Hessequa Municipality

Monthly Budget Statement
September 2026

In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 July 2009.

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Glossary

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

Budget – The financial plan of the Municipality

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

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

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

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

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

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

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

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

MIG – Municipal Infrastructure Grant.

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

NDPG – Neighborhood Development Partnership Grant.

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

Rates – Local Government tax based on the assessed value of property. To determine the rates payable, the assessed ratable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Vote – A main appropriation segment of the budget. In Hessequa Municipality this relates to the directorate level for operating expenditure and capital expenditure.

YTD – Year to date

Section 1 – Mayor's Report

1.1 In-Year Report – Monthly Budget Statement

The monthly budget statement for **September 2026** has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations.

Section 2 – Resolutions

In-year Reports 2026/2027

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 September **2026.**
(b) That the reasons given for the deviations below, be approved.
(c) That Council notes the investments the municipality has at banks and the money market at 30 September 2026.
(d) That Council notes the instances of Unauthorized, Irregular, Fruitless and Wasteful (UIF&W) expenditure for the period ended 30 September 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 September 2026 is R212,059 million, compared to the SDBIP budget of R231,150 million, resulting in a variance of 8%. When including Transfers recognized – capital, the revenue to date is R212,059 million compared to An SDBIP budget of R233,468 million.

Total Expenditure

The expenditure to date is R157,196 million compared to an SDBIP budget of R171,236 million.

Capital Expenditure

The year-to-date expenditure on capital is R11,887 million against an SDBIP budget of R15,392 million.

Cash flow

Cash/cash equivalents at the end of September 2026 is R531,082 million.

Debtors Ageing

Debtors outstanding at the end of September 2026 is R98,882 million.

Creditors Ageing

Creditors outstanding at the end of September 2026 amount to R79,671 million.

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

Table C1: Monthly Budget Statement Summary

WC042 Hessequa - Table C1 Monthly Budget Statement Summary - M03 September

Description	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	151 838	156 655	156 655	11 989	50 323	39 164	11 159	28%	156 655
Service charges	391 226	411 463	411 463	34 919	99 969	102 866	(2 897)	-3%	411 463
Investment revenue	37 632	31 761	31 761	2 298	8 131	7 940	190	2%	31 761
Transfers and subsidies - Operational	80 109	89 081	89 081	1 310	31 988	32 834	(846)	(0)	89 081
Other own revenue	203 121	193 432	193 432	10 729	21 648	48 347	(26 698)	-55%	193 432
Total Revenue (excluding capital transfers and contributions)	**863 926**	**882 392**	**882 392**	**61 245**	**212 059**	**231 150**	**(19 091)**	**-8%**	**882 392**
Employee costs	254 416	290 063	290 063	20 844	61 099	64 802	(3 702)	-6%	290 063
Remuneration of Councillors	9 599	10 537	10 537	804	2 412	2 634	(222)	-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	(75)	(75)	–	(75)	#DIV/0!	23 438
Inventory consumed and bulk purchases	255 097	272 653	272 967	19 922	66 530	68 487	(1 957)	-3%	272 967
Transfers and subsidies	2 295	2 775	2 775	160	811	534	276	52%	2 775
Other expenditure	186 945	227 743	227 674	10 267	26 419	34 779	(8 360)	-24%	227 674
Total Expenditure	**773 519**	**881 766**	**882 011**	**51 923**	**157 196**	**171 236**	**(14 040)**	**-8%**	**882 011**
Surplus/(Deficit)	**90 407**	**625**	**381**	**9 323**	**54 862**	**59 914**	**(5 052)**	**-8%**	**381**
Transfers and subsidies - capital (monetary	53 313	55 799	55 799	–	–	2 318	###	-100%	55 799
Transfers and subsidies - capital (in-kind)	1 325	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**62 232**	**(7 370)**	**-12%**	**56 180**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**62 232**	**(7 370)**	**-12%**	**56 180**
Capital expenditure & funds sources									
Capital expenditure	**166 055**	**176 398**	**185 505**	**10 840**	**11 887**	**15 392**	**(3 506)**	**-23%**	**185 505**
Capital transfers recognised	54 622	55 799	55 799	5 290	5 290	5 658	(368)	-7%	55 799
Borrowing	46 499	20 000	21 399	–	487	4 254	(3 767)	-89%	21 399
Internally generated funds	**64 934**	**100 599**	**108 307**	**5 550**	**6 109**	**5 480**	**629**	**11%**	**108 307**
Total sources of capital funds	**166 055**	**176 398**	**185 505**	**10 840**	**11 887**	**15 392**	**(3 506)**	**-23%**	**185 505**
Financial position									
Total current assets	607 496	499 419	490 068		650 894				490 068
Total non current assets	1 567 967	1 809 994	1 819 101		1 579 854				1 819 101
Total current liabilities	182 167	164 841	164 841		182 665				164 841
Total non current liabilities	277 549	297 474	297 474		277 474				297 474
Community wealth/Equity	**1 715 747**	**1 848 575**	**1 846 853**		**1 770 609**				**1 846 853**
Cash flows									
Net cash from (used) operating	656 222	179 652	179 513	24 619	29 522	52 062	22 541	43%	179 513
Net cash from (used) investing	(214 135)	(194 857)	(203 964)	(9 840)	(10 597)	(20 065)	(9 468)	47%	(203 964)
Net cash from (used) financing	52 726	(224)	(224)	89	280	(3 389)	(3 670)	108%	(224)
Cash/cash equivalents at the month/year end	**933 764**	**380 583**	**371 337**	**561 282**	**415 218**	**424 621**	**9 403**	**2%**	**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	32 734	6 374	6 305	3 056	2 704	2 474	12 592	32 644	98 882
Creditors Age Analysis									
Total Creditors	79 671	–	–	–	–	–	–		79 671

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) - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**231 222**	**216 336**	**216 336**	**14 879**	**78 428**	**67 026**	11 401	17%	**216 336**
Executive and council		17 406	19 141	19 141	1	17 779	18 119	(340)	-2%	19 141
Finance and administration		213 816	197 195	197 195	14 878	60 648	48 907	11 741	24%	197 195
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**149 882**	**162 077**	**162 077**	**8 315**	**14 360**	**40 338**	(25 978)	-64%	**162 077**
Community and social services		11 326	13 342	13 342	896	1 996	3 337	(1 341)	-40%	13 342
Sport and recreation		15 210	16 447	16 447	351	714	4 102	(3 388)	-83%	16 447
Public safety		120 485	110 413	110 413	2 651	7 190	27 508	(20 317)	-74%	110 413
Housing		2 862	21 876	21 876	4 417	4 459	5 392	(933)	-17%	21 876
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**31 113**	**48 638**	**48 638**	**1 766**	**2 870**	**7 612**	(4 741)	-62%	**48 638**
Planning and development		24 712	20 055	20 055	1 470	2 514	4 962	(2 449)	-49%	20 055
Road transport		5 713	27 764	27 764	251	255	2 467	(2 212)	-90%	27 764
Environmental protection		688	820	820	46	102	182	(80)	-44%	820
Trading services		**505 894**	**511 139**	**511 139**	**36 286**	**116 401**	**118 493**	**(2 092)**	-2%	**511 139**
Energy sources		300 993	290 203	290 203	23 733	66 616	70 901	(4 285)	-6%	290 203
Water management		87 056	95 666	95 666	5 448	27 756	27 802	(47)	0%	95 666
Waste water management		60 130	68 603	68 603	3 421	10 405	9 669	737	8%	68 603
Waste management		57 715	56 667	56 667	3 684	11 624	10 120	1 504	15%	56 667
Other	4	**453**	–	–	–	–	–	–		–
Total Revenue - Functional	2	**918 565**	**938 191**	**938 191**	**61 245**	**212 059**	**233 468**	**(21 409)**	**-9%**	**938 191**
Expenditure - Functional										
Governance and administration		**118 635**	**132 088**	**132 129**	**7 657**	**22 175**	**28 632**	(6 457)	-23%	**132 129**
Executive and council		48 050	39 555	39 555	2 152	6 333	6 313	20	0%	39 555
Finance and administration		68 296	89 763	89 804	5 311	15 289	21 710	(6 420)	-30%	89 804
Internal audit		2 289	2 770	2 770	195	553	609	(57)	-9%	2 770
Community and public safety		**177 093**	**232 094**	**232 626**	**11 702**	**30 764**	**27 067**	3 697	14%	**232 626**
Community and social services		28 295	33 409	33 409	2 208	6 627	6 960	(334)	-5%	33 409
Sport and recreation		34 931	41 712	42 037	2 601	7 317	7 662	(346)	-5%	42 037
Public safety		108 733	132 358	132 368	3 156	8 307	11 764	(3 457)	-29%	132 368
Housing		5 135	24 615	24 813	3 738	8 514	680	7 834	1151%	24 813
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**89 209**	**96 590**	**96 146**	**5 130**	**15 014**	**18 175**	(3 162)	-17%	**96 146**
Planning and development		14 369	16 610	16 610	1 080	3 401	3 535	(134)	-4%	16 610
Road transport		68 118	72 195	71 751	3 583	10 305	12 745	(2 440)	-19%	71 751
Environmental protection		6 721	7 785	7 785	467	1 307	1 896	(588)	-31%	7 785
Trading services		**387 127**	**419 144**	**419 259**	**27 297**	**88 769**	**90 230**	**(1 441)**	-2%	**419 259**
Energy sources		245 761	264 931	264 931	18 518	65 209	62 288	2 921	5%	264 931
Water management		54 916	55 333	55 338	3 526	8 761	11 357	(2 596)	-23%	55 338
Waste water management		49 748	48 169	48 274	3 170	8 271	8 382	(110)	-1%	48 274
Waste management		36 702	50 711	50 716	2 084	6 547	8 203	(1 655)	-20%	50 716
Other		**1 455**	**1 851**	**1 851**	**136**	**455**	**488**	**(33)**	**-7%**	**1 851**
Total Expenditure - Functional	3	**773 519**	**881 766**	**882 011**	**51 923**	**157 195**	**164 592**	**(7 395)**	**-4%**	**882 011**
Surplus/ (Deficit) for the year		**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**68 876**	**(14 014)**	**-0.203469**	**56 180**

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) - M03 September

Vote Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Office Of The Mm		17 406	19 141	19 141	1	17 779	18 119	(340)	-1.9%	19 141
Vote 02 - Corporate Services		26 265	29 592	29 592	1 231	2 638	7 336	(4 699)	-64.0%	29 592
Vote 03 - Financial Services		193 998	193 005	193 005	14 614	59 205	47 921	11 284	23.5%	193 005
Vote 04 - Community Services		123 600	132 341	132 341	7 078	11 680	32 914	(21 234)	-64.5%	132 341
Vote 05 - Technical Services		531 444	543 236	543 236	36 807	118 142	122 033	(3 892)	-3.2%	543 236
Vote 06 - Spatial Plannign & Environmental Management		25 852	20 875	20 875	1 515	2 616	5 144	(2 529)	-49.2%	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**	**61 245**	**212 059**	**233 468**	**(21 409)**	**-9.2%**	**938 191**
Expenditure by Vote	1									
Vote 01 - Office Of The Mm		53 413	46 054	46 054	2 584	7 795	7 776	19	0.2%	46 054
Vote 02 - Corporate Services		57 693	78 715	78 823	4 513	14 961	19 874	(4 913)	-24.7%	78 823
Vote 03 - Financial Services		42 391	50 632	50 632	3 651	9 444	13 428	(3 984)	-29.7%	50 632
Vote 04 - Community Services		122 167	166 156	166 364	7 475	18 684	14 656	4 028	27.5%	166 364
Vote 05 - Technical Services		478 383	517 694	517 622	32 255	102 058	110 437	(8 378)	-7.6%	517 622
Vote 06 - Spatial Plannign & Environmental Management		19 471	22 517	22 517	1 445	4 254	5 064	(810)	-16.0%	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**	**51 923**	**157 196**	**171 236**	**(14 040)**	**-8.2%**	**882 011**
Surplus/ (Deficit) for the year	2	**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**62 232**	**(7 370)**	**-11.8%**	**56 180**

Table C4: Reflects Revenue and Expenditure by Source

WC042 Hessequa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		251 142	276 282	276 282	23 186	64 695	69 071	(4 376)	-6%	276 282
Service charges - Water		63 298	61 386	61 386	5 061	14 718	15 346	(629)	-4%	61 386
Service charges - Waste Water Management		35 116	34 195	34 195	3 068	9 166	8 549	617	7%	34 195
Service charges - Waste management		41 669	39 599	39 599	3 605	11 390	9 900	1 491	15%	39 599
Sale of Goods and Rendering of Services		26 455	20 711	20 711	679	1 791	5 166	(3 375)	-65%	20 711
Agency services		3 335	3 884	3 884	435	831	971	(140)	-14%	3 884
Interest								–		
Interest earned from Receivables		3 611	3 511	3 511	333	966	878	88	10%	3 511
Interest from Current and Non Current Assets		37 632	31 761	31 761	2 298	8 131	7 940	190	2%	31 761
Dividends								–		
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		5 222	4 992	4 992	331	1 706	1 248	458	37%	4 992
Licence and permits		2	2	2	0	0	0	(0)	-41%	2
Special rating levies								–		
Construction Contract Revenue		–	21 100	21 100	4 396	4 396	5 275			21 100
Development Charges		6 086	8 800	8 800	237	443	2 200			8 800
Operational Revenue		1 168	2 493	2 493	92	234	623	(389)	-62%	2 493
Non-Exchange Revenue								–		
Property rates		151 838	156 655	156 655	11 989	50 323	39 164	11 159	28%	156 655
Surcharges and Taxes								–		
Fines, penalties and forfeits		114 644	102 834	102 834	1 948	5 719	25 708	(19 990)	-78%	102 834
Licence and permits		2 394	2 691	2 691	223	544	673	(129)	-19%	2 691
Transfers and subsidies - Operational		80 109	89 081	89 081	1 310	31 988	32 834	(846)	-3%	89 081
Interest		805	1 021	1 021	69	204	255	(51)	-20%	1 021
Fuel Levy								–		
Operational Revenue		11 791	13 396	13 396	986	3 526	3 349	177	5%	13 396
Gains on disposal of Fixed and Intangible Assets		15 626	8 000	8 000	1 000	1 290	2 000	(710)	-36%	8 000
Other Gains		11 981	–	–	–	–	–	–		–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**863 926**	**882 392**	**882 392**	**61 245**	**212 059**	**231 150**	**(19 091)**	**-8%**	**882 392**
Expenditure By Type										
Employee related costs		254 416	290 063	290 063	20 844	61 099	64 802	(3 702)	-6%	290 063
Remuneration of councillors		9 599	10 537	10 537	804	2 412	2 634	(222)	-8%	10 537
Bulk purchases - electricity		208 411	223 018	223 018	16 891	60 016	55 754	4 262	8%	223 018
Inventory consumed		46 686	49 636	49 949	3 032	6 514	12 732	(6 218)	-49%	49 949
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	(75)	(75)	–	(75)	#DIV/0!	23 438
Contracted services		56 576	82 827	82 588	6 658	14 446	15 113	(667)	-4%	82 588
Transfers and subsidies		2 295	2 775	2 775	160	811	534	276	52%	2 775
Irrecoverable debts written off		20 208	10 473	10 473	283	1 019	2 618	(1 599)	-61%	10 473
Operational costs		30 677	51 776	51 946	3 326	10 954	17 048	(6 094)	-36%	51 946
Disposal of Fixed and Intangible Assets		1 988	–	–	–	–	–	–		–
Other Losses		10 400	–	–	–	–	–	–		–
Total Expenditure		**773 519**	**881 766**	**882 011**	**51 923**	**157 196**	**171 236**	**(14 040)**	**-8%**	**882 011**
Surplus/(Deficit)		**90 407**	**625**	**381**	**9 323**	**54 862**	**59 914**	**(5 052)**	**(0)**	**381**
Transfers and subsidies - capital (monetary allocations)		53 313	55 799	55 799	–	–	2 318	(2 318)	(0)	55 799
Transfers and subsidies - capital (in-kind)		1 325	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**62 232**	**(7 370)**	**(0)**	**56 180**
Income Tax								–		
Surplus/(Deficit) after income tax		**145 046**	**56 424**	**56 180**	**9 323**	**54 862**	**62 232**	**(7 370)**	**(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**	**9 323**	**54 862**	**62 232**	(7 370)	(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**	**9 323**	**54 862**	**62 232**	**(7 370)**	**(0)**	**56 180**

Revenue by Source (Table C4)

Exchange Revenue

Service Levies:

Electricity Service:

Levies for the year-to-date stand at R64,695 million, in comparison with the budgeted SDBIP amount of R69,071 million. Electricity usage was less than anticipated during the first quarter, but no material deviations are expected at year-end at this stage.

Water Service:

Levies for the year-to-date stands at R14,718 million, in comparison with the budgeted SDBIP projection of R15,346 million. 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.

Sewerage Service:

Levies for the year-to-date stands at R9,166 million, in comparison with the budgeted SDBIP projection of R8,549 million. 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.

Refuse Removal Service:

Levies for the year-to-date stands at R11,390 million, in comparison with the budgeted SDBIP projection of R9,900 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.

Sale of Goods and Rendering of Services:

Revenue for the year-to-date stands at R1,791 million, in comparison with the budgeted SDBIP projection of R5,166 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 R0,831 million, in comparison with the budgeted SDBIP projection of R0,971 million. No deviation is expected at this stage.

Interest earned from Receivables:

Levies for the year-to-date stands at R0,966 million, in comparison with the budgeted SDBIP projection of R0,878 million. No deviation is expected at this stage.

Interest earned from Current and Non- Current Assets:
Revenue for the year-to-date amounts to R8,131 million, in comparison with the budgeted SDBIP projection of R7,940 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 R1,706 million, in comparison with the budgeted SDBIP projection of R1,248 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 R4,396 million, in comparison with the budget of R5,275 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 R0,443 million, in comparison with the budget of R2,200 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 R0,234 million, in comparison with the budgeted SDBIP projection of R0,623 million. No material deviation is expected at this stage.

Non- Exchange Revenue

Property Rates:

Levies for the year-to-date amounts to R50,323 million, in comparison with the budget of R39,164 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 material deviation is expected at year- end.

Fines, penalties and forfeits
Revenue for the year-to-date stands at R5,719 million, in comparison with the budgeted SDBIP projection of R25,708 million. The integration of the fines system is outstanding for August and September 2026, therefore the revenue to date is understated. The integration issue is being addressed and no under-performance is anticipated at year-end at this stage.

Licenses & Permits:
Revenue for the year-to-date stands at R0,544 million, in comparison with the budgeted SDBIP projection of R0,673 million. No deviation is expected at this stage.

Grants & Subsidies - Operating:
Revenue for the year-to-date stands at R31,988 million, in comparison with the budgeted SDBIP projection of R32,834 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 R2,318 million.

Interest earned from Receivables:
Levies for the year-to-date stands at R0,204 million, in comparison with the budgeted SDBIP projection of R0,255 million. No deviation is expected at this stage.

Operational Revenue:
Revenue for the year-to-date stands at R3,526 million, in comparison with the budgeted SDBIP projection of R3,349 million. No deviation is expected at this stage.

Sale of land and PPE:
Revenue for the year-to-date stands at R1,290 million, in comparison with the budgeted SDBIP projection of R2,000 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 R61,099 million, in comparison with the budgeted SDBIP projection of R64,802 million. No material deviations are expected at this stage.

Councillors' Remuneration:
The expenditure for the period to date amounts to R2,412 million in comparison with the budgeted SDBIP projection of R2,634 million. No material deviations are expected at this stage.

Bulk purchases- electricity:
The expenditure for the year-to-date is R60,016 million, in comparison with the budgeted SDBIP projection of R55,754 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 R6,514 million, in comparison with the budgeted SDBIP projection of R12,732 million. The deviation can be attributed to expenditure not being in line with the budgeted projections. Expenditure will increase as year progresses. The deviation will be monitored and the SDBIP budget corrected if necessary, during the main adjustments budget in February.

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 (R0,075) million in comparison with the budgeted SDBIP projection of R0,0 million. Interest payments are made bi- annually in December and June. The amount currently reflecting represents a reversal of accrued interest journal in respect of the 2025/2026 financial year.

Contracted Services:
The expenditure for the year-to-date is R14,446 million, in comparison with the budgeted SDBIP projection of R15,113 million. No deviation is expected at this stage.

Transfers & Grants:
The expenditure for the year-to-date amounts to R0,811 million in comparison with the budgeted SDBIP projection of R0,534 million. No material deviations are expected at this stage.

Irrecoverable debts written off:
The expenditure for the period to date amounts to R1,019 million, in comparison with the budgeted SDBIP projection of R2,618 million. No material deviations are expected at this stage.

Operational Costs:

The year-to-date expenditure is R10,954 million, in comparison with the budgeted SDBIP projection of R17,048 million. The deviation can be attributed to expenditure not being in line with the budgeted projections. Expenditure will increase as the year progresses. The deviation will be monitored and the SDBIP budget corrected if necessary, during the main adjustments budget in February.

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) - M03 September

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 02 - Corporate Services		208	1 300	1 316	31	31	2	30	1869%	1 316
Vote 04 - Community Services		842	1 150	296	–	–	(145)	145	-100%	296
Vote 05 - Technical Services		114 401	111 834	120 577	10 153	11 175	12 339	(1 165)	-9%	120 577
Vote 06 - Spatial Plannign & Environmental Management		48	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**115 500**	**114 284**	**122 189**	**10 184**	**11 206**	**12 196**	**(990)**	**-8%**	**122 189**
Single Year expenditure appropriation	2									
Vote 01 - Office Of The Mm		148	631	631	–	13	458	(445)	-97%	631
Vote 02 - Corporate Services		4 175	2 169	2 153	296	300	200	100	50%	2 153
Vote 03 - Financial Services		738	510	510	33	33	10	23	247%	510
Vote 04 - Community Services		3 156	4 425	5 279	2	2	655	(653)	-100%	5 279
Vote 05 - Technical Services		41 341	54 188	54 553	325	330	1 871	(1 541)	-82%	54 553
Vote 06 - Spatial Plannign & Environmental Management		997	190	190	–	3	3	1	32%	190
Total Capital single-year expenditure	4	50 555	62 113	63 316	656	681	3 196	**(2 516)**	**-79%**	63 316
Total Capital Expenditure		**166 055**	**176 398**	**185 505**	**10 840**	**11 887**	**15 392**	**(3 506)**	**-23%**	**185 505**
Capital Expenditure - Functional Classification										
Governance and administration		**9 980**	**15 781**	**15 781**	**288**	**300**	**1 635**	(1 334)	-82%	**15 781**
Executive and council		148	626	626	–	13	458	(445)	-97%	626
Finance and administration		9 832	15 155	15 155	288	288	1 177	(889)	-76%	15 155
Community and public safety		**10 850**	**40 960**	**40 960**	**3 910**	**3 944**	**5 905**	(1 962)	-33%	**40 960**
Community and social services		902	506	506	83	87	27	60	226%	506
Sport and recreation		6 638	35 279	35 279	3 825	3 855	5 369	(1 514)	-28%	35 279
Public safety		2 342	3 676	3 676	2	2	10	(8)	-82%	3 676
Housing		968	1 500	1 500	–	–	500	(500)	-100%	1 500
Economic and environmental services		**38 460**	**22 254**	**23 454**	**3 936**	**3 934**	**712**	3 222	452%	**23 454**
Planning and development		31	57	57	–	–	–	–		57
Road transport		37 868	22 094	23 294	3 936	3 934	712	3 222	452%	23 294
Environmental protection		561	103	103	–	–	–	–		103
Trading services		**106 312**	**97 368**	**105 274**	**2 706**	**3 705**	**7 138**	(3 433)	-48%	**105 274**
Energy sources		70 096	32 536	39 769	571	950	1 545	(595)	-38%	39 769
Water management		15 175	34 732	35 274	2 135	2 135	1 439	697	48%	35 274
Waste water management		13 134	29 739	29 871	–	619	4 154	(3 535)	-85%	29 871
Waste management		7 906	360	360	–	–	–	–		360
Other		452	35	35	–	3	3	1	32%	35
Total Capital Expenditure - Functional Classification	3	**166 055**	**176 398**	**185 505**	**10 840**	**11 887**	**15 392**	**(3 506)**	**-23%**	**185 505**
Funded by:										
National Government		15 009	24 477	24 477	3 825	3 825	5 318	(1 493)	-28%	24 477
Provincial Government		38 259	31 322	31 322	1 465	1 465	340	1 125	331%	31 322
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		1 355	–	–	–	–	–	–		–
Transfers recognised - capital		**54 622**	**55 799**	**55 799**	**5 290**	**5 290**	**5 658**	**(368)**	**-7%**	**55 799**
Borrowing	6	46 499	20 000	21 399	–	487	4 254	(3 767)	-89%	21 399
Internally generated funds		64 934	100 599	108 307	5 550	6 109	5 480	629	11%	108 307
Total Capital Funding		**166 055**	**176 398**	**185 505**	**10 840**	**11 887**	**15 392**	**(3 506)**	**-23%**	**185 505**

Capital Expenditure:

The total capital expenditure for the year amounts to R11,887 million in comparison with the budgeted SDBIP projection of R15,392 million. The deviation can be attributed to slight delays in certain projects when compared to the timeframes given in the SDBIP projections. Most 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 R4,254 million. The deviation is due to a misalignment in the SDBIP projections and the actual expenditure on the following projects: Construction of municipal buildings, upgrade roads and stormwater in Gouritsmond, the construction of sewer pumpstation 3 in Still Bay and the renewable energy plant Hessequa. The deviation will be monitored over the following months and the SDBIP projections corrected if necessary during the main adjustments budget in February 2027.

Internal Financing:

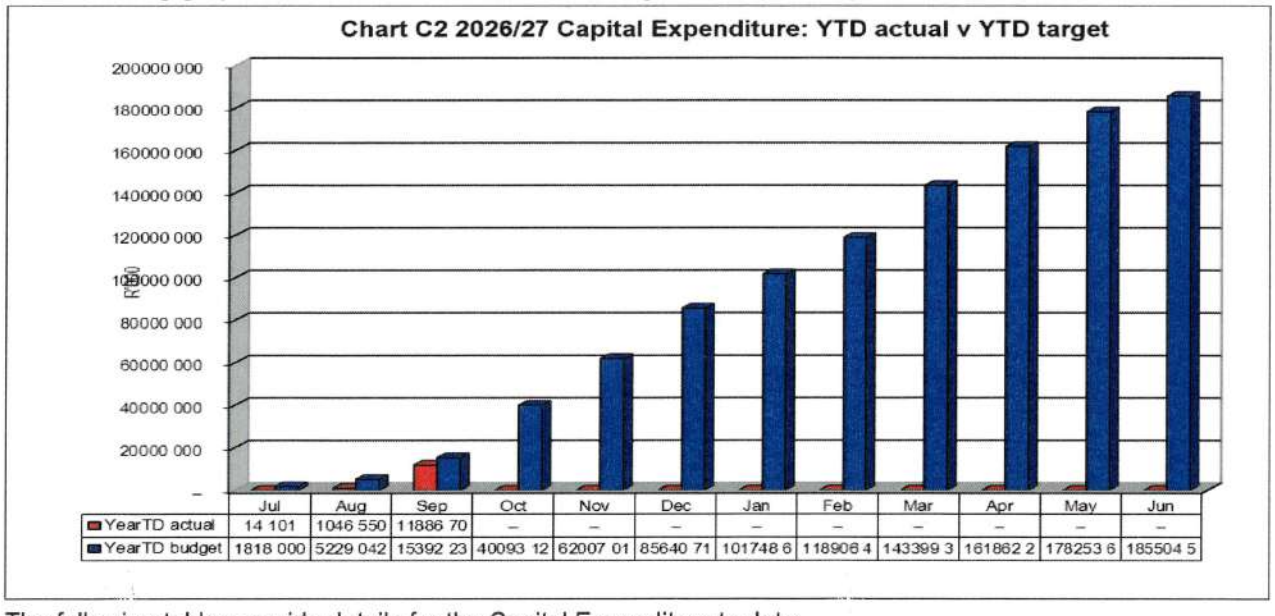
The total financing for the year-to-date is R6,109 million, in comparison with the budgeted SDBIP projection of R5,480 million. Capital projects are financed as expenditure is incurred.

Grants and Subsidies:

The total year to date capital expenditure, financed by grants, is R5,290 million in comparison with the budgeted SDBIP projection of R5,658 million. Funds are accounted for when received. Funds are transferred from the grant receipts once expenditure is incurred.

Capital Commitments on 30 September 2026 were R10,027 million.

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	14 101	1046 550	11886 70	–	–	–	–	–	–	–	–	–
YearTD budget	1818 000	5229 042	15392 23	40093 12	62007 01	85640 71	101748 6	118906 4	143399 3	161862 2	178253 6	185504 5

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

Table SC13a (Capital expenditure on new assets by asset class)
Table SC13b (Capital expenditure on renewal of existing assets by asset class)
Table SC13e (Capital expenditure on upgrading of existing assets by asset class)

WC042 Hessequa - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

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**	**2 706**	**3 573**	**5 770**	2 197	**38.1%**	**47 366**
Roads Infrastructure		154	300	246	–	–	100	100	**100.0%**	246
Road Furniture		154	300	246	–	–	100	100	**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	571	950	1 315	365	**27.7%**	13 005
Power Plants		52 051	2 500	9 733	571	950	1 315	365	**27.7%**	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	2 135	2 135	1 359	(777)	**-57.2%**	25 424
Boreholes		7 993	2 000	2 100	323	323	18	(305)	**-1676.4%**	2 100
Reservoirs		58	9 000	9 442	348	348	1 080	733	**67.8%**	9 442
Water Treatment Works		–	13 582	13 582	1 465	1 465	–	(1 465)	**#DIV/0!**	13 582
Distribution		200	300	300	–	–	260	260	**100.0%**	300
Sanitation Infrastructure		9 362	6 500	6 480	–	487	2 996	2 509	**83.7%**	6 480
Pump Station		6 599	3 000	2 980	–	487	2 996	2 509	**83.7%**	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**	**3 825**	**3 825**	**4 868**	**1 043**	**21.4%**	**15 858**
Community Facilities		2 044	1 700	1 700	–	–	550	550	**100.0%**	1 700
Cemeteries/Crematoria		52	–	–	–	–	–	–		–
Public Open Space		1 479	1 700	1 700	–	–	550	550	100.0%	1 700
Nature Reserves		69	–	–	–	–	–	–		–
Public Ablution Facilities		60	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		384	–	–	–	–	–	–		–
Sport and Recreation Facilities		5 321	14 158	14 158	3 825	3 825	4 318	493	**11.4%**	14 158
Outdoor Facilities		5 321	14 158	14 158	3 825	3 825	4 318	493	11.4%	14 158
Other assets		**–**	**10 000**	**10 000**	**–**	**–**	**1 000**	**1 000**	**100.0%**	**10 000**
Operational Buildings		–	10 000	10 000	–	–	1 000	1 000	**100.0%**	10 000
Municipal Offices		–	10 000	10 000	–	–	1 000	1 000	100.0%	10 000
Computer Equipment		**1 767**	**1 084**	**1 084**	**30**	**32**	**467**	**435**	93.2%	**1 084**
Computer Equipment		1 767	1 084	1 084	30	32	467	435	93.2%	1 084
Furniture and Office Equipment		**905**	**827**	**927**	**299**	**299**	**249**	**(50)**	-19.8%	**927**
Furniture and Office Equipment		905	827	927	299	299	249	(50)	-19.8%	927
Machinery and Equipment		**5 361**	**2 883**	**3 363**	**4**	**10**	**889**	**879**	98.9%	**3 363**
Machinery and Equipment		5 361	2 883	3 363	4	10	889	879	98.9%	3 363
Transport Assets		**15 169**	**9 230**	**9 534**	**–**	**–**	**57**	**57**	100.0%	**9 534**
Transport Assets		15 169	9 230	9 534	–	–	57	57	100.0%	9 534
Total Capital Expenditure on new assets	1	**108 613**	**79 547**	**88 132**	**6 864**	**7 739**	**13 301**	**5 561**	**41.8%**	**88 132**

WC042 Hessequa - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03

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
MV Networks		3 663	4 700	4 700	–	–	–	–		4 700
LV Networks		–	3 550	3 550	–	–	–	–		3 550
Capital Spares								–		
Water Supply Infrastructure		500	5 000	5 000	–	–	–	–		5 000
Pump Stations		–	1 000	1 000	–	–	–	–		1 000
Water Treatment Works		500	1 000	1 000	–	–	–	–		1 000
Distribution		–	3 000	3 000	–	–	–	–		3 000
Sanitation Infrastructure		2 835	1 500	1 500	–	–	–	–		1 500
Pump Station		453	1 000	1 000	–	–	–	–		1 000
Waste Water Treatment Works		2 382	500	500	–	–	–	–		500
Community Assets		**678**	**4 900**	**4 979**	**–**	**132**	**514**	**383**	**74.4%**	**4 979**
Community Facilities		437	2 600	2 679	–	132	14	(117)	**-821.3%**	2 679
Public Open Space		389	2 600	2 679	–	132	14	(117)	-821.3%	2 679
Nature Reserves		48	–	–	–	–	–	–		–
Sport and Recreation Facilities		241	2 300	2 300	–	–	500	500	**100.0%**	2 300
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		241	2 300	2 300	–	–	500	500	100.0%	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**	**–**	**17**	**60**	**43**	72.1%	**544**
Furniture and Office Equipment		79	544	544	–	17	60	43	72.1%	544
Machinery and Equipment		**–**	**200**	**216**	**–**	**–**	**2**	**2**	100.0%	**216**
Machinery and Equipment		–	200	216	–	–	2	2	100.0%	216
Total Capital Expenditure on renewal of existing ass	1	**7 755**	**20 442**	**20 537**	**–**	**148**	**624**	**476**	76.2%	**20 537**

WC042 Hessequa - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03

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**	**3 934**	**3 927**	**1 468**	(2 460)	**-167.6%**	**74 556**
Roads Infrastructure		30 192	34 240	34 740	3 934	3 927	431	(3 497)	**-811.4%**	34 740
Roads		30 183	34 240	34 740	3 934	3 927	431	(3 497)	**-811.4%**	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	–	–	40	40	**100.0%**	17 147
HV Substations		850	4 200	4 200	–	–	50	50	**100.0%**	4 200
HV Transmission Conductors		–	1 000	1 000	–	–	–	–		1 000
MV Networks		7 510	12 000	11 947	–	–	(10)	(10)	**100.0%**	11 947
Water Supply Infrastructure		3 900	1 800	1 780	–	–	(4)	(4)	**100.0%**	1 780
Boreholes		–	500	500	–	–	–	–		500
Water Treatment Works		1 000	800	800	–	–	–	–		800
Distribution		2 900	500	480	–	–	(4)	(4)	**100.0%**	480
Sanitation Infrastructure		–	19 389	19 389	–	–	1 000	1 000	**100.0%**	19 389
Pump Station		–	500	500	–	–	–	–		500
Reticulation		–	17 159	17 159	–	–	1 000	1 000	**100.0%**	17 159
Waste Water Treatment Works		–	1 000	1 000	–	–	–	–		1 000
Outfall Sewers								–		
Toilet Facilities		–	730	730	–	–	–	–		730
Community Assets		**5 803**	**780**	**780**	**–**	**30**	**–**	**(30)**	**#DIV/0!**	**780**
Community Facilities		1 737	260	260	–	30	–	(30)	**#DIV/0!**	260
Centres		489	–	–	–	–	–	–		–
Public Open Space		379	230	230	–	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**	**42**	**42**	**–**	**(42)**	**#DIV/0!**	**1 500**
Operational Buildings		828	1 500	1 500	42	42	–	(42)	**#DIV/0!**	1 500
Municipal Offices		310	1 500	1 500	42	42	–	(42)	#DIV/0!	1 500
Workshops		234	–	–	–	–	–	–		–
Stores		284	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing	1	**49 687**	**76 409**	**76 836**	**3 976**	**3 999**	**1 468**	**(2 531)**	**-172.5%**	**76 836**

4.4 Financial position

Table C6: Reflects the Financial Position of the Municipality

WC042 Hessequa - Table C6 Monthly Budget Statement - Financial Position - M03 September

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		511 877	380 583	371 232	531 082	371 232
Short term Investments						
Trade and other receivables from exchange transactions		38 886	58 954	58 954	45 801	58 954
Receivables from non-exchange transactions		44 712	42 494	42 494	48 188	42 494
Current portion of non-current receivables		0	–	–	0	–
Inventory		4 120	4 457	4 457	3 895	4 457
VAT Receivable		6 419	11 734	11 734	20 445	11 734
Other current assets		1 483	1 197	1 197	1 483	1 197
Total current assets		**607 496**	**499 419**	**490 068**	**650 894**	**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	1 438 729	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**	**1 579 854**	**1 819 101**
TOTAL ASSETS		**2 175 463**	**2 309 413**	**2 309 168**	**2 230 749**	**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	25 031	13 436
Trade and other payables from exchange transactions		93 678	89 240	89 240	57 829	89 240
Trade and other payables from non-exchange transactions		7 159	–	–	25 430	–
Provision		9 017	18 467	18 467	8 079	18 467
VAT Payable		24 272	11 043	11 043	35 702	11 043
Other current liabilities		4 216	13 102	13 102	5 154	13 102
Total current liabilities		**182 167**	**164 841**	**164 841**	**182 665**	**164 841**
Non current liabilities						
Financial liabilities		122 980	126 558	126 558	122 905	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**	**277 474**	**297 474**
TOTAL LIABILITIES		**459 716**	**462 316**	**462 316**	**460 139**	**462 316**
NET ASSETS	2	**1 715 747**	**1 847 097**	**1 846 853**	**1 770 609**	**1 846 853**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 592 937	1 779 261	1 777 539	1 647 799	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**	**1 770 609**	**1 846 853**

4.5 Cash Flow & Investments

Table C7: Reflects the Cash flow of the Municipality

WC042 Hessequa - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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		141 856	153 522	153 522	16 631	52 814	38 380	14 434	38%	153 522
Service charges		463 608	439 411	439 411	33 539	98 176	109 853	(11 677)	-11%	439 411
Other revenue		1 524 528	112 571	112 677	16 148	67 194	27 584	39 609	144%	112 677
Transfers and Subsidies - Operational		87 469	110 081	110 081	5 587	15 000	38 230	(23 230)	-61%	110 081
Transfers and Subsidies - Capital		54 013	55 799	55 799	10 028	10 028	4 650	5 378	116%	55 799
Interest		3 740	32 070	32 070	2 416	8 422	8 017	405	5%	32 070
Dividends			–	–	–	–	–	–		
Payments										
Suppliers and employees		(1 607 681)	(697 588)	(697 832)	(59 645)	(221 377)	(172 739)	48 638	-28%	(697 832)
Finance charges		(11 311)	(23 438)	(23 438)	75	75	(1 176)	(1 251)	106%	(23 438)
Transfers and Subsidies		–	(2 775)	(2 775)	(160)	(811)	(737)	73	-10%	(2 775)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**656 222**	**179 652**	**179 513**	**24 619**	**29 522**	**52 062**	**22 541**	**43%**	**179 513**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		15 626	8 000	8 000	1 000	1 290	2 000	(710)	-36%	8 000
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments								–		
Insurance Refund - Capital								–		
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments								–		
Payments										
Capital assets		(229 761)	(202 857)	(211 964)	(10 840)	(11 887)	(22 065)	(10 178)	46%	(211 964)
Retention (Capital)								–		
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(214 135)**	**(194 857)**	**(203 964)**	**(9 840)**	**(10 597)**	**(20 065)**	**(9 468)**	**47%**	**(203 964)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–	–	–	–	–	–		
Borrowing long term/refinancing		50 000	20 000	20 000	–	–	1 667	(1 667)	-100%	20 000
Increase (decrease) in consumer deposits		2 726	1 690	1 690	89	280	422	(142)	-34%	1 690
Payments										
Repayment of borrowing		24 199	(21 914)	(21 914)	–	–	(5 479)	(5 479)	100%	(21 914)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**76 925**	**(224)**	**(224)**	**89**	**280**	**(3 389)**	**(3 670)**	**108%**	**(224)**
NET INCREASE/ (DECREASE) IN CASH HELD		**519 012**	**(15 430)**	**(24 676)**	**14 868**	**19 205**	**28 608**			**(24 676)**
Cash/cash equivalents at beginning:		438 951	396 013	396 013	516 214	511 877	396 013			511 877
Cash/cash equivalents at month/year end:		957 963	380 583	371 337	531 082	531 082	424 621			487 201

Cash Flow (Table C7)

Operating Activities:

The year-to-date cash from operating activities amounts to R29,522 million in comparison to the budgeted SDBIP projection of R52,062 million. This is a deficit of ±R22,541 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 (R10,597) million in comparison to the budgeted SDBIP projection of (R20,065) million. The deviation represents the Actuals for Proceeds of Disposal of PPE and the spending on capital programs not being in line with projections for the year-to-date. No material deviations are expected at this stage.

Cash Flow from Financing Activities:

The year-to-date cash from financing activities amounts to R0,280 million, in comparison with the budgeted SDBIP projection of (R3,389) million. The deviation is attributed to the budgeted SDBIP cash flow projections not considering the bi- annual payments of borrowings or the drawdown date of the 2026/2027 external loan. 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.

Tables SC16: Investment Portfolio

WC042 Hessequa - Supporting Table SC16 Monthly Budget Statement - Investment Portfolio - M03 September

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	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
FNB MONEY MARKET 62299016686	Call	1	Call		Call	0.000%			30 June 2026	32 684	256	(28 289)		4 650
ABSA	731	12 Days	Fixed Deposits		Fixed Deposits	8.050%			28 May 2026	-				-
ABSA	732	10 Months	Fixed Deposits		Fixed Deposits	8.180%			30 March 2026	-				-
ABSA	733	11 Months	Fixed Deposits		Fixed Deposits	8.250%			30 April 2026	-				-
ABSA	734	9+ Months	Fixed Deposits		Fixed Deposits	8.070%			24 April 2026	-				-
STANDARD BANK	735	11 Months	Fixed Deposits		Fixed Deposits	8.150%			29 May 2026	-				-
STANDARD BANK	736	11+ Months	Fixed Deposits		Fixed Deposits	8.188%			24 June 2026	-				-
ABSA	737	10 Months	Fixed Deposits		Fixed Deposits	8.050%			07 May 2026	-				-
ABSA	738	11 Months	Fixed Deposits		Fixed Deposits	8.090%			08 June 2026	-				-
ABSA	739	11 Months	Fixed Deposits		Fixed Deposits	8.120%			18 June 2026	-				-
ABSA	740	10+ Months	Fixed Deposits		Fixed Deposits	8.020%			26 June 2026	-				-
ABSA	741	11+ Months	Fixed Deposits		Fixed Deposits	8.050%			25 July 2026	739				739
ABSA	742	11 Months	Fixed Deposits		Fixed Deposits	7.900%			07 July 2026	1 065				1 065
ABSA	743	11 Months	Fixed Deposits		Fixed Deposits	7.850%			15 July 2026	688				688
ABSA	744	11+ Months	Fixed Deposits		Fixed Deposits	7.870%			14 August 2026	1 350				1 350
NEDBANK	745	11 Months	Fixed Deposits		Fixed Deposits	7.724%			22 July 2026	662				662
NEDBANK	746	10 Months	Fixed Deposits		Fixed Deposits	7.640%			21 August 2026	527				527
NEDBANK	747	11 Months	Fixed Deposits		Fixed Deposits	7.690%			22 September 2026	10 531	706	(10 706)		531
NEDBANK	748	11+ Months	Fixed Deposits		Fixed Deposits	7.750%			16 October 2026	21 070				21 070
NEDBANK	749	10 Months	Fixed Deposits		Fixed Deposits	7.584%			21 September 2026	20 923	1 263	(21 263)		923
NEDBANK	750	11 Months	Fixed Deposits		Fixed Deposits	7.634%			21 October 2026	20 929				20 929
ABSA	751	11 Months	Fixed Deposits		Fixed Deposits	7.680%			27 October 2026	10 454				10 454
ABSA	752	11+ Months	Fixed Deposits		Fixed Deposits	7.690%			27 November 2026	20 910				20 910
ABSA	753	11+ Months	Fixed Deposits		Fixed Deposits	7.720%			04 December 2026	20 859				20 859
NEDBANK	754	11 Months	Fixed Deposits		Fixed Deposits	7.590%			10 November 2026	20 844				20 844
NEDBANK	755	11 Months	Fixed Deposits		Fixed Deposits	7.410%			17 December 2026	10 337				10 337
NEDBANK	756	11+ Months	Fixed Deposits		Fixed Deposits	7.445%			08 January 2027	10 339				10 339
NEDBANK	757	11 Months	Fixed Deposits		Fixed Deposits	7.290%			13 January 2027	20 551				20 551
NEDBANK	758	11+ Months	Fixed Deposits		Fixed Deposits	7.320%			05 February 2027	20 554				20 554
ABSA	759	11+ Months	Fixed Deposits		Fixed Deposits	7.330%			12 February 2027	10 249				10 249
NEDBANK	760	11+ Months	Fixed Deposits		Fixed Deposits	7.324%			19 February 2027	10 235				10 235
ABSA	761	11+ Months	Fixed Deposits		Fixed Deposits	7.630%			05 March 2027	20 464				20 464
NEDBANK	762	11+ Months	Fixed Deposits		Fixed Deposits	7.552%			27 February 2027	15 344				15 344
ABSA	763	11 Months	Fixed Deposits		Fixed Deposits	7.970%			12 March 2027	10 173				10 173
ABSA	764	11+ Months	Fixed Deposits		Fixed Deposits	8.010%			31 March 2027	15 260				15 260
NEDBANK	765	11 Months	Fixed Deposits		Fixed Deposits	8.140%			14 April 2027	20 214				20 214
ABSA	766	11 Months	Fixed Deposits		Fixed Deposits	7.960%			25 May 2027	20 026				20 026
ABSA	767	11+ Months	Fixed Deposits		Fixed Deposits	8.000%			11 June 2027	30 039				30 039
FNB	768	10 Months	Fixed Deposits		Fixed Deposits	7.700%			26 April 2027	20 025				20 025
ABSA	769	10 Months	Fixed Deposits		Fixed Deposits	7.940%			14 May 2027	20 000				20 000
ABSA	770	11 Months	Fixed Deposits		Fixed Deposits	7.990%			15 June 2027	20 000				20 000
STANDARD BANK	771	5 Months	Fixed Deposits		Fixed Deposits	7.675%			15 December 2026	20 000				20 000
ABSA	772	10 Months	Fixed Deposits		Fixed Deposits	7.830%			14 June 2027	5 000				5 000
ABSA	773	11 Months	Fixed Deposits		Fixed Deposits	7.890%			14 July 2027	10 000				10 000
NEDBANK	774	11+ Months	Fixed Deposits		Fixed Deposits	7.957%			05 August 2027	20 000				20 000
ABSA	775	9+ Months	Fixed Deposits		Fixed Deposits	8.200%			23 July 2027	-			20 000	20 000
NEDBANK	776	10+ Months	Fixed Deposits		Fixed Deposits	0.08283			23 August 2027	-			20 000	20 000
NEDBANK	777	11+ Months	Fixed Deposits		Fixed Deposits	0.08345			15 September 2027	-			40 000	40 000
														-
Municipality sub-total										513 045	256	(60 258)	80 000	535 012
TOTAL INVESTMENTS AND INTEREST	2									513 045	256	(60 258)	80 000	535 012

HESSEQUA MUNISIPALITEIT

KORTTERMYN BELEGGINGS

2026/09/30

Verw. No	Bankinstelling	Koers/Termyn	Verval Datum	Belê 2025/26	Belê 2026/27	Verwysing	Rente 2025/26	Rente 206/27	Rente 2025/26 voorsien	Onttrekking 2026/27	Verwys No	Onttrekking 2025/26	Balans 30/09/2026
	SALDO 1/07/2026												
741	ABSA	11+ MNDE @ 8.05	25 JULY 2026	10 000 000		Tjek 90075522-23 -	738 835.62	50 726.02	738 835.62	10 000 000	w 811103-4- 29/07/202	-10 789 561.64	738 835.62
742	ABSA	11 MNDE @ 7.900	07 JUL 2026	15 000 000		Tjek 90075593-95 -	1 064 876.71	19 479.45	1 064 876.71	15 000 000	w 291355-56- 08/07/20	-16 084 356.16	1 064 876.71
743	ABSA	11 MNDE @7.850	15 JUL 2026	10 000 000		Tjek 90075664-65 -	688 219.18	30 109.59	688 219.18	10 000 000	w 291411-12- 16/07/20	-10 718 328.77	688 219.18
744	ABSA	11+ MNDE @7.870	14 AUG 2026	20 000 000		Tjek 90075828-31 -	1 349 758.90	189 742.47	1 349 758.90	20 000 000	w 812603-04- 28/08/20	-21 539 501.37	1 349 758.90
745	NEDBANK	11 MNDE @ 7.724	22 JUL 2026	10 000 000		Tjek 90075832-33 -	662 359.45	44 439.45	662 359.45	10 000 000	w 810771-72- 23/07/20	-10 706 798.90	662 359.45
746	NEDBANK	10 MNDE @7.640	21 AUG 2026	10 000 000		Tjek 90076817-18 -	527 473.97	106 750.69	527 473.97	10 000 000	w 812601-02- 28/08/20	-10 634 224.66	527 473.97
747	NEDBANK	11 MNDE @7.690	22 SEP 2026	10 000 000		Tjek 90076819-20 -	530 926.03	174 869.49	530 926.03	10 000 000	w 813711-12- 23/09/20	-10 705 794.52	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 - 2	922 546.85	340 760.55	922 546.85	20 000 000	w 813673-74- 22/09/20	-21 263 307.40	922 546.85
750	NEDBANK	11 MNDE @7.634	21 OCT 2026	20 000 000		Tjek 90076415-18 - 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 @ 7.44	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	05 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 @7.830	05 MAR 2027	20 000 000		Tjek 90079166-69 - 2026/03/12			464 071.23				20 464 071.23
762	NEDBANK	11+ MNDE @7.552	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 90079696-99 - 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 90080576-81 - 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 - 2026/07/15							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 @ 7.95	05 AUG 2027		20 000 000	Tjek 90081294-97 - 2026/08/14							20 000 000.00
775	ABSA	9+ MNDE @ 8.200	23 JUL 2027		20 000 000	Tjek 90082015-18 - 2026/09/29							20 000 000.00
776	NEDBANK	10+ MNDE @ 8.28	23 AUG 2027		20 000 000	Tjek 90082019-22 - 2026/09/29							20 000 000.00
777	NEDBANK	11+ MNDE @ 8.34	15 SEP 2027		40 000 000	Tjek 90082023-30 - 2026/09/29							40 000 000.00
				445 000 000.00	**175 000 000.00**		**6 484 996.71**	**956 876.71**	**15 361 675.33**	**105 000 000.00**		**-112 441 873.42**	**530 361 654.01**

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 30/09/2026
1.	FNB	Wisseend	62299016698		43 935 277.32	147 176 100.00	0.00	538 832.41		0.00	187 000 000.00	Verskeie Drukstukke Aangeheg	4 650 209.73
					43 935 277.32	**147 176 100.00**	**0.00**	**538 832.41**			**187 000 000.00**		**4 650 209.73**

535 011 863.74

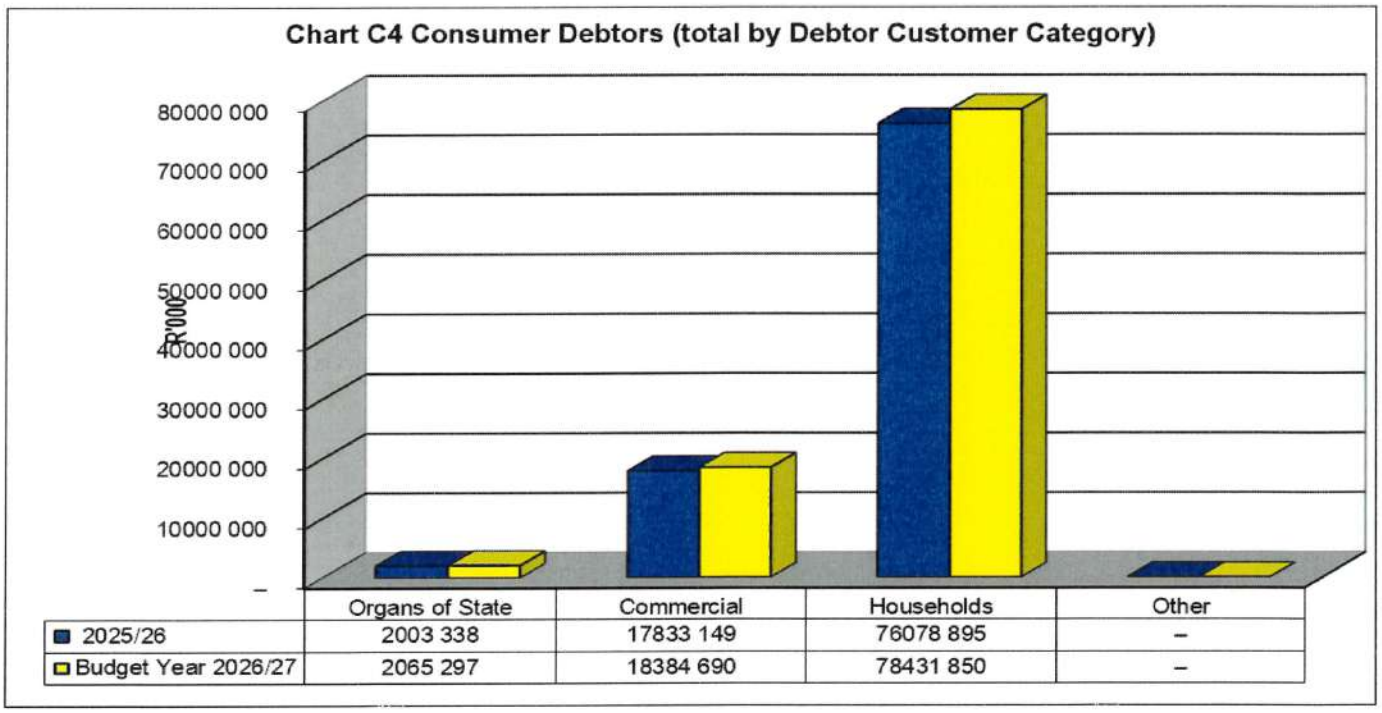
4.6 Debtors Age Analysis

WC042 Hessequa - Supporting Table SC2 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2026/27											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 438	1 217	917	818	699	691	3 402	7 498	19 680	13 108	118	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	12 890	1 386	833	348	298	247	1 135	3 242	20 379	5 270	15	–
Receivables from Non-exchange Transactions - Property Rates	1400	8 568	1 489	2 298	417	402	312	1 586	3 901	18 953	6 598	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2 804	857	722	523	482	455	2 321	6 536	14 701	10 318	54	–
Receivables from Exchange Transactions - Waste Management	1600	3 105	890	768	539	492	461	2 330	5 027	13 610	8 848	65	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	424	363	339	319	294	278	1 636	4 104	7 757	6 631	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	505	171	429	92	37	30	201	2 337	3 802	2 696	31	–
Total By Income Source	**2000**	**32 734**	**6 374**	**6 305**	**3 056**	**2 704**	**2 474**	**12 592**	**32 644**	**98 882**	**53 469**	**283**	–
2025/26 - totals only		491732770 1/6	46355470 6/7	36195974 1/7	31318342 1/3	28027533 1/4	25204408 3/8	107977143 2/9	355401800 6/7	1 122 213	**547 929**	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	904	272	425	88	45	27	97	208	2 065	465	–	–
Commercial	2300	8 466	1 317	2 028	386	261	232	1 308	4 386	18 385	6 574	–	–
Households	2400	23 364	4 785	3 853	2 581	2 398	2 214	11 187	28 050	78 432	46 430	283	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**32 734**	**6 374**	**6 305**	**3 056**	**2 704**	**2 474**	**12 592**	**32 644**	**98 882**	**53 469**	**283**	–

Debtors, 30 days and older on 30 September 2026, amounts to R66,148 million, in comparison to the amount of R67,166 million for 31 August 2026. This represents a decrease of R1,018 million for the month. The debtors' collection rate for September 2026 is 92,01%. 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 September 2026



4.7 Creditors Age Analysis

Table SC4: Outstanding Creditors

WC042 Hessequa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description R thousands	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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200									–	
PAYE deductions	0300									–	
VAT (output less input)	0400	33 377								33 377	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	6 393								6 393	
Auditor General	0800									–	
Other	0900	39 901								39 901	
Medical Aid deductions	0950									–	
Total By Customer Type	**1000**	79 671	–	–	–	–	–	–	–	79 671	–

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 (R25,430) million, payments received in advance (R7,884) million, retentions (R17,531) million, VAT (33,377) and other creditors (R14,486) million. Trade creditors amount to (R6,393) million.

4.8 Grants & Donations

Table SC18: Transfers and grant receipts

WC042 Hessequa - Supporting Schedule SC18 Monthly Budget Statement - Transfers and Grant Receipts - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations								514	#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	253	274	269	6	2.1%	1 378
Local Government Financial Management Grant		1 800	1 900	1 900	122	173	233	(60)	-25.9%	1 900
Municipal Infrastructure Grant		791	798	798	64	128	145	**497**	**342.9%**	798
Total Monetary Allocations		71 320	75 178	75 178	438	30 201	29 704	497	1.7%	75 178
Total Operating/National Government		71 320	75 178	75 178	438	30 201	29 704	497	1.7%	75 178
Provincial Government								–		
Monetary Allocations								–		
Capacity Building and Other Grants		6 871	13 095	13 095	862	1 776	3 075	(1 299)	-42.2%	13 095
Infrastructure Grant		1 894	308	308	–	–	–			308
Total Monetary Allocations		8 765	13 403	13 403	862	1 776	3 075	(1 299)	-42.2%	13 403
Total Operating/Provincial Government		8 765	13 403	13 403	862	1 776	3 075	211	6.8%	13 403
Education Training and Development Practices SETA		23	250	250	10	10	–	10	#DIV/0!	250
Unspecified		1	250	250	–	–	55			250
Total Monetary Allocations		25	500	500	10	10	55	(45)	-81.5%	500
Total Allocations In-kind		-	-	-	-	-	-	211	#DIV/0!	-
Total Operating/Other Grant Providers		25	500	500	10	10	55			500
Total Operating	5	80 109	89 081	89 081	1 310	31 988	32 834			89 081
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		–	24 477	24 477	10 028	10 028	6 119			24 477
Total Monetary Allocations		-	24 477	24 477	10 028	10 028	6 119			24 477
Total Capital/National Government		-	24 477	24 477	10 028	10 028	6 119			24 477
Provincial Government										
Monetary Allocations										
Capacity Building and Other Grants		452	–	–	–	–	–			–
Infrastructure Grant		–	31 322	31 322	–	–	7 831			31 322
Total Monetary Allocations		452	31 322	31 322	-	-	7 831			31 322
Total Capital/Provincial Government		452	31 322	31 322	-	-	7 831			31 322
Total Capital	5	452	55 799	55 799	10 028	10 028	13 950			55 799
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		80 561	144 880	144 880	11 338	42 016	46 784			144 880

Receipts (Table SC18):

Operating:

The year-to-date receipt is R31,988 million against the budgeted SDBIP projection of R32,834 million. No material deviation is expected at this stage.

Capital:

The year-to-date receipts amount to R10,028 million in comparison with the budgeted SDBIP projection of R13,950 million. No material deviation is expected at this stage.

Transfers and Grants Receipts 30 September 2026	
Sum of Amount	
Grants Description	Total
EPWP	345 000.00
EQUITABLE SHARE	29 626 000.00
FIRE CAPACITY BUILDING GRANT	250 000.00
FM Capability Grant	350 000.00
FMG	1 900 000.00
HMS	7 833 420.00
LG SETA	30 669.56
Library Service Conditional Grant	1 561 334.00
Library Service Replacement Grant	2 530 000.00
MIG	10 028 000.00
RSEP	200 000.00
Grand Total	54 654 423.56

Table SC19: Transfers and grant expenditure

WC042 Hessequa - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M03 September

Description	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Local Government Equitable Share		97	102	102	33	62	68	(5)	-7.8%	102
Expanded Public Works Programme Integrated Grant		1 350	1 378	1 378	347	622	344	277	80.5%	1 378
Local Government Financial Management Grant		1 664	1 900	1 900	355	535	750	(215)	-28.7%	1 900
Municipal Infrastructure Grant		791	798	798	64	128	192	(64)	-33.3%	798
Total Monetary Allocations		3 902	4 177	4 177	799	1 347	1 355	(7)	-0.5%	4 177
Total National Government		3 902	4 177	4 177	799	1 347	1 355	(7)	-0.5%	4 177
Provincial Government								–		
Monetary Allocations								–		
Capacity Building and Other Grants		4 906	12 151	12 151	750	2 422	2 726	(303)	-11.1%	12 151
Infrastructure Grant		1 800	308	308	–	–	–			308
Total Monetary Allocations		6 706	12 459	12 459	750	2 422	2 726	(303)	-11.1%	12 459
Total Provincial Government		6 706	12 459	12 459	750	2 422	2 726	(303)	-11.1%	12 459
Other Grant Providers										
Monetary Allocations										
Education Training and Development Practices SETA		23	250	250	–	10	–	10	#DIV/0!	250
Unspecified		2	250	250	–	–	63			250
Total Monetary Allocations		25	500	500	-	10	63	10	0	500
Total Operating/Other Grant Providers		25	500	500	-	10	63	10	0	500
Total operating expenditure of Transfers and Grants		10 633	17 136	17 136	1 549	3 780	4 143	(301)	(0)	17 136
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		15 009	24 477	24 477	3 825	3 825	5 318	(1 493)	-28.1%	24 477
Total Monetary Allocations		15 009	24 477	24 477	3 825	3 825	5 318	(1 493)		24 477
Total National Government		15 009	24 477	24 477	3 825	3 825	5 318	(1 493)		24 477
Provincial Government										
Monetary Allocations										
Capacity Building and Other Grants		1 259	–	–	–	–	–	–		–
Infrastructure Grant		37 000	31 322	31 322	1 465	1 465	340			31 322
Total Monetary Allocations		38 259	31 322	31 322	1 465	1 465	340	-		31 322
Total Provincial Government		38 259	31 322	31 322	1 465	1 465	340	-		31 322
Other Grant Providers										
Monetary Allocations										
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	5 290	5 290	5 658	(1 493)		55 799
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		65 255	72 936	72 936	6 839	9 070	9 801	(1 793)		72 936

Expenditure (Table SC19)

Operating:

The year-to-date expenditure is R3,780 million against the budgeted SDBIP projection of R4,143 million. No deviation is expected at this stage.

Capital:

The year-to-date expenditure from capital grants amounts to R5,290 million. The budget for the year is R5,658 million. Capital projects are currently still in planning and tender phases. No deviation is expected at this stage.

4.9 Employee Related Costs

Table SC22: Councillor and Staff benefits

WC042 Hessequa - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - M03 September

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 %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Cell phone Allowance		799	903	903	67	200	226	(26)	-11%	903
Office-bearer Allowance		7 337	8 236	8 236	610	1 831	2 059	(227)	-11%	8 236
Travelling Allowance		781	792	792	67	202	198	4	2%	792
Total Allowances and Service Related Benefits		**8 917**	**9 931**	**9 931**	**745**	**2 234**	**2 483**	**(249)**	-10%	**9 931**
Social Contributions										
Medial Aid Benefits		164	129	129	17	50	32	18	54%	129
Pension Fund Contributions		518	477	477	43	129	119	10	8%	477
Total Social Contributions		**682**	**606**	**606**	**60**	**179**	**152**	**27**	18%	**606**
Total Councillors		**9 599**	**10 537**	**10 537**	**804**	**2 412**	**2 634**	**(222)**	-8%	**10 537**
% increase	4									
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		7 611	7 673	7 673	458	1 378	1 918	(540)	-28%	7 673
Bonuses		1 422	1 474	1 474	–	–	69	(69)	-100%	1 474
Allowance								–		
Cellular and Telephone	3	138	206	206	13	38	51	(14)	-27%	206
Housing Benefits	3	14	15	15	1	4	4	(0)	-2%	15
Non-pensionable		324	360	360	29	88	90	(2)	-2%	360
Travel or Motor Vehicle	3	960	1 032	1 032	89	268	258	11	4%	1 032
Total Allowance		**1 436**	**1 612**	**1 612**	**133**	**398**	**403**	**(5)**	-1%	**1 612**
Service Related Benefits										
Leave Pay	3	(260)	–	–	–	–	–	–		–
Long Service Award		–	24	24	–	–	6	(6)	-100%	24
Total Service Related Benefits		**(260)**	**24**	**24**	**-**	**-**	**6**	**(6)**	-100%	**24**
Total Salaries and Allowances		**10 210**	**10 783**	**10 783**	**590**	**1 776**	**2 397**	**(621)**	-26%	**10 783**
Social Contributions										
Bargaining Council		1	1	1	0	0	0	(0)	-19%	1
Group Life Insurance		11	18	18	–	–	5	(5)	-100%	18
Medical		168	204	204	13	39	51	(12)	-24%	204
Pension		1 351	1 407	1 407	82	245	352	(106)	-30%	1 407
Unemployment Insurance		12	14	14	1	3	3	(1)	-23%	14
Total Social Contributions		**1 544**	**1 644**	**1 644**	**96**	**287**	**411**	**(124)**	-30%	**1 644**
Sub Total - Senior Managers of Municipality		**11 753**	**12 427**	**12 427**	**686**	**2 062**	**2 808**	**(745)**	-27%	**12 427**
% increase	4									
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		156 108	181 847	181 847	14 089	42 005	45 462	(3 457)	-8%	181 847
Bonuses		–	3 884	3 884	–	–	–	–		3 884
Allowance										
Accommodation, Travel and Incidental		5 419	5 752	5 752	497	1 471	1 438	33	2%	5 752
Cellular and Telephone	3	1 255	1 288	1 288	120	359	322	37	12%	1 288
Housing Benefits	3	834	918	918	76	227	229	(3)	-1%	918
Total Allowance		**7 508**	**7 958**	**7 958**	**693**	**2 057**	**1 989**	**67**	3%	**7 958**
Service Related Benefits										
Bonus	3	12 615	14 373	14 373	70	155	–	155	#DIV/0!	14 373
Leave Pay	3	1 119	–	–	327	348	–	348	#DIV/0!	–
Long Service Award		2 161	1 135	1 135	108	279	284	(5)	-2%	1 135
Overtime		9 587	8 321	8 321	772	1 981	2 080	(99)	-5%	8 321
Standby Allowance	3	5 116	4 867	4 867	471	1 356	1 217	139	11%	4 867
Total Service Related Benefits		**30 599**	**28 695**	**28 695**	**1 747**	**4 119**	**3 581**	**539**	15%	**28 695**
Total Salaries and Allowances		**194 214**	**222 384**	**222 384**	**16 530**	**48 181**	**51 032**	**(2 851)**	-6%	**222 384**
Social Contributions										
Bargaining Council		88	103	103	8	23	26	(2)	-9%	103
Group Life Insurance		166	730	730	13	39	182	(144)	-79%	730
Medical		8 324	9 892	9 892	746	2 231	2 473	(242)	-10%	9 892
Pension		27 098	31 614	31 614	2 426	7 257	7 904	(646)	-8%	31 614
Unemployment Insurance		1 261	1 418	1 418	109	324	355	(30)	-9%	1 418
Total Social Contributions		**36 938**	**43 757**	**43 757**	**3 302**	**9 875**	**10 939**	**(1 065)**	-10%	**43 757**
Post-retirement Benefit	6									
Medical		11 508	11 490	11 490	327	981	23	959	4238%	11 490
Pension		2	5	5	–	–	–	–		5
Total Post-retirement Benefit		**11 510**	**11 495**	**11 495**	**327**	**981**	**23**	**959**		**11 495**
Sub Total - Other Municipal Staff		**242 662**	**277 637**	**277 637**	**20 158**	**59 037**	**61 994**	**(2 957)**		**277 637**
% increase	4									
Total Parent Municipality		**264 014**	**300 600**	**300 600**	**21 648**	**63 511**	**67 436**	**(3 924)**	-6%	**300 600**
TOTAL SALARY, ALLOWANCES & BENEFITS		**264 014**	**300 600**	**300 600**	**21 648**	**63 511**	**67 436**	**(3 924)**		**300 600**
% increase	4									
TOTAL MANAGERS AND STAFF	5,7	**254 416**	**290 063**	**290 063**	**20 844**	**61 099**	**64 802**	**(3 702)**		**290 063**

5. Cost Containment Report

Cost Containment Monthly Report					
Cost Containment Measures	**Budget YTD**	**Jul-26**	**Aug-26**	**Sept-26**	**Savings**
	R'000	R'000	R'000	R'000	R'000
Use of consultants	3 735	22	553	1 079	2 081
Overtime	2 080	676	534	771	99
Vehicles used for political office-bearers	-	-	-		-
Travel and subsistence	456	136	237	195	- 112
Domestic accommodation	165	74	29	51	11
Sponsorships and catering	130	20	50	35	25
Communication	249	-	15	11	223
Conferences, Meetings & Study tours	1 296	15	14	204	1 063
Other related expenditure items (Events)	120	9	28	66	17
Total	**8 231**	**952**	**1 460**	**2 412**	**3 407**

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

QUALITY CERTIFICATE

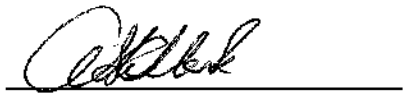
I, **A S A de Klerk,** the municipal manager of **Hessequa Municipality**, hereby certify that –

- **The monthly budget statement**

For the month of **September 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 14 October 2026