THABAZIMBI LOCAL MUNICIPALITY

LIM361

SECTION 71 FEBRUARY 2026 REPORT

28 February 2026

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Quality Certificate

I, **GC LETSOALO**, the Municipal Manager of Thabazimbi Local Municipality, hereby certify that the monthly report for the period ending 28 February 2026 has been prepared in accordance with section 71 of the municipal finance management act, 52 of 2003 (hereinafter referred as MFMA) and regulations made under the act and accordingly submit the required monthly statements on the state of Thabazimbi Local Municipality's Budget reflecting the particulars up until the end of 28 February 2026.

……………………………………………….
Name: Mr GC Letsoalo CA (SA)

Municipal manager of Thabazimbi Local Municipality – LIM361

Date: 12/03/2026

Contents

PART 1: THE MONTHLY REPORT

Executive Summary

1. Recommendation

It is recommended that the Accounting Officer -

1.1. takes note of the monthly budget statements as reported and the supporting documents for the period ending 28 February 2026.

2. Legislative Background

The purpose of this report is to adhere to the requirements of the legislation and regulations as quoted below.

2.1.1. Monthly budget statements - MFMA Section 71 states that:

(1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

(a) Actual revenue, per revenue source;

(b) actual borrowings.

(c) actual expenditure, per vote.

(d) actual capital expenditure, per vote.

(e) the amount of any allocations received.

(f) actual expenditure on those allocations, excluding expenditure on—

(i) its share of the local government equitable share; and

(ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and

(g) when necessary, an explanation of—

(i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote.

(ii) any material variances from the service delivery and budget implementation plan; and

(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include —

(a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

(3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.

(4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

(5) The accounting officer of a municipality which has received an allocation referred to in subsection (1) (e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.

(6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.

2.1.2. Section 52 (d) of the MFMA states:

"The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and the financial state of affairs of the municipality".

2.1.3. Regulation 28 of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations published in Government Gazette No. 32141 on 17 April 2009 (MBRR) states:

"The In-Year Report of a municipality must be in the format specified as per Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Municipal Finance Management Act".

3. In Year Budget Statement Tables: February 2026 Report (Annexure A)

3.1.1. The financial results for the month ended 28th February 2026 are attached and consist of the prescribed tables in terms of Government Gazette 32141 of 17 April 2009 as indicated in Annexures A.

3.1.2. Table C1- of the said annexure provides a high-level summation of the operating and capital budgets, currents to date, financial position and cash flow.

3.1.3. Table C2 - of the said annexure is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

3.1.4. Table C3 - of the said annexure - shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.

3.1.5. Table C4 - of the said annexure is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

3.1.6. Table C5 - of the said annexure - reflects the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from national and provincial departments.

3.1.7. Table C6 - of the said annexure reflects the performance to date in relation to the financial position of the municipality.

3.1.8. Table C7- of the said annexure indicates the cash flow position and cash/cash equivalents.

This summary is based on financial information available at the time of preparation and is unaudited. The table above only shows summarised data; details are depicted on the Tables 1 – 7 as well as supporting tables that follow.

Table 1: MBRR C1 Monthly Budget Statement Summary – M08 February 2026

Choose name from list - Table C1 Monthly Budget Statement Summary - M08 - February

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	152,426	134,125	134,125	12,313	87,622	89,417	(1,794)	-2%	134,125
Service charges	218,767	258,918	349,302	14,856	123,152	190,689	(67,537)	-35%	349,302
Investment revenue	975	–	2,800	42	1,594	560	1,034	185%	2,800
Transfers and subsidies - Operational	149,096	160,105	162,090	42	107,393	107,134	259	0%	162,090
Other own revenue	72,817	64,909	85,709	7,132	51,450	47,432	4,017	8%	85,709
Total Revenue (excluding capital transfers and contributions)	**594,081**	**618,057**	**734,026**	**34,384**	**371,210**	**435,232**	**(64,021)**	**-15%**	**734,026**
Employee costs	160,315	182,640	175,337	14,320	108,684	120,300	(11,615)	-10%	175,337
Remuneration of Councillors	10,236	12,658	13,658	899	7,160	8,639	(1,478)	-17%	13,658
Depreciation and amortisation	40,288	44,420	44,420	–	–	29,613	(29,613)	-100%	44,420
Interest	45,996	21,529	38,858	352	892	17,818	(16,927)	-95%	38,858
Inventory consumed and bulk purchases	149,455	193,136	203,321	23,911	97,438	130,794	(33,357)	-26%	203,321
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	305,538	147,021	173,229	8,195	93,081	103,256	(10,174)	-10%	173,229
Total Expenditure	**711,828**	**601,405**	**648,823**	**47,679**	**307,255**	**410,420**	**(103,165)**	**-25%**	**648,823**
Surplus/(Deficit)	**(117,747)**	**16,652**	**85,203**	**(13,295)**	**63,955**	**24,811**	**39,144**	**158%**	**85,203**
Transfers and subsidies - capital (monetary allocations)	28,778	111,465	123,716	–	39,721	76,760	(37,039)	-48%	123,716
Transfers and subsidies - capital (in-kind)	38,077	47,000	47,000	–	–	31,333	(31,333)	-100%	47,000
Surplus/(Deficit) after capital transfers &	**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**	**(29,229)**	**-22%**	**255,919**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**	**(29,229)**	**-22%**	**255,919**
Capital expenditure & funds sources									
Capital expenditure	**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	**-55%**	**123,716**
Capital transfers recognised	40,193	109,480	123,716	2,857	33,747	75,834	(42,087)	-55%	123,716
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	–	–	–	–	–	–		–
Total sources of capital funds	**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	**-55%**	**123,716**
Financial position									
Total current assets	246,637	636,883	760,590		394,170				760,590
Total non current assets	821,725	971,134	985,370		855,472				985,370
Total current liabilities	629,103	970,534	1,027,674		487,446				1,027,674
Total non current liabilities	295,896	61,547	61,547		503,627				61,547
Community wealth/Equity	**225,489**	**575,937**	**656,739**		**254,584**				**656,739**
Cash flows									
Net cash from (used) operating	111,877	71,935	115,495	47,173	160,192	48,057	(112,135)	-233%	115,495
Net cash from (used) investing	14,664	(109,480)	(115,716)	(3,286)	(37,447)	(74,234)	(36,787)	50%	(115,716)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**137,870**	**156,415**	**193,740**	–	**158,332**	**167,783**	**9,452**	**6%**	**35,366**
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	27,049	24,942	24,489	24,841	21,298	20,362	19,818	939,397	1,102,196
Creditors Age Analysis									
Total Creditors	31,603	388	–	1,615	21,811	479	8,078	597,776	661,751

Table 1: Monthly Budget Statement Summary – M08 February 2026

The financial performance of the Municipality for the period ending 28 February 2026 (Month 08) reflects moderate operational performance with notable variances in revenue collection, controlled expenditure, and slower implementation of capital projects.

Total operating revenue excluding capital transfers amounts to R371.2 million against a year-to-date (YTD) budget of R435.2 million, resulting in an under-collection of R64.0 million (15%). The variance is largely attributable to lower service charge collections, particularly electricity and water revenue, due to billing and consumer payment challenges. Property rates collections remain relatively stable and close to budget projections. Investment revenue and other own revenue performed above expectations due to improved returns on cash investments and additional municipal service recoveries.

Total operating expenditure amounts to R307.3 million against a YTD budget of R410.4 million, reflecting under-expenditure of R103.2 million (25%). The variance is mainly attributable to vacant funded posts, cost containment measures, and lower electricity bulk purchases resulting from reduced consumption levels. In addition, depreciation charges have not yet been recorded during the reporting period, contributing to the reported variance.

The municipality recorded an operating surplus of R63.9 million compared to the budgeted surplus of R24.8 million for the same period. The improved operating position is mainly driven by lower than anticipated expenditure.

Capital programme implementation remains below planned levels, with capital expenditure of R33.7 million against a YTD budget of R75.8 million, resulting in under-expenditure of R42.1 million (55%).

From a liquidity perspective, the municipality reported cash and cash equivalents of R158.3 million at the end of February 2026. However, the municipality continues to experience revenue collection challenges, as reflected in the consumer debtor book of approximately R1.10 billion, with a significant portion older than one year. Similarly, the municipality has creditor obligations amounting to approximately R661.8 million, indicating ongoing pressure on the municipality's financial position.

Key Risks and Management Actions

- **Revenue Risk**: Service charges (electricity and water) remain below expected levels. Management is strengthening billing accuracy, credit control, and debt collection processes.
- **Expenditure Risk**: Contracted services expenditure is significantly front-loaded. Management will implement stricter contract management and spending controls.
- **Cash Flow Dependency**: High interest on receivables indicates elevated debtor levels, which may impact long-term cash sustainability.

Monthly Budget Statement Tables

The table below shows Monthly financial performance, by revenue source and expenditure item, for the period ended 28 February 2026.

LIM361 Thabazimbi – Table C2 Monthly Budget Statement – Financial Performance (functional classification) – M08 – February 2026.

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 - February

Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD	Full Year
R thousands	1								%	
Revenue - Functional										
Governance and administration		375,494	401,969	352,879	19,504	246,802	258,161	(11,359)	-4%	352,879
Executive and council		148,144	159,871	155,651	42	106,544	105,737	808	1%	155,651
Finance and administration		227,350	242,098	197,228	19,463	140,258	152,425	(12,167)	-8%	197,228
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		429	5,906	21,071	19	219	6,970	(6,751)	-97%	21,071
Community and social services		429	361	15,381	19	219	3,244	(3,025)	-93%	15,381
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	5,545	5,690	–	–	3,726	(3,726)	-100%	5,690
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		28,285	41,276	43,915	11	28,356	28,045	310	1%	43,915
Planning and development		526	1,575	2,760	14	251	1,287	(1,037)	-81%	2,760
Road transport		27,759	39,701	41,155	(3)	28,105	26,758	1,347	5%	41,155
Environmental protection		–	–	–	–	–	–	–		–
Trading services		256,729	327,371	486,877	14,849	135,555	250,148	(114,594)	-46%	486,877
Energy sources		124,840	165,635	170,648	8,160	79,513	111,426	(31,913)	-29%	170,648
Water management		46,643	59,888	208,772	2,403	22,494	69,702	(47,208)	-68%	208,772
Waste water management		31,220	33,278	39,316	2,556	20,450	23,393	(2,943)	-13%	39,316
Waste management		54,025	68,570	68,141	1,730	13,097	45,627	(32,530)	-71%	68,141
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	660,937	776,522	904,742	34,384	410,932	543,325	(132,393)	-24%	904,742
Expenditure - Functional										
Governance and administration		389,689	235,794	278,891	15,035	151,095	165,816	(14,721)	-9%	278,891
Executive and council		30,259	26,508	40,595	4,495	25,389	20,489	4,900	24%	40,595
Finance and administration		356,445	204,881	234,918	10,199	123,603	142,595	(18,992)	-13%	234,918
Internal audit		2,986	4,405	3,378	341	2,103	2,731	(628)	-23%	3,378
Community and public safety		19,264	20,181	21,940	1,580	8,406	13,806	(5,400)	-39%	21,940
Community and social services		13,242	14,011	14,156	891	3,939	9,370	(5,431)	-58%	14,156
Sport and recreation		6,592	5,164	7,279	424	4,202	3,866	336	9%	7,279
Public safety		(569)	1,006	506	265	265	570	(305)	-54%	506
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		53,610	49,844	57,716	2,880	19,948	34,804	(14,856)	-43%	57,716
Planning and development		8,340	16,519	12,269	705	5,696	10,163	(4,466)	-44%	12,269
Road transport		45,270	33,326	45,447	2,175	14,252	24,641	(10,389)	-42%	45,447
Environmental protection		–	–	–	–	–	–	–		–
Trading services		249,208	295,425	290,250	28,184	127,807	195,915	(68,108)	-35%	290,250
Energy sources		162,503	170,010	161,222	10,596	68,611	111,583	(42,972)	-39%	161,222
Water management		45,740	87,040	90,342	15,184	40,595	58,687	(18,092)	-31%	90,342
Waste water management		32,302	26,751	24,612	1,565	12,523	17,406	(4,884)	-28%	24,612
Waste management		8,663	11,624	14,073	838	6,079	8,239	(2,160)	-26%	14,073
Other		56	160	25	–	–	80	(80)	-100%	25
Total Expenditure - Functional	3	711,828	601,405	648,823	47,679	307,255	410,420	(103,165)	-25%	648,823
Surplus/ (Deficit) for the year		(50,891)	175,117	255,919	(13,295)	103,676	132,905	(29,229)	-22%	255,919

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement

3. Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'

4. All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Table 2: MBRR C2 Monthly Budget Statement - Financial Performance (revenue and expenditure)

As at 29 February (M08), the Municipality recorded total operating revenue of R410.9 million, representing 76% of the year-to-date budget of R543.3 million, resulting in a negative variance of R132.4 million (-24%). The underperformance is largely attributable to lower-than-anticipated revenue collection within the Trading Services functions, particularly Energy Sources, Water Management, Waste Water Management and Waste Management.

Total operating expenditure amounted to R307.3 million, representing 75% of the year-to-date budget of R410.4 million, resulting in a negative variance of R103.2 million (-25%). The variance reflects slower spending across several functions, particularly within Trading Services and Economic and Environmental Services, which may be attributable to operational efficiencies, delayed procurement processes, or cash flow management interventions.

The Municipality recorded a year-to-date operating surplus of R103.7 million, compared to a year-to-date budgeted surplus of R132.9 million, resulting in a negative variance of R29.2 million (-22%).

LIM361 Thabazimbi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M08 February 2026

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 -

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - Executive & Council		148,144	158,651	155,651	42	106,544	105,167	1,377	1.3%	155,651
Vote 2 - Municipal Manager		–	1,220	(0)	–	–	569	(569)	-100.0%	(0)
Vote 3 - Budget and Treasury		227,593	240,293	191,203	19,411	140,202	150,377	(10,176)	-6.8%	191,203
Vote 4 - Corporate Services		(4,354)	854	854	44	350	569	(219)	-38.5%	854
Vote 5 - Planning and Development		526	1,575	2,760	14	251	1,287	(1,037)	-80.5%	2,760
Vote 6 - Community Services		58,564	75,427	90,143	1,755	13,022	53,228	(40,205)	-75.5%	90,143
Vote 7 - Technical Services		230,463	298,502	459,891	13,119	150,563	231,279	(80,717)	-34.9%	459,891
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**660,937**	**776,522**	**900,502**	**34,384**	**410,932**	**542,477**	**(131,546)**	**-24.2%**	**900,502**
Expenditure by Vote	1									
Vote 1 - Executive & Council		15,706	14,079	16,320	1,017	8,459	9,834	(1,375)	-14.0%	16,320
Vote 2 - Municipal Manager		16,170	13,647	25,899	3,607	18,002	11,548	6,453	55.9%	25,899
Vote 3 - Budget and Treasury		269,050	134,543	121,849	(834)	58,043	87,157	(29,113)	-33.4%	121,849
Vote 4 - Corporate Services		73,674	65,613	86,821	9,785	57,017	47,983	9,033	18.8%	86,821
Vote 5 - Planning and Development		6,836	13,428	8,640	578	4,540	7,995	(3,455)	-43.2%	8,640
Vote 6 - Community Services		44,619	44,968	52,385	4,007	25,291	31,462	(6,172)	-19.6%	52,385
Vote 7 - Technical Services		285,774	315,127	320,624	29,520	135,905	211,184	(75,279)	-35.6%	320,624
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**711,828**	**601,405**	**632,538**	**47,679**	**307,255**	**407,163**	**(99,908)**	**-24.5%**	**632,538**
Surplus/ (Deficit) for the year	2	**(50,891)**	**175,117**	**267,964**	**(13,295)**	**103,676**	**135,314**	**(31,638)**	**-23.4%**	**267,964**

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure

2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

Table 3: MBRR C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

LIM361 Thabazimbi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – M08 February 2026

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 - February

Description	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		124,840	145,635	146,185	8,160	67,049	97,200	(30,151)	-31%	146,185
Service charges - Water		46,758	59,889	149,723	2,410	22,555	57,893	(35,338)	-61%	149,723
Service charges - Waste Water Management		31,220	33,278	33,278	2,556	20,450	22,185	(1,735)	-8%	33,278
Service charges - Waste management		15,948	20,116	20,116	1,730	13,097	13,410	(313)	-2%	20,116
Sale of Goods and Rendering of Services		703	1,861	2,276	21	471	1,323	(853)	-64%	2,276
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		47,309	54,370	59,496	7,049	50,768	37,272	13,496	36%	59,496
Interest from Current and Non Current Assets		975	–	2,800	42	1,594	560	1,034	185%	2,800
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		527	675	675	45	367	450	(83)	-18%	675
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		1,772	1,507	1,747	9	138	1,052	(914)	-87%	1,747
Non-Exchange Revenue								–		
Property rates		152,426	134,125	134,125	12,313	87,622	89,417	(1,794)	-2%	134,125
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		758	914	914	4	(374)	609	(983)	-161%	914
Licence and permits		3,352	5,583	5,728	5	79	3,751	(3,672)	-98%	5,728
Transfers and subsidies - Operational		149,096	160,105	162,090	42	107,393	107,134	259	0%	162,090
Interest		22,799	–	14,874	–	–	2,975	(2,975)	-100%	14,874
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		(6,368)	–	–	–	–	–	–		–
Other Gains		1,966	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**594,081**	**618,057**	**734,026**	**34,384**	**371,210**	**435,232**	**(64,021)**	**-15%**	**734,026**
Expenditure By Type										
Employee related costs		160,315	182,640	175,337	14,320	108,684	120,300	(11,615)	-10%	175,337
Remuneration of councillors		10,236	12,658	13,658	899	7,160	8,639	(1,478)	-17%	13,658
Bulk purchases - electricity		116,749	132,203	126,203	9,466	62,109	86,935	(24,827)	-29%	126,203
Inventory consumed		32,705	60,933	77,118	14,445	35,329	43,859	(8,530)	-19%	77,118
Debt impairment		185,290	31,271	31,271	–	–	20,847	(20,847)	-100%	31,271
Depreciation and amortisation		40,288	44,420	44,420	–	–	29,613	(29,613)	-100%	44,420
Interest		45,996	21,529	38,858	352	892	17,818	(16,927)	-95%	38,858
Contracted services		66,309	68,330	93,575	2,889	72,104	50,602	21,501	42%	93,575
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	5,000	2,300	–	–	2,793	(2,793)	-100%	2,300
Operational costs		22,823	42,420	46,083	5,307	20,978	29,013	(8,035)	-28%	46,083
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		31,116	–	–	–	–	–	–		–
Total Expenditure		**711,828**	**601,405**	**648,823**	**47,679**	**307,255**	**410,420**	**(103,165)**	**-25%**	**648,823**
Surplus/(Deficit)		**(117,747)**	**16,652**	**85,203**	**(13,295)**	**63,955**	**24,811**	**39,144**	**158%**	**85,203**
Transfers and subsidies - capital (monetary allocations)		28,778	111,465	123,716	–	39,721	76,760	(37,039)	-48%	123,716
Transfers and subsidies - capital (in-kind)		38,077	47,000	47,000	–	–	31,333	(31,333)	-100%	47,000
Surplus/(Deficit) after capital transfers & contributions		**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**			**255,919**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**			**255,919**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**			**255,919**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**(50,891)**	**175,117**	**255,919**	**(13,295)**	**103,676**	**132,905**			**255,919**
References										
1. Material variances to be explained on Table SC1										
Total Revenue (excluding capital transfers and contributions) including capi		660,937	776,522	904,742	34,384	410,932	543,325			904,742

Table 4: MBRR C4 Monthly Budget Statement - Financial Performance (standard classification)

Revenue

Service charges – Electricity

Electricity revenue recorded R67.0 million against a year-to-date budget of R97.2 million, resulting in an under-performance of R30.2 million (-31%). The variance is primarily attributable to lower electricity consumption, increased energy efficiency among consumers, and potential revenue collection challenges.

Service charges – Water

Water revenue amounted to R22.6 million compared to a budget of R57.9 million, reflecting a negative variance of R35.3 million (-61%). The underperformance may be attributed to billing challenges, lower water consumption, or delays in meter readings and billing processes.

Service charges – Waste Water Management

Waste water management revenue recorded R20.5 million against a budget of R22.2 million, resulting in a variance of R1.7 million (-8%). Revenue performance is largely in line with expectations, with minor deviations due to billing timing differences.

Service charges – Waste Management

Waste management revenue amounted to R13.1 million against a budget of R13.4 million, resulting in a marginal variance of R0.3 million (-2%), indicating that revenue performance is largely aligned with budget expectations.

Sale of Goods and Rendering of Services

Revenue from the sale of goods and services recorded R0.47 million compared to a budget of R1.32 million, resulting in a negative variance of R0.85 million (-64%). The variance is attributable to lower activity levels in services generating this revenue stream.

Agency Services

No revenue has been recorded under this category during the period under review.

Interest earned from Receivables

Interest on outstanding debtor balances recorded R50.8 million against a budget of R37.3 million, resulting in a positive variance of R13.5 million (36%). The increase is attributable to higher debtor balances generating interest.

Interest from Current and Non-Current Assets

Interest earned from investments amounted to R1.6 million compared to a budget of R0.56 million, reflecting a favourable variance of R1.03 million (185%). This increase is mainly due to higher cash balances invested or improved investment returns.

Dividends

No dividend revenue was recognised during the reporting period.

Rent on Land

No revenue was recorded under this category during the period.

Rental from Fixed Assets

Rental income from municipal assets recorded R0.37 million compared to a budget of R0.45 million, resulting in a variance of R0.08 million (-18%). The variance may be due to delayed rental payments or vacant municipal facilities.

Licence and Permits

Revenue from licences and permits recorded R0.08 million against a budget of R3.75 million, resulting in a significant under-performance of R3.67 million (-98%). This may be attributable to delays in issuing permits or reduced licensing activity.

Operational Revenue

Operational revenue recorded R0.14 million against a budget of R1.05 million, resulting in a variance of R0.91 million (-87%), indicating lower than anticipated operational service income.

Non-Exchange Revenue

Property Rates

Property rates revenue amounted to R87.6 million against a budget of R89.4 million, resulting in a slight negative variance of R1.8 million (-2%). Revenue performance remains broadly aligned with the budget.

Fines, Penalties and Forfeits

Fines revenue recorded a negative balance of R0.37 million against a budget of R0.61 million, resulting in a variance of R0.98 million (-161%). This variance may be due to adjustments or reversals recorded during the period.

Licences and Permits (Non-Exchange)

Revenue amounted to R0.08 million compared to a budget of R3.75 million, resulting in a negative variance of R3.67 million (-98%), reflecting reduced licensing activity.

Transfers and Subsidies – Operational

Operational grant revenue amounted to R107.4 million against a budget of R107.1 million, resulting in a slight positive variance of R0.26 million, indicating that grant receipts are largely in line with the budget.

Interest (non-Exchange)

No revenue has been recorded under this category during the reporting period against a budget of R2.98 million, resulting in a variance of R2.98 million (-100%), likely due to the timing of interest recognition.

Total Revenue (excluding capital transfers)

Total operating revenue amounted to R371.2 million against a year-to-date budget of R435.2 million, resulting in a negative variance of R64.0 million (-15%). The underperformance is primarily attributable to lower service charge revenue, particularly within electricity and water services.

Expenditure by Type

Employee Related Costs

Employee related costs amounted to R108.7 million against a budget of R120.3 million, resulting in underspending of R11.6 million (-10%). The variance may be due to vacant positions or delayed recruitment processes.

Remuneration of Councillors

Councillor remuneration recorded R7.16 million against a budget of R8.64 million, resulting in underspending of R1.48 million (-17%).

Bulk Purchases – Electricity

Bulk electricity purchases recorded R62.1 million compared to a budget of R86.9 million, resulting in a variance of R24.8 million (-29%). The underspending corresponds with the reduced electricity revenue and consumption levels.

Inventory Consumed

Inventory consumption amounted to R35.3 million against a budget of R43.9 million, reflecting underspending of R8.53 million (-19%).

Debt Impairment

No debt impairment has been recorded during the period against a budget of R20.8 million, resulting in a variance of R20.8 million (-100%). This may indicate that impairment adjustments will be processed later in the financial year.

Depreciation and Amortisation

No depreciation has been recorded against a budget of R29.6 million, resulting in a variance of R29.6 million (-100%), likely due to timing of accounting adjustments processed periodically.

Interest

Interest expenditure recorded R0.89 million compared to a budget of R17.8 million, resulting in a variance of R16.9 million (-95%), which may be due to timing differences in interest charges.

Contracted Services

Contracted services amounted to R72.1 million against a budget of R50.6 million, resulting in overspending of R21.5 million (42%), which requires monitoring to ensure compliance with approved budget allocations.

Transfers and Subsidies

No transfers were recorded during the reporting period.

Irrecoverable Debts Written Off

No write-offs were recorded during the reporting period against a budget of R2.79 million.

Operational Costs

Operational costs amounted to R21.0 million compared to a budget of R29.0 million, resulting in underspending of R8.0 million (-28%).

Losses on Disposal of Assets

No losses were recorded during the reporting period.

Other Losses

No losses were recorded during the reporting period.

Total Expenditure

Total operating expenditure amounted to R307.3 million against a year-to-date budget of R410.4 million, resulting in underspending of R103.2 million (-25%). The variance reflects slower expenditure across several operational cost categories.

Investment revenue YTD amounted to R1.409 million against a budget of R0. January actual was R0.247 million. This favourable variance suggests that surplus cash was invested during the period, contributing positively to revenue. However, the Municipality must ensure investments are aligned to approved cash and investment policies, and that interest earnings are properly monitored against liquidity needs.

Financial position

1.1.1. **Liquidity** –the municipality is currently not financially liquid meaning it cannot pay its creditors with the prescribed period of 30 days. Further note that although the municipality is not in compliance with the section 65 of the MFMA, the municipality has introduced various mechanisms of funding its working capital. The municipality does not meet the minimum threshold of liquidity ratio which is 2:1 as the current situation 1:1

1.1.2. **Going concern** – the municipality acknowledges that there's a challenge of going concern. This is a historical issue when the municipality was once put under administration and multiple creditor's outstanding balance were not paid, this then resulted into having a significant credit book. On the other hand, debtors were and still not paying their dues within the prescribed period

LIM361 Thabazimbi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) – M08 February 2026

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 - February

Vote Description	Ref	2024/25 Audited	Budget Year 2025/26 Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive & Council		–	–	–	–	–	–	–		–
Vote 2 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 3 - Budget and Treasury		–	–	–	–	–	–	–		–
Vote 4 - Corporate Services		–	–	–	–	–	–	–		–
Vote 5 - Planning and Development		–	–	–	–	–	–	–		–
Vote 6 - Community Services		–	–	–	–	–	–	–		–
Vote 7 - Technical Services		3,062	16,000	–	–	–	7,467	(7,467)	-100%	–
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**3,062**	**16,000**	–	–	–	**7,467**	**(7,467)**	**-100%**	–
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		–	–	–	–	–	–	–		–
Vote 2 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 3 - Budget and Treasury		–	–	–	–	–	–	–		–
Vote 4 - Corporate Services		–	–	–	–	–	–	–		–
Vote 5 - Planning and Development		–	–	–	–	–	–	–		–
Vote 6 - Community Services		20,387	–	–	–	–	–	–		–
Vote 7 - Technical Services		16,743	93,480	123,716	2,857	33,747	68,367	(34,620)	-51%	123,716
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	37,130	93,480	123,716	2,857	33,747	68,367	**(34,620)**	**-51%**	123,716
Total Capital Expenditure		**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	-55%	**123,716**
Capital Expenditure - Functional Classification										
Governance and administration		–	–	–	–	–	–	–		–
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		–	–	–	–	–	–	–		–
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	–	–	–	–	–	–		–
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**11,836**	**41,716**	**42,795**	–	**18,387**	**28,026**	(9,640)	-34%	**42,795**
Planning and development		–	–	–	–	–	–	–		–
Road transport		11,836	41,716	42,795	–	18,387	28,026	(9,640)	-34%	42,795
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**7,970**	**67,764**	**80,921**	**2,857**	**15,360**	**47,807**	(32,447)	-68%	**80,921**
Energy sources		–	20,000	20,000	–	12,503	13,333	(830)	-6%	20,000
Water management		3,062	47,764	27,000	2,857	2,857	27,690	(24,833)	-90%	27,000
Waste water management		4,907	–	33,921	–	0	6,784	(6,784)	-100%	33,921
Waste management		–	–	–	–	–	–	–		–
Other		20,387	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	**-55%**	**123,716**
Funded by:										
National Government		40,193	109,480	123,716	2,857	33,747	75,834	(42,087)	-55%	123,716
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	**-55%**	**123,716**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		–	–	–	–	–	–	–		–
Total Capital Funding		**40,193**	**109,480**	**123,716**	**2,857**	**33,747**	**75,834**	**(42,087)**	**-55%**	**123,716**
check balance		-	-	-	-	-	-			-

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment

3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations

4. Include expenditure on investment property, intangible and biological assets

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

Table 5: MBRR C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification, and funding).

Total capital expenditure for the period ending February 2026 (M08) amounts to R33.7 million against a year-to-date (YTD) budget of R75.8 million, resulting in under-expenditure of R42.1 million (55%).

The monthly capital expenditure recorded for February amounts to R2.9 million.

The low spending level indicates slow implementation of capital infrastructure projects, largely due to delays in procurement processes, project readiness challenges, and contractor performance issues.

LIM361 Thabazimbi - Table C6 Monthly Budget Statement - Financial Position M08 February 2026

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M08 - February

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		35,586	156,415	150,682	84,718	150,682
Trade and other receivables from exchange transactions		62,783	169,993	274,007	116,998	274,007
Receivables from non-exchange transactions		49,289	60,818	75,837	80,541	75,837
Current portion of non-current receivables		–	–	–	–	–
Inventory		4,004	11,047	21,455	7,129	21,455
VAT		94,974	238,610	238,610	104,783	238,610
Other current assets		0	–	–	0	–
Total current assets		**246,637**	**636,883**	**760,590**	**394,170**	**760,590**
Non current assets						
Investments		–	–	–	–	–
Investment property		0	–	–	0	–
Property, plant and equipment		820,898	970,299	984,535	854,646	984,535
Biological assets		827	836	836	827	836
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		0	–	–	0	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**821,725**	**971,134**	**985,370**	**855,472**	**985,370**
TOTAL ASSETS		**1,068,362**	**1,608,017**	**1,745,960**	**1,249,642**	**1,745,960**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		0	–	–	0	–
Consumer deposits		5,237	4,796	4,796	5,382	4,796
Trade and other payables from exchange transactions		584,071	817,044	874,185	418,101	874,185
Trade and other payables from non-exchange transactions		(0)	2,851	2,851	34,824	2,851
Provision		44,046	2,545	2,545	44,046	2,545
VAT		(4,251)	143,298	143,298	(14,906)	143,298
Other current liabilities		–	–	–	–	–
Total current liabilities		**629,103**	**970,534**	**1,027,674**	**487,446**	**1,027,674**
Non current liabilities						
Financial liabilities		594	–	–	527	–
Provision		48,135	61,547	61,547	48,135	61,547
Long term portion of trade payables		201,900	–	–	409,698	–
Other non-current liabilities		45,267	–	–	45,267	–
Total non current liabilities		**295,896**	**61,547**	**61,547**	**503,627**	**61,547**
TOTAL LIABILITIES		**924,999**	**1,032,081**	**1,089,222**	**991,073**	**1,089,222**
NET ASSETS	2	**143,363**	**575,937**	**656,739**	**258,569**	**656,739**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		225,489	575,937	656,739	247,079	656,739
Reserves and funds		–	–	–	7,505	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**225,489**	**575,937**	**656,739**	**254,584**	**656,739**
References						
1. Material variances to be explained in Table SC1						
2. Net assets must balance with Total Community Wealth/Equity						
check balance		-82,126,590	-	-	3,985,461	-

Table 6: MBRR C6 Financial Position as at 28 February 2026

As at 28 February 2026, the municipality reported total assets of R1.25 billion against total liabilities of R991.1 million, resulting in net assets of R258.6 million.

Total community wealth/equity amounts to R254.6 million, primarily consisting of accumulated surpluses from previous financial periods.

While the municipality remains technically solvent, the financial position indicates significant liquidity pressure, largely due to high levels of trade payables and outstanding consumer debtors.

Key Risks and Management Actions

Key Risks

- Liquidity Risk: Cash balances remain below budget, requiring close monitoring.
- Receivables Risk: Growth in receivables from both exchange and non-exchange transactions may impact cash flow.
- Classification Risk: Significant variances in non-current liabilities require further validation.

Management Actions

- Intensification of credit control and debt collection measures,
- Monthly reconciliation and ageing of receivables and payables,
- Alignment of capital project implementation with asset capitalisation.

LIM361 Thabazimbi - Table C7 Monthly Budget Statement - Cash Flow – M08 February 2026

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M08 - February

Description	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		78,989	120,694	120,694	6,165	72,409	80,463	(8,054)	-10%	120,694
Service charges		118,410	206,666	204,317	11,912	104,754	137,307	(32,553)	-24%	204,317
Other revenue		22,495	40,957	40,957	2,118	45,664	27,304	18,360	67%	40,957
Transfers and Subsidies - Operational		143,811	160,108	110,329	41,531	160,256	96,783	63,473	66%	110,329
Transfers and Subsidies - Capital		–	111,465	175,480	–	–	87,113	(87,113)	-100%	175,480
Interest		–	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(251,828)	(546,425)	(557,810)	(14,553)	(222,891)	(366,560)	143,670	-39%	(557,810)
Interest		–	(21,529)	21,529	–	–	(14,353)	14,353	-100%	21,529
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**111,877**	**71,935**	**115,495**	**47,173**	**160,192**	**48,057**	**(112,135)**	**-233%**	**115,495**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		14,664	(109,480)	(115,716)	(3,286)	(37,447)	(74,234)	36,787	-50%	(115,716)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**14,664**	**(109,480)**	**(115,716)**	**(3,286)**	**(37,447)**	**(74,234)**	**(36,787)**	**50%**	**(115,716)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		**126,541**	**(37,545)**	**(220)**	**43,887**	**122,746**	**(26,177)**			**(220)**
Cash/cash equivalents at beginning:		11,329	193,960	193,960		35,586	193,960			35,586
Cash/cash equivalents at month/year end:		137,870	156,415	193,740		158,332	167,783			35,366

References

1. Material variances to be explained in Table SC1

Table 7: MBRR C7 Monthly Budget Statement – Cash

Cash Flow – M08 February 2026

During the period under review, the municipality generated net cash inflows from operating activities of R160.2 million, compared to the year-to-date (YTD) budget of R48.1 million, resulting in a positive variance of R112.1 million. The favourable variance is largely attributable to lower than anticipated operating payments and higher receipts from operational grants.

Cash receipts from property rates amount to R72.4 million against a YTD budget of R80.5 million, reflecting a shortfall of R8.1 million (10%) mainly due to collection challenges and payment patterns from consumers.

Receipts from service charges amount to R104.8 million against a YTD budget of R137.3 million, resulting in a negative variance of R32.6 million (24%). This underperformance is primarily due to lower collections on electricity and water accounts and ongoing challenges in consumer payment behaviour.

Receipts from other revenue sources amount to R45.7 million, exceeding the YTD budget of R27.3 million by R18.4 million (67%). This positive variance is mainly due to higher collections from miscellaneous municipal revenue streams.

Operational grant receipts amount to R160.3 million against a YTD budget of R96.8 million, reflecting a positive variance of R63.5 million (66%). This is mainly due to the timing of transfers from national government in accordance with grant payment schedules.

Payments to suppliers and employees amount to R222.9 million compared to the YTD budget of R366.6 million, reflecting a variance of R143.7 million (39%). The lower expenditure is attributable to cost containment measures, vacancies, and delays in operational spending.

Cash utilised for investing activities amounts to R37.4 million, compared to the YTD budget of R74.2 million, resulting in a variance of R36.8 million (50%).

The municipality recorded a net increase in cash held of R122.7 million against a budgeted decrease of R26.2 million, mainly due to higher operational grant receipts and lower operational payments during the reporting period.

Cash and cash equivalents amounted to R158.3 million at the end of February 2026, compared to the YTD budget of R167.8 million, reflecting a variance of R9.5 million (6%).

Key Risks and Management Actions

Key Risks

- **Liquidity Risk**: Cash balances remain below budget despite strong operating cash inflows.
- **Revenue Collection Risk**: Continued under-collection of service charges may negatively impact cash sustainability.
- **Capital Grant Risk**: Delayed capital grant receipts linked to slow project implementation.

Management Actions

- Intensification of **credit control and debt collection measures**,
- Improved alignment between **grant drawdowns and project implementation**,
- Monthly cash flow monitoring and forecasting,
- Strengthening revenue management and billing accuracy.

PART 2 – SUPPORTING DOCUMENTATION

Performance Indicators

LIM361 Thabazimbi - Supporting Table SC2 Monthly Budget Statement - performance indicators – M08 February 2026

Choose name from list - Supporting Table SC2 Monthly Budget Statement - performance indicators - M08 - February							
Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		6.5%	11.0%	12.8%	0.3%	8.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		279.4%	142.4%	133.5%	195.9%	133.5%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	39.2%	65.6%	74.0%	80.9%	74.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		5.7%	16.1%	14.7%	17.4%	14.7%
Revenue Management							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		18.9%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		27.0%	29.6%	23.9%	29.3%	23.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1.0%	3.0%	4.0%	0.4%	4.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		14.5%	10.7%	11.3%	0.2%	7.2%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						
References							
1. Consumer debtors > 12 months old are excluded from current assets.							
2. Material variances to be explained.							
Calculations							
Financial liabilities			594			527	
Total Assets			1,068,362	1,608,017	1,745,960	1,249,642	1,745,960
Employee related costs			160,315	182,640	175,337	108,684	175,337
Repairs & Maintenance			6,037	18,580	29,405	1,584	29,405
Interest (finance charges)			45,996	21,529	38,858	892	38,858
Principal paid							
Depreciation			40,288	44,420	44,420		13,658
Operating expenditure			711,828	601,405	648,823	307,255	648,823
Total Capital Expenditure			40,193	109,480	123,716	2,857	33,747
Borrowed funding for capital							
Debt			629,932	819,895	877,035	498,719	877,035
Equity			225,489	575,937	656,739	254,584	656,739
Reserves and funds							
Borrowing			594			527	
Current assets			246,637	636,883	760,590	394,170	760,590
Current liabilities			629,103	970,534	1,027,674	487,446	1,027,674
Monetary assets			35,586	156,415	150,682	84,718	150,682
Total Revenue (excluding capital transfers and contributions)			594,081	618,057	734,026	371,210	734,026
Transfers and subsidies - Operational			149,096				
Transfers and subsidies - capital (monetary allocations)			28,778	111,465	123,716	39,721	123,716
Debt service payments							21,529
Outstanding debtors (receivables)			112,073				
Annual services revenue			371,193	393,043	483,427	27,169	210,774
Cash + investments	Including LT investments		35,586	156,415	150,682	84,718	150,682
Fixed operational expend. (monthly)							
Longstanding debtors outstanding							
Longstanding debtors recovered							
Attorney collections							

Table 8: MBRR SC2 Monthly Budget Statement - performance indicators

Water and electricity losses are captured manually. Reports from Technical Services need to be captured on the system. This process will form a part of the MSCOA roadmap timelines to ensure accurate reporting.

Debtors Age Analysis

LIM361 Thabazimbi - Supporting Table SC3 Monthly Budget Statement - aged debtors – M08 February 2026

Choose name from list - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 - February													
Description		Budget Year 2025/26											
R thousands	NT Code	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	2,223	2,063	1,880	2,378	1,651	1,398	1,536	179,502	192,631	186,465	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,659	2,347	3,109	3,459	2,233	2,237	2,561	38,960	57,566	49,451	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	10,853	9,619	8,921	8,560	7,562	7,004	6,552	193,050	252,121	222,728	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,463	2,326	2,228	2,138	1,969	1,931	1,895	133,280	148,230	141,212	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,595	1,491	1,436	1,291	1,248	1,244	866	79,436	88,607	84,085	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	345	345	345	–	–
Interest on Arrear Debtor Accounts	1810	7,169	7,087	6,915	6,852	6,622	6,511	6,379	283,611	331,146	309,976	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	86	9	–	163	13	36	29	31,213	31,549	31,454	–	–
Total By Income Source	**2000**	**27,049**	**24,942**	**24,489**	**24,841**	**21,298**	**20,362**	**19,818**	**939,397**	**1,102,196**	**1,025,716**	–	–
2024/25 - totals only		–	–	–	–	–	–	–	–	–	–	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,298	1,363	1,138	1,285	1,251	1,201	1,193	41,786	50,515	46,715	–	–
Commercial	2300	11,825	11,038	11,597	11,807	8,588	8,159	8,048	207,702	278,763	244,303	–	–
Households	2400	13,925	12,541	11,754	11,749	11,459	11,002	10,577	689,910	772,917	734,697	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**27,049**	**24,942**	**24,489**	**24,841**	**21,298**	**20,362**	**19,818**	**939,397**	**1,102,196**	**1,025,716**	–	–
Notes													
Material increases in value of debtors' categories compared to previous month to be explained													
Bad debts = amounts actually written off in the month													
Total by Income Source must reconcile with Total by Customer Group													
		–	–	–	–	–	–	–	–	–			

Table 9: MBRRSC 3: Monthly Budget Statement - Debtor's age analysis

As at 28 February 2026, the municipality's total consumer debtors amount to R1.102 billion. Of this amount, R1.026 billion (approximately 93%) is outstanding for more than 90 days, indicating significant challenges in revenue collection and consumer payment behaviour.

The largest portion of municipal debt relates to property rates, electricity, and waste management services. Property Rates debt amounts to R252.1 million, of which R222.7 million is outstanding for more than 90 days. This indicates persistent collection challenges and the accumulation of historic arrears on ratepayer accounts. Electricity revenue debt amounts to R97.6 million, with a significant portion older than 90 days. Electricity remains one of the municipality's key revenue sources, and delayed payments continue to impact cash flow and the municipality's ability to meet bulk purchase obligations.

Water revenue debt amounts to R192.6 million, with R186.5 million outstanding for more than 90 days. This reflects ongoing challenges in collecting revenue from water services and may be linked to billing disputes, affordability constraints, or consumer non-payment. Waste water management debt amounts to R148.2 million, with most balances also exceeding 90 days. Waste management debt amounts to R88.6 million, with R84.1 million outstanding beyond 90 days, further contributing to the municipality's growing debtor book.

In addition, interest charged on arrear accounts amounts to R331.1 million, which represents accumulated interest on long-outstanding consumer debt.

Management Interventions and Corrective Actions

In response to the ageing debtor profile, the Municipality is implementing the following actions:

- Intensification of credit control and debt collection measures, including disconnections where legally permissible.
- Review and enforcement of payment arrangements, particularly for high-value commercial consumers.
- Engagement with Organs of State to regularise outstanding balances.
- Ongoing review of indigent registers to ensure accurate targeting of relief.
- Application of debt impairment policies in accordance with GRAP and MFMA requirements.
- Strengthening of billing accuracy and data quality to prevent future accumulation of arrears.

Creditor Aged Analysis

LIM361 Thabazimbi - Supporting Table SC4 Monthly Budget Statement - aged creditors – M08 February 2026

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 - February

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	10,219	2	–	99	23,040	–	14,130	131,587	**179,077**	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	21,384	386	–	1,517	(1,229)	479	(6,052)	466,189	**482,674**	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**31,603**	**388**	–	**1,615**	**21,811**	**479**	**8,078**	**597,776**	**661,751**	–
Notes											
Material increases in value of creditors' categories compared to previous month to be explained											

Table 10: MBRR SC4 Monthly Budget Statement – creditor aged analysis

As at 28 February 2026, the municipality’s total creditors amount to R661.8 million. A significant portion of this balance, R597.8 million (approximately 90%), is outstanding for more than one year, indicating the presence of historical liabilities and payment arrangements with major creditors.

Investment Register – M08 February 2026

THABAZIMBI LOCAL MUNICIPALITY

SUMMARY OF THE SHORT-TERM INVESTMENT REGISTER FROM 01 February 2026- 28 February 2026

FINANCIAL INSTITUTION	ACCOUNT TYPE	ACCOUNT NUMBER	BALANCE AT 01-02-2026	INVESTMENT MADE	INTEREST EARNED	SUB - TOTAL	INVESTMENT WITHDRAW	BANK CHARGES	BALANCE AT 28-02-2026
SANLAM	UNIT TRUST	1136899	57,877.05	-	-	57,877.05		-	57,877.05
SANLAM	UNIT TRUST	1185152	95,057.19	-	-	95,057.19		-	95,057.19
ABSA	CALL ACCOUNT	93-0124-4384	3,537,794.24	-	42,136.22	3,579,930.46			3,579,930.46
ABSA	FIXED DEPOSIT	20-5764-9514	98,493.62	-	-	98,493.62		-	98,493.62
TOTAL			3,789,222.10			3,831,358.32		-	3,831,358.32

The investment register above is compiled manually using the bank statements received from the respective financial institutions. As at 28 February 2026, the closing balance on the investment register amounts to R3.8 million. During the month of February, a total interest amount of R42.1 thousand was earned on investment account number 93-0124-4384.

Sanlam Unit Trust Accounts

Sanlam Unit Trust statements are normally received on a **quarterly basis**. However, for the current month, the municipality **did not receive the statement**. As a result, investment information for this period could not be updated, and the latest available figures remain those from the previous quarter. Follow-up action will be taken with Sanlam to obtain the outstanding statement to ensure accurate and complete reporting in the next cycle.

Transfer and Grant Expenditure – M08 February 2026

Choose name from list - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 - February

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		146,984	160,105	162,090	40,436	145,801	107,134	38,667	36.1%	162,090
Expanded Public Works Programme Integrated Grant		952	1,454	1,454	436	1,090	969	121	12.4%	1,454
Local Government Financial Management Grant	3	888	3,000	3,000	40,000	40,000	2,000	38,000	1900.0%	3,000
Municipal Infrastructure Grant		–	–	1,985	–	–	397	(397)	-100.0%	1,985
Equitable Share		145,144	155,651	155,651	–	104,711	103,767	944	0.9%	155,651
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		146,984	160,105	162,090	40,436	145,801	107,134	38,667	36.1%	162,090
Capital Transfers and Grants										
National Government:		15,140	111,465	123,716	7,000	36,137	76,760	(40,623)	-52.9%	123,716
Municipal Disaster Relief Grant		–	–	15,000	–	–	3,000	(3,000)	-100.0%	15,000
Municipal Infrastructure Grant		17,649	39,701	37,716	–	15,773	26,070	(10,297)	-39.5%	37,716
Integrated National Electrification Programme Grant		(4,480)	20,000	20,000	7,000	20,364	13,333	7,031	52.7%	20,000
Water Services Infrastructure Grant		1,971	51,764	51,000	–	–	34,357	(34,357)	-100.0%	51,000
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		15,140	111,465	123,716	7,000	36,137	76,760	(40,623)	-52.9%	123,716
TOTAL RECEIPTS OF TRANSFERS & GRANTS		162,124	271,570	285,806	47,436	181,938	183,894	(1,956)	-1.1%	285,806

Table 11: Supporting Table SC6 Monthly budget statements – Transfer and Grant Receipts

Transfer and Grant Expenditure - 08 February 2026

Choose name from list - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 - February

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		952	1,454	1,454	–	848	969	(121)	-12.5%	1,454
Expanded Public Works Programme Integrated Grant		952	1,454	1,454	–	848	969	(121)	-12.5%	1,454
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		952	1,454	1,454	–	848	969	(121)	-12.5%	1,454
Capital Transfers and Grants										
National Government:		23,643	111,465	125,701	–	39,721	77,157	(37,436)	-48.5%	125,701
Municipal Disaster Relief Grant		–	–	15,000	–	–	3,000	(3,000)	-100.0%	15,000
Municipal Infrastructure Grant		21,672	39,701	39,701	–	27,257	26,467	790	3.0%	39,701
Integrated National Electrification Programme Grant		–	20,000	20,000	–	12,465	13,333	(869)	-6.5%	20,000
Water Services Infrastructure Grant		1,971	51,764	51,000	–	–	34,357	(34,357)	-100.0%	51,000
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		23,643	111,465	125,701	–	39,721	77,157	(37,436)	-48.5%	125,701
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		24,595	112,919	127,155	–	40,570	78,127	(37,557)	-48.1%	127,155

Table 12: Supporting Table SC7 (1) Monthly budget statements – Transfer and Grant expenditure

Tables SC6 and SC7 will be corrected through the MSCOA roadmap as the alignment of the balance sheet budgeting is not correct.

Councilors and Employee Benefits – M08 February 2026

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 - February

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7,252	7,842	8,842	629	4,956	5,428	(471)	-9%	8,842
Pension and UIF Contributions		804	1,615	1,615	69	543	1,077	(534)	-50%	1,615
Medical Aid Contributions		–	65	65	–	–	43	(43)	-100%	65
Motor Vehicle Allowance		1,291	1,902	1,902	111	942	1,268	(326)	-26%	1,902
Cellphone Allowance		890	1,234	1,234	90	719	823	(104)	-13%	1,234
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		**10,236**	**12,658**	**13,658**	**899**	**7,160**	**8,639**	**(1,478)**	**-17%**	**13,658**
% increase	4		**23.7%**	**33.4%**						**33.4%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		9,419	5,862	14,305	1,175	7,766	5,597	2,169	39%	14,305
Pension and UIF Contributions		145	11	197	16	114	44	69	156%	197
Medical Aid Contributions		351	–	553	51	328	111	217	196%	553
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		736	–	1,203	200	802	241	561	233%	1,203
Motor Vehicle Allowance		2,263	–	2,960	237	1,716	592	1,124	190%	2,960
Cellphone Allowance		122	90	220	14	106	86	20	23%	220
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		3	1	4	0	2	1	1	44%	4
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		(10)	234	45	–	–	118	(118)	-100%	45
In kind benefits		9	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**13,037**	**6,199**	**19,487**	**1,693**	**10,834**	**6,790**	**4,043**	**60%**	**19,487**
% increase	4		**-52.5%**	**49.5%**						**49.5%**
Other Municipal Staff										
Basic Salaries and Wages		83,899	99,462	91,354	7,131	55,998	64,686	(8,689)	-13%	91,354
Pension and UIF Contributions		19,103	16,379	19,521	1,605	12,912	11,548	1,365	12%	19,521
Medical Aid Contributions		7,390	8,601	8,204	788	5,459	5,655	(196)	-3%	8,204
Overtime		9,464	13,670	8,543	676	5,032	8,088	(3,056)	-38%	8,543
Performance Bonus		8,109	7,901	7,271	728	5,204	5,141	63	1%	7,271
Motor Vehicle Allowance		13,495	20,532	13,999	1,160	9,269	12,381	(3,113)	-25%	13,999
Cellphone Allowance		175	–	213	16	126	43	83	196%	213
Housing Allowances		146	255	264	6	126	172	(46)	-26%	264
Other benefits and allowances		2,791	5,262	3,459	201	1,736	3,147	(1,411)	-45%	3,459
Payments in lieu of leave		0	4,381	2,881	289	1,867	2,620	(753)	-29%	2,881
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	2,575	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		128	–	142	27	121	28	93	328%	142
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**147,277**	**176,441**	**155,850**	**12,627**	**97,851**	**113,509**	**(15,659)**	**-14%**	**155,850**
% increase	4		**19.8%**	**5.8%**						**5.8%**
Total Parent Municipality		**170,551**	**195,298**	**188,995**	**15,220**	**115,844**	**128,938**	**(13,094)**	**-10%**	**188,995**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Board Fees	5	–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations		–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		**170,551**	**195,298**	**188,995**	**15,220**	**115,844**	**128,938**	**(13,094)**	**-10%**	**188,995**
% increase	4		**14.5%**	**10.8%**						**10.8%**
TOTAL MANAGERS AND STAFF		**160,315**	**182,640**	**175,337**	**14,320**	**108,684**	**120,300**	**(11,615)**	**-10%**	**175,337**

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved

2. If benefits in kind are provided (e.g. provision of living quarters) the full market value must be shown as the cost to the municipality

3. s57 of the Systems Act

4. B/A, C/A, D/A

5. Included in Contracted services

Column Definitions:

A. Audited actual 2022/23 (audited financial statements). If audited amounts unavailable, unaudited amounts must be provided with a note stating these are unaudited

B. The original budget approved by council for the 2023/24 budget year.

C. The budget for 2023/24 budget year as adjusted by council resolution in terms of section 28 of the MFMA.

D. An estimate of final actual amounts (pre audit - 2006/07 budget year) at the time of preparing the budget for the 2007/08 budget year. This may differ from C.

Table 13: MBRR SC8 Monthly Budget Statement – Councillors and Employee Benefits

Actual Receipts Targets for Cash Receipts – M08 February 2026

Choose name from list - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M08 - February

Description	Ref	Budget Year 2025/26												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2026/27	Budget Year 2026/26	Budget Year 2027/27
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		12,319	10,751	9,854	5,626	8,690	5,868	13,135	6,165	10,058	10,058	10,058	10,058	120,694	126,125	129,278
Service charges - Electricity revenue		9,476	11,640	10,718	4,683	10,618	6,529	11,444	9,240	11,061	11,061	11,061	11,061	131,963	137,327	140,760
Service charges - Water revenue		3,741	2,472	5,481	2,084	3,323	1,400	2,428	1,822	3,314	3,314	3,314	3,314	43,830	48,832	50,053
Service charges - Waste Water Management		–	–	0	–	–	–	–	–	1,038	1,038	1,038	1,038	12,451	13,011	13,336
Service charges - Waste Mangement		1,063	848	1,409	655	1,075	714	1,043	850	1,339	1,339	1,339	1,339	16,073	16,796	17,216
Rental of facilities and equipment		18	17	17	49	39	38	35	33	51	51	51	51	607	634	650
Interest earned - external investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		27	(421)	3	–	–	12	3	4	69	69	69	69	822	859	881
Licences and permits		–	–	–	–	–	–	–	–	416	416	416	416	4,991	5,215	5,346
Agency services		310	166	355	152	287	124	170	138	127	127	127	127	1,520	1,588	1,628
Transfers and Subsidies - Operational		55,196	2,322	2,758	1,229	54,103	1,138	1,981	41,531	3,387	3,387	3,387	3,387	110,329	167,828	175,351
Other revenue		15,489	808	4,053	(561)	15,408	(588)	7,537	1,943	2,751	2,751	2,751	2,751	33,017	34,323	17,530
Cash Receipts by Source		**97,637**	**28,602**	**34,647**	**13,917**	**93,544**	**15,235**	**37,776**	**61,726**	**33,610**	**33,610**	**33,610**	**33,610**	**476,296**	**552,539**	**552,028**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National /		–	–	–	–	–	–	–	–	22,092	22,092	22,092	22,092	175,480	123,975	130,313
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source		**97,637**	**28,602**	**34,647**	**13,917**	**93,544**	**15,235**	**37,776**	**61,726**	**55,701**	**55,701**	**55,701**	**55,701**	**651,776**	**676,514**	**682,341**
Cash Payments by Type													–			
Employee related costs		–	–	–	–	7	–	–	–	12,867	12,867	12,867	12,867	174,436	198,623	206,020
Remuneration of councillors		–	–	–	–	–	–	–	–	939	939	939	939	9,869	9,268	9,499
Interest		–	–	–	–	–	–	–	–	1,794	1,794	1,794	1,794	21,529	22,498	23,060
Bulk purchases - Electricity		21,419	1,685	4,079	4,557	4,537	15,144	–	3,719	9,817	9,817	9,817	9,817	126,203	138,152	141,606
Acquisitions - water & other inventory		1,628	2,762	1,191	3,541	696	13,901	2,370	2,804	9,595	9,595	9,595	9,595	115,145	120,327	123,335
Contracted services		5,627	12,438	7,873	7,294	10,639	16,319	3,376	3,960	11,687	11,687	11,687	11,686	94,325	64,299	65,906
Transfers and subsidies - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		29,012	12,741	2,129	5,301	4,044	7,581	2,853	2,811	2,907	2,907	2,907	2,907	37,832	41,698	40,531
Cash Payments by Type		**57,685**	**29,627**	**15,271**	**20,692**	**19,924**	**52,945**	**8,599**	**13,293**	**49,606**	**49,606**	**49,606**	**49,606**	**579,338**	**594,865**	**609,957**
Other Cash Flows/Payments by Type																
Capital assets		4,360	13,087	1,718	–	5,257	9,739	0	3,286	10,371	10,371	10,371	10,371	115,716	121,829	128,074
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments		549	–	–	3,045	–	–	–	1,260	–	–	–	–	–	–	–
Total Cash Payments by Type		**62,595**	**42,714**	**16,989**	**23,737**	**25,181**	**62,684**	**8,599**	**17,839**	**59,977**	**59,977**	**59,977**	**59,977**	**695,054**	**716,694**	**738,031**
NET INCREASE/(DECREASE) IN CASH HELD		**35,042**	**(14,112)**	**17,658**	**(9,820)**	**68,363**	**(47,449)**	**29,177**	**43,887**	**(4,275)**	**(4,275)**	**(4,275)**	**(4,275)**	**(43,278)**	**(40,180)**	**(55,690)**
Cash/cash equivalents at the month/year beginning:		35,586	70,628	56,516	74,174	64,354	132,716	85,268	114,444	158,332	154,056	149,781	145,505	35,586	(7,692)	(47,872)
Cash/cash equivalents at the month/year end:		70,628	56,516	74,174	64,354	132,716	85,268	114,444	158,332	154,056	149,781	145,505	141,230	(7,692)	(47,872)	(103,562)
References																
1. Replace 'budget' heading with adjusted budget, or 'outcome' only for month/s complete																
2. Total of monthly amounts must always agree to the approved or adjusted budget																
3. Amend 'cash-at-beginning' when prior year actual known (as part of the adjustments budget)																
				15,271	20,692	19,924	52,945	8,599	13,293	49,606	49,606		49,606	579,338	594,865	
				17,658	(9,820)	68,363	(47,449)	29,177	43,887	(4,275)	(4,275)	(4,275)	(4,275)	(43,278)	(40,180)	

Table 14: Supporting Table SC9 Monthly budget statements – Actual and receipts targets for cash receipts

Annexure 2 - Municipal Debt Relief – M08 February 2026

Municipal Debt Relief Performance across the period of debt relief participation

The table below shows the municipality's overall relief compliance across the months of its debt relief participation since the National Treasury debt relief approval.

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Mpumalanga Provincial Treasury

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Feb'26
National Financial Year	2025/26
Demarcation Code of Municipality being assessed	LIM361
District	Waterberg
Demarcation Description	Thabazimbi

I, Ms Gugu Mashiteng , hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in **MFMA Circular No. 124** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition	6,3 + 6,12	**Maintaining the Eskom and bulk water current account –** (current account for the purpose of this exercise means the account for a single month's consumption):	
1	6.12.2	- Has the municipality paid its ***bulk water current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- refer condition 6.12 .2*	Yes
2	6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes
3	6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	Yes
4	6.3.1	- Has the municipality paid its ***Eskom bulk current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.*	Yes
5	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes
6	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	Yes
	6.4	**Compliance with a funded MTREF –** ***(choose from drop down list the MTREF assessed)***	Select
7	6.4.1	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	No
8	6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes
9	6.4.1	- Has the municipality made adequate provision for debt impairment *(considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget)* on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes

10	6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment *(considering its asset register and physical state of assets)* on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	Yes
		***Note** - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".*	
11	6.4.2	- ***If the municipality's MTREF is not funded***, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	Yes
		***Note** - if the municipality has an FRP, a separate budget funding plan is not necesary. However, the PT / NT must assesses whether the existing FRP incorporates / will give effect to a funded MTREF. If not, the FRP requires strenghtening.*	
12	6.4.2	- ***If the municipality's MTREF is not funded and it has an FRP per the legislative framework***, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? ***Note** - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.*	Yes
13	6.4.2	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends *(For example higher winter Eskom tariffs, lower January collection rates, etc.?)*	Yes
14	6.5	**Cost reflective tariffs** – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes
	6.6	**Electricity and water as collection tools** – has the municipality, with effect from the tabling of the 2023/24 MTREF, ***demonstrated, through its by-laws and budget related policies*** that:	
15	6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	Yes
16	6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes
17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? ***Note** – the municipality's monthly MFMA s.71 statement must include as part of the narratives the Indigent Information in the required NT format.*	No
	6.6	***Supporting evidence**: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.*	
	6.7	**Maintain a minimum average quarterly collection of property rates and services charges** –	
19	6.7.1	- Has the municipality achieved a minimum of *80 per cent average quarterly collection* of property rates and service charges **with effect from 01 April 2023** and *85 per cent average quarterly collection* **with effect from 01 April 2024** during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded via the GoMuni Upload Portal?	No
		***Note** - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.*	
	6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, **has the municipality demonstrated to the satisfaction of National Treasury the following**:	
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	not yet the end of a quarter
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	No
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	Yes
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes
25	6.7.5	- Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes
	6.8	**Municipality's Completeness of the revenue base** –	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?	No
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? ***Note** - monthly progress against the action plan to address variances to be included as part of the municipality's debt relief compliance reporting in the MFMA s.71 statement*	Yes
28	6.8.2	- **For the latest ending Quarter** -Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za?	Yes
	6.9	**Monitor and report on implementation** –	

29	6.9.1	**- MFMA section 71 reporting –** has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	Yes
30	6.9.2	- If progress is slow in terms of paragraph 6.9.1, is the **active intervention evident** from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string? ***Note*** *- condition 6.9.2 has a typing error and must refer to 6.9.1.*	Yes
31	6.9.3	- **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	No
32	6.9.4	- If the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	Yes
		Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.	
	6.10	*Provincial Treasury Note - Provincial Treasury certification of municipal compliance – in terms of section 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless:*	
33	6.10.1	- has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?	Yes
34	6.10.2	- has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za? ***Note*** *- in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.*	Yes
35	6.10.3	- has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the **conditions for provincial treasuries** (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?	Yes
		Note *- if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.*	
36	**6.11**	**Limitation on municipality borrowing powers -** has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	No
		Note *- there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. NT confirms that MFMA Circular No. 124: condition 6.11 (Limitation on municipality borrowing powers) will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 46. Short term borrowing, including making use of an overdraft for in-year bridging purposes are not considered within the ambit of this condition.*	
	6.12	**For the duration of the Municipal Debt Relief (to ensure proper management of resources):**	
37	6.12.1	- has the municipality **apportioned and ring-fenced in a sub-account** to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) **the component of the** Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Yes
38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Yes
		Note: *Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.8(3).*	
39		***Supporting evidence*** : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	Yes
40	**6.13**	**Accounting Treatment -** has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date? ***Note*** *- to include accounting for any related benefit (e.g. interest suppression, etc.) and alignment with mSCOA.*	Yes
41	**6.14**	'NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: *By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the conditions of government's wider support to Eskom, Eskom will once again have to enforce its credit control and debt collection policies also in relation to the municipality's arrears that are the subject of municipal debt relief, etc.*	

National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Province		
LP		
Code	District	Code Description
LIM361	Waterberg	Thabazimbi

Monthly Performance Report

Municipal Details			Part A: Eskom And Bulk water current account						Part B: Compliance with a funded MTREF					Part C: FRP/BFP & Tariff Assessment			Part D: Electricity and water as collection tools			
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14	C15	C16	C17	C18
25.July25	Thabazimbi	LIM361	No	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
26.August25	Thabazimbi	LIM361	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
27.September25	Thabazimbi	LIM361	No	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
28.October25	Thabazimbi	LIM361	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
29.November25	Thabazimbi	LIM361	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
30.December25	Thabazimbi	LIM361	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
31.January26	Thabazimbi	LIM361	No	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
32.February26	Thabazimbi	LIM361	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
33.March26	Thabazimbi	LIM361																		
34.April26	Thabazimbi	LIM361																		
35.May26	Thabazimbi	LIM361																		
36.June26	Thabazimbi	LIM361																		
37.July26	Thabazimbi	LIM361																		
38.August26	Thabazimbi	LIM361																		
39.September26	Thabazimbi	LIM361																		
40.October26	Thabazimbi	LIM361																		
41.November26	Thabazimbi	LIM361																		

	Part C: Quarterly collection of property rates and services charges							Maximization of Revenue Base		
Month	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28
25.July25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
26.August25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
27.September25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
28.October25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
29.November25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
30.December25	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
31.January26	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
32.February26	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
33.March26										
34.April26										
35.May26										
36.June26										
37.July26										
38.August26										
39.September26										
40.October26										
41.November26										

	Part E: Oversight													Scoring and Rating	
Month	C29	C30	C31	C32	C33	C34	C35	C36	C37	C38	C39	C40	C41	Score	Rating
25.July25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	76%	Moderate compliance
26.August25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate
27.September25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	76%	Moderate compliance
28.October25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate
29.November25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate
30.December25	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate
31.January26	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	76%	Moderate compliance
32.February26	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	83%	Above Moderate
33.March26														0%	Not completed
34.April26														0%	Not completed
35.May26														0%	Not completed
36.June26														0%	Not completed
37.July26														0%	Not completed
38.August26														0%	Not completed
39.September26														0%	Not completed
40.October26														0%	Not completed
41.November26														0%	Not completed

Annexure 02 - Monthly

Department of Water and Sanition and National Treasury
Water Debt Relief
Water Debt Relief Guideline
Municipal Finance Management Act No. 56 of 2003

National Treasury

Certificate of Compliance: Water Debt Relief Conditions

Period	**Feb-26**
National Financial Year	**2025/26**
Demarcation Code of Municipality being assessed	**LIM361**
District	**Waterberg**
Demarcation Description	**Thabazimbi**

I, name and surname of HOD ______, hereby certify that the provincial treasury monitored the municipality's compliance against the conditions of Municipal Debt Relief as set-out in the **Water Debt Relief Guideline** and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Water Debt Relief Conditions (Monthly reporting)

Choose from drop down list

Condition			
	7.1	**Maintaining the bulk water current account –** (current account for the purpose of this exercise means the account for a single month's consumption that was due and payable during the month being assessed):	
1	7.1.	- Has the municipality paid its ***bulk water current account*** within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? ***Note*** *- refer condition 7.1.*	Yes, fully paid
2	7.1.1	- Has the municipality submitted the supporting evidence of the bulk water current account payment(s) to the relevant Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)within 1 day of making any such payment (in PDF format)?	Yes
3	7.1.2	- Has the municipality submitted the **consolidated** proof of payments to the respective bulk suppliers to the National Treasury GoMuni Upload portal https://lguploadportal.treasury.gov.za by the 10th working day of the month following the invoice date (in PDF format)?	Yes
4	7.1.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board (WB) and/ or Water Trading Entity (WTE) and / or Water User Association (WUA)?	Yes
	7.2	**Accounting Treatment and mSCOA Reporting**	
5	7.2.1	**Accounting Treatment** - has the municipality fully accounted for and correctly reported on the write-off of its Water arrear debt (debt existing as on 30 September 2024) as per any written instruction of the National Treasury: Office of the Accountant General and NT: CD: Local Government Budget Analysis issued for Water Debt Relief to date?	Yes
6	7.2.1	Did the municipality account for any related benefit (e.g. interest suppression, etc.) and does such align with mSCOA?	Yes
	7.3	**Monitor and report on implementation –**	
7	7.3.1	**MFMA section 71 reporting** – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the Water Debt Relief Conditions as part of the implementation of the municipality's funded budget (and Budget Funding Plan where relevant)?	Yes
8	7.3.1.1	Does the municipality's MFMA section 71 statement for the month being assessed include the municipality's water debt relief compliance self-assessment (signed by the Municipal Manager) - in the format of the Water Debt Relief compliance certificate (Annexure 02 of the Water Debt Relief Guideline)?	Yes
	7.3.1	**Does the municipality's MFMA section 71 statement for the month being assessed -**	
9	7.3.1.2	**Part A:** include the municipality's progress against its approved funded budget?	No
10	7.3.1.2	**Part B:** If the municipality's budget was assessed as unfunded by any of the Treasuries, the municipality include the progress against approved Budget Funding Plan?	Yes
11	7.3.1.2	- Does the municipality's progress report envisaged in **Part A and B** above clearly demonstrate that the municipality is achieving the required Water Debt Relief compliance?	Yes
12	7.3.1.3	- Include the municipality's water losses (both in Rand value and kilolitres) for the month being assessed? (MFMA Circular 71)	Yes
13	7.3.1.3	- Include the municipality's energy losses (both in Rand value and kilowatt hours) for the month being assessed? (MFMA Circular 71)	Yes
14	7.3.1.3	- **If the municipality is unable to calculate and report** on its water and/or energy losses, did the municipality make any progress in terms of its loss calculation/ reporting strategy towards *calculating and reporting on such losses?*	N/A (able to calculate/ report on losses)
15	7.3.1.3	- Include the *progress made to reduce* the municipality's reported water and/ or energy losses against its water-and energy losses reduction strategy?	Yes
		Municipalities with financial recovery plans (FRP)	
16	7.3.1.2	- **Municipalities with financial recovery plans (FRP)** – if the municipality has a FRP as envisaged in the prevailing local government legislative framework: Did the municipality's FRP progress report during the month being assessed, explicitly include the municipality's progress against those components of the FRP aimed to achieve water debt relief compliance as part of achieving a funded budget?	Yes
17	7.3.1.2	- **Municipalities with financial recovery plans (FRP)** – Was the municipality's FRP progress report during the month being assessed, submitted to the relevant Provincial Executive?	Yes
18	7.3.2	- If progress is slow in terms of paragraph 7.3.1, is the municipal council and senior management team's active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?	Yes

MFMA Circular 124 – Condition 6.8 - M08 February 2026

All Properties in The GV are not on the Billing Report

- All Properties in the GV does not have Unique Property Identifiers linked to the Billing

All Properties on the Billing report are not traced back to the Approved GV

Property Rates Reconciliation						
Province	LP					
District	Waterberg District					
Type	LM					
Municipal Name	Thabazimbi					
GV Period	01/07/2019 - 30/06/2024					
Financial Year						
Reconciliation Period	Quarter 2					
Reconciliation Overview						
High Level Reconciliation						
Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	8338	9719	- 1381	7,710,480,385.00	8,303,836,371.00	- 593,355,986.00
Industrial	49	36	13	173,980,000.00	97,177,269.00	76,802,731.00
Business and Commercial	343	360	- 17	972,110,000.00	1,311,304,359.00	- 339,194,359.00
Agricultural	497	461	36	1,968,160,000.00	1,964,922,350.00	3,237,650.00
Mining	12	17	- 5	13,040,000.00	449,854,151.00	- 436,814,151.00
State Owned for Public Purpose	43	34	9	34,510,000.00	55,780,300.00	- 21,270,300.00
PSI	137	98	39	401,791,000.00	274,905,093.00	126,885,907.00
PBO	20	37	- 17	27,190,000.00	66,539,790.00	- 39,349,790.00
Multi Use	7	4	3	458,040,000.00	14,980,000.00	443,060,000.00
Vacant	7729	5348	2381	9,636,596,025.68	9,956,915,562.00	- 320,319,536.32
POW	0	0	0	-	-	-
Municipal	0	0	0	-	-	-
Other	0	0	0	-	-	-
	17175	16114	1061	21,395,897,410.68	22,496,215,245.00	- 1,100,317,834.32
Detailed Reconciliation						
Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	5,279,925	6,414,617	- 1,134,693	15,839,774.78	19,243,852.41	- 3,404,077.63
Industrial	252,271	123,354	128,917	756,813.00	370,063.47	386,749.53
Business and Commercial	#REF!	692,205	#REF!	#REF!	2,076,614.43	#REF!
Agricultural	360,829	776,113	- 415,284	1,082,488.00	2,328,338.58	- 1,245,850.58
Mining	52,269	290,672	- 238,403	156,806.00	872,015.55	- 715,209.55
State Owned for Public Purpose	-	20,450	- 20,450	-	61,350.27	- 61,350.27
PSI	-	99,055	- 99,055	-	297,165.30	- 297,165.30
PBO	5,211	28,533	- 23,322	15,634.25	85,599.78	- 69,965.53
Multi Use	#VALUE!	2,334	#VALUE!	#VALUE!	7,003.17	#VALUE!
Vacant	15,579,164	4,832,693	10,746,470	46,737,490.72	14,498,079.84	32,239,410.88
POW	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	#REF!	R13,280,027.60	#REF!	#REF!	39,840,082.80	#REF!

Thabazimbi Local Municipality OCPO- M08 February 2026

Reporting period:	**30/09/2025**				
Captured by:	**BK Monyeki**	**Contact number:**	**073 919 4602**	**Email address:**	monyekibk@thabazimbi.gov.za
Reviewed by:	**VM.Makobe**	**Contact number:**	**072 826 5897**	**Email address:**	makobevm@thabazimbi.gov.za

					Bank		**Item**		**MSCOA Posting Level**		**Financial**		**Payment**	
Supplier Name	CSD Number	CIPC Legal Name	Registration Number	Internal Number	Bank Name	Account Number	Description	Code	Description	Code	Year	Period	Date	Amount
Gijima Holding	MAAA0037117	Gijima Holding	1998/021835/07	N/A	Std Bank	12366501	Vacant post's assessment	N/A	N/A	N/A	2024/25	N/A	N/A	R 108,000.00
SA Water Product	MAAA1588192	SA Water Product Polokwane	2025/190719/07	N/A	Std Bank	371646049		N/A	N/A	N/A	2024/25	N/A	N/A	R 60,992.09
Div of Nteka	MAAA1330118	Div of Nteka	2021/648219/07	N/A	Std Bank	10172622709	Hiring of TLB for 9hrs per day (Ewet Rate)	N/A	N/A	N/A	2024/25	N/A	N/A	R 63,297.00
Sedilathaba	MAAA1208036	Sedilathaba	2018/553985/07	N/A	Fnb Bank	63093210127	Asphalt bags 25kg	N/A	N/A	N/A	2024/25	N/A	N/A	R 274,720.00
Sunday World	MAAA0819393	Fundudzi Media	2019/030060/07	N/A	Nedbanl Li	1190997916	Vacant posts advertisement costs (Manager Satellite Offices ar	N/A	N/A	N/A	2024/25	N/A	N/A	R 27,945.00
Anew Hotel Centu	MAAA1077943	Anew Hotel Centurion Leaseholidi	2019/273852/07	N/A	Fnb Bank	62881589059	Accommodation for Finance Interns to MFP Programme at Irer	N/A	N/A	N/A	2024/25	N/A	N/A	R 42,500.00
Tsholomole Projec	MAAA0762990	Tsholomole Projects	2017/341480/07	N/A	Absa	4095373193	Accommodation for Mr M Malepe to attend Golden Games fo	N/A	N/A	N/A	2024/25	N/A	N/A	R 87,638.63
Meropa Leisure &	MAAA0150015	Meropa Leisure and Entertainmen	1997/007830/07	N/A	Std Bank	30115531	Accommodation for Nomfundo Mthethwa and Ofentse Ntlhok	N/A	N/A	N/A	2024/25	N/A	N/A	R 6,120.00
Thavhani Boutique	MAAA0866874	Thavhani Boutique Hotel	2019/123380/07	N/A	FNB	62820739649	Transport from Skierlik fourway stop , Regorogile to Mahweler	N/A	N/A	N/A	2024/25	N/A	N/A	R 27,350.00
F Peu S Transport	MAAA0626260	F Peu Transport Services	2018/290618/07	N/A	Std Bank	41941969	Accommodation to Pretoria for Expenditure officials to attend	N/A	N/A	N/A	2024/25	N/A	N/A	R 6,800.00
Meropa Leisure &	MAAA0082366	Meropa Leisure and Entertainmen	1997/007830/07	N/A	Std Bank	30115531		N/A	N/A	N/A	2024/25	N/A	N/A	R 3,360.00
SA Water Product	MAAA1588192	SA Water Product Polokwane	2025/190719/07	N/A	Std Bank	371646049		N/A	N/A	N/A	2024/25	N/A	N/A	R 120,589.00
SA Water Product	MAAA1588192	SA Water Product Polokwane	2025/190719/07	N/A	Std Bank	371646049		N/A	N/A	N/A	2024/25	N/A	N/A	R 83,858.00
TD Leballo Mining	MAAA0884493	TD Leballo Mining Construction	2017/179961/07	N/A	Std Bank	41941675	Food Catering costs for 2025 Thabazimbi Active Ageing Progra	N/A	N/A	N/A	2024/25	N/A	N/A	R 16,380.00
Amelia Cecil Projec	MAAA163290	Amelia Cecil Projects	2025/006126/07	N/A			Accommodation for Mr S Mogweng at Mokopane attending la	N/A	N/A	N/A	2024/25	N/A	N/A	R 1,737.24
Park Hotel Mokop	MAAA0486217	Park Hotel Potgietersrus	2001/022801/07	N/A	Std Bank	331519208	Accommodation for Mr M Malepe R	N/A	N/A	N/A	2024/25	N/A	N/A	R 3,400.00
Park Hotel Mokop	MAAA0486217	Park Hotel Potgietersrus	2001/022801/07	N/A	Std Bank	331519208	Accommodation for Mr M Malepe R	N/A	N/A	N/A	2024/25	N/A	N/A	R 1,605.00

END