government Financial Management Grant			1 664	1 900	1 900	129	180	555	(375)	-67.5%	1 900
Municipal Infrastructure Grant			791	798	798	64	64	128	(64)	-50.0%	798
Total Monetary Allocations			3 902	4 177	4 177	461	548	946	(398)	-42.1%	4 177
Total National Government			3 902	4 177	4 177	461	548	946	(398)	-42.1%	4 177
Provincial Government									-		
Monetary Allocations									-		
Capacity Building and Other Grants			4 906	12 151	12 151	772	1 672	1 792	(120)	-6.7%	12 151
Infrastructure Grant			1 800	308	308	-	-	-	-		308
Total Monetary Allocations			6 706	12 459	12 459	772	1 672	1 792	(120)	-6.7%	12 459
Total Provincial Government			6 706	12 459	12 459	772	1 672	1 792	(120)	-6.7%	12 459
Other Grant Providers											
Monetary Allocations											
Education Training and Development Practices SETA			23	250	250	10	10	-	10	#DIV/0!	250
Unspecified			2	250	250	-	-	42	-		250
Total Monetary Allocations			25	500	500	10	10	42	10	0	500
Total Operating/Other Grant Providers			25	500	500	10	10	42	10	0	500
Total operating expenditure of Transfers and Grants			10 633	17 136	17 136	1 244	2 230	2 780	(508)	(0)	17 136
Capital											
National Government											
Monetary Allocations											
Municipal Infrastructure Grant			15 009	24 477	24 477	-	-	2 318	(2 318)	-100.0%	24 477
Total Monetary Allocations			15 009	24 477	24 477	-	-	2 318	(2 318)		24 477
Total National Government			15 009	24 477	24 477	-	-	2 318	(2 318)		24 477
Provincial Government											
Monetary Allocations											
Capacity Building and Other Grants			1 259	-	-	-	-	-	-		-
Infrastructure Grant			37 000	31 322	31 322	-	-	-	-		31 322
Total Monetary Allocations			38 259	31 322	31 322	-	-	-	-		31 322
Total Provincial Government			38 259	31 322	31 322	-	-	-	-		31 322
Unspecified			1 355	-	-	-	-	-	-		-
Total Monetary Allocations			1 355	-	-	-	-	-	-		-
Total Capital/Other Grant Providers			1 355	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants			54 622	55 799	55 799	-	-	2 318	(2 318)		55 799
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			65 255	72 936	72 936	1 244	2 230	5 098	(2 826)		72 936

Expenditure (Table SC19)**Operating:**

The year-to-date expenditure is R2,230 million against the budgeted SDBIP projection of R2,780 million. No deviation is expected at this stage.

Capital:

The year-to-date expenditure from capital grants amounts to R0,0 million. The budget for the year is R2,318 million. Capital projects are currently still in planning and tender phases. No deviation is expected at this stage.

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

HESSEQUA MUNICIPALITY

4.9 Employee Related Costs

Table SC22: Councillor and Staff benefits

WC042 Hessequa - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration R thousands	Ref	2025/26	Budget Year 2026/27						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
		A	B	C					
Councillors (Political Office Bearers plus Other)	1								
Allowances and Service Related Benefits									
Cell phone Allowance		799	903	903	67	133	150	(17)	-11%
Office-bearer Allowance		7 337	8 236	8 236	610	1 221	1 373	(152)	-11%
Travelling Allowance		781	792	792	67	135	132	3	2%
Total Allowances and Service Related Benefits		8 917	9 931	9 931	745	1 489	1 655	(166)	-10%
Social Contributions									
Medial Aid Benefits		164	129	129	17	33	22	12	54%
Pension Fund Contributions		518	477	477	43	86	80	6	8%
Total Social Contributions		682	606	606	60	119	101	18	18%
Total Councillors		9 599	10 537	10 537	804	1 608	1 756	(148)	-8%
% increase	4								
Senior Managers of the Municipality	2								
Salaries and Allowances									
Basic Salary		7 611	7 673	7 673	462	920	1 279	(359)	-28%
Bonuses		1 422	1 474	1 474	-	-	46	(46)	-100%
Allowance									
Cellular and Telephone	3	138	206	206	13	25	34	(9)	-27%
Housing Benefits	3	14	15	15	1	2	3	(0)	-2%
Non-pensionable	3	324	360	360	29	59	60	(1)	-2%
Travel or Motor Vehicle	3	960	1 032	1 032	89	179	172	7	4%
Total Allowance		1 436	1 612	1 612	133	265	269	(4)	-1%
Service Related Benefits									
Leave Pay	3	(260)	-	-	-	-	-	-	-
Long Service Award		-	24	24	-	-	4	(4)	-100%
Total Service Related Benefits		(260)	24	24	-	-	4	(4)	-100%
Total Salaries and Allowances		10 210	10 783	10 783	595	1 185	1 598	(412)	-26%
Social Contributions									
Bargaining Council		1	1	1	0	0	0	(0)	-19%
Group Life Insurance		11	18	18	-	-	3	(3)	-100%
Medical		168	204	204	13	26	34	(8)	-24%
Pension		1 351	1 407	1 407	82	164	234	(71)	-30%
Unemployment Insurance		12	14	14	1	2	2	(1)	-23%
Total Social Contributions		1 544	1 644	1 644	96	191	274	(83)	-30%
Sub Total - Senior Managers of Municipality		11 753	12 427	12 427	690	1 377	1 872	(495)	-26%
% increase	4								
Other Municipal Staff									
Salaries and Allowances									
Basic Salary		156 108	181 847	181 847	14 002	27 916	30 308	(2 392)	-8%
Bonuses		-	3 884	3 884	-	-	-	-	-
Allowance									
Accommodation, Travel and Incidental		5 419	5 752	5 752	488	974	959	15	2%
Cellular and Telephone	3	1 255	1 288	1 288	119	239	215	24	11%
Housing Benefits	3	834	918	918	76	151	153	(2)	-1%
Total Allowance		7 508	7 958	7 958	684	1 364	1 326	37	3%
Service Related Benefits									
Bonus	3	12 615	14 373	14 373	9	85	-	85	#DIV/0!
Leave Pay	3	1 119	-	-	18	21	-	21	#DIV/0!
Long Service Award		2 161	1 135	1 135	46	171	189	(18)	-10%
Overtime		9 587	8 321	8 321	534	1 210	1 387	(177)	-13%
Standby Allowance	3	5 116	4 867	4 867	462	886	811	74	9%
Total Service Related Benefits		30 599	28 695	28 695	1 069	2 372	2 387	(15)	-1%
Total Salaries and Allowances		194 214	222 384	222 384	15 755	31 651	34 021	(2 370)	-7%
Social Contributions									
Bargaining Council		88	103	103	8	15	17	(2)	-9%
Group Life Insurance		166	730	730	13	26	122	(96)	-79%
Medical		8 324	9 892	9 892	743	1 486	1 649	(163)	-10%
Pension		27 098	31 614	31 614	2 415	4 831	5 269	(438)	-8%
Unemployment Insurance		1 261	1 418	1 418	108	215	236	(22)	-9%
Total Social Contributions		36 938	43 757	43 757	3 287	6 573	7 293	(720)	-10%
Post-retirement Benefit	6								
Medical		11 508	11 490	11 490	327	654	15	639	-4238%
Pension		2	5	5	-	-	-	-	-
Total Post-retirement Benefit		11 510	11 495	11 495	327	654	15	639	
Sub Total - Other Municipal Staff		242 662	277 637	277 637	19 368	38 878	41 329	(2 451)	
% increase	4								
Total Parent Municipality		264 014	300 600	300 600	20 863	41 863	44 957	(3 094)	-7%
TOTAL SALARY, ALLOWANCES & BENEFITS		264 014	300 600	300 600	20 863	41 863	44 957	(3 094)	
% increase	4								
TOTAL MANAGERS AND STAFF	5,7	254 416	290 063	290 063	20 059	40 255	43 201	(2 946)	

MONTHLY BUDGET STATEMENT FOR AUGUST 2026

5. Cost Containment Report

Cost Containment Monthly Report				
Cost Containment Measures	Budget YTD	Jul-26	Aug-26	Savings
	R'000	R'000	R'000	R'000
Use of consultants	1 553	22	553	978
Overtime	1 387	676	534	177
Vehicles used for political office-bearers	-	-	-	-
Travel and subsistence	304	136	237	69
Domestic accommodation	141	74	29	38
Sponsorships and catering	95	20	50	25
Communication	166	-	15	151
Conferences, Meetings & Study tours	200	15	14	171
Other related expenditure items (Events)	71	9	28	34
Total	3 917	952	1 460	1 505

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

QUALITY CERTIFICATE

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

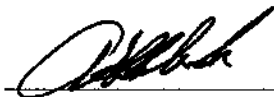
- **The monthly budget statement**

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

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

Municipal Manager of Hessequa Municipality – WC042

Signature



Date

10 September 2026