THABAZIMBI

LOCAL

MUNICIPALITY

LIM361

SECTION 71
July 2025 REPORT

31 July 2025

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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 31 July 2025 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 31 July 2025.

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Name: Mr GC Letsoalo CA (SA)

Municipal manager of Thabazimbi Local Municipality – LIM361

Date: 12/08/2025

Contents

PART 1: THE MONTHLY REPORT

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 31 July 2025

Legislative Background

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

Monthly budget statements:

71. (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.

Executive Summary

Table 1: MBRR C1 Monthly Budget Statement Summary

LIM361 Thabazimbi - Table C1 Monthly Budget Statement Summary - M01 - July

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	–	10.310	10.310	11.177	(867)	-8%	134,125
Service charges	177.249	258.918	–	16.197	16.197	21.576	(5.380)	-25%	258,918
Investment revenue	314	–	–	392	392	–	392	#DIV/0!	–
Transfers and subsidies - Operational	127.791	160.105	–	52.827	52.827	13.342	39.485	296%	160,105
Other own revenue	74.008	64.909	–	5.797	5.797	5.409	388	7%	64,909
Total Revenue (excluding capital transfers and contributions)	**531.789**	**618.057**	–	**85.522**	**85.522**	**51.505**	**34.017**	**66%**	**618,057**
Employee costs	158.720	182.640	–	13.827	13.827	15.220	(1.393)	-9%	182,640
Remuneration of Councillors	10.126	12.658	–	900	900	1.055	(155)	-15%	12,658
Depreciation and amortisation	–	44.420	–	–	–	3.702	(3.702)	-100%	44,420
Interest	13.518	21.529	–	116	116	1.794	(1.678)	-94%	21,529
Inventory consumed and bulk purchases	160.619	193.136	–	13.594	13.594	16.095	(2.501)	-16%	193,136
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	111.838	147.021	–	8.993	8.993	12.252	(3.259)	-27%	147,021
Total Expenditure	**454.822**	**601.405**	–	**37.430**	**37.430**	**50.117**	**(12.687)**	**-25%**	**601,405**
Surplus/(Deficit)	**76.967**	**16.652**	–	**48.092**	**48.092**	**1.388**	**46.704**	**3366%**	**16,652**
Transfers and subsidies - capital (monetary allocations)	4.687	111.465	–	–	–	9.289	(9.289)	-100%	111,465
Transfers and subsidies - capital (in-kind)	–	47.000	–	–	–	3.917	(3.917)	-100%	47,000
Surplus/(Deficit) after capital transfers &	**81.654**	**175.117**	–	**48.092**	**48.092**	**14.593**	**33.499**	**230%**	**175,117**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**81.654**	**175.117**	–	**48.092**	**48.092**	**14.593**	**33.499**	**230%**	**175,117**
Capital expenditure & funds sources									
Capital expenditure	**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109,480**
Capital transfers recognised	12.735	109.480	–	3.787	3.787	9.123	(5.337)	-58%	109,480
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	–	–	–	–	–	–		–
Total sources of capital funds	**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109,480**
Financial position									
Total current assets	620.450	636.883	–		661.910				636,883
Total non current assets	822.158	971.134	–		825.945				971,134
Total current liabilities	758.097	970.534	–		753.746				970,534
Total non current liabilities	313.170	61.547	–		313.113				61,547
Community wealth/Equity	371.377	575.937	–		420.996				575,937
Cash flows									
Net cash from (used) operating	147.720	71.935	–	39.402	39.402	5.995	(33.408)	-557%	71,935
Net cash from (used) investing	14.664	(109.480)	–	(4.360)	(4.360)	(9.123)	(4.763)	52%	(109,480)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**180.703**	**156.415**	–	–	**76.879**	**190.831**	**113.952**	**60%**	**4,293**
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	31.984	32.273	26.687	31.152	23.383	19.287	20.468	836.110	1,021,345
Creditors Age Analysis									
Total Creditors	21.535	10.797	10.722	13.680	11.798	586	23.407	541.518	634,043

Table 1: Monthly Budget Statement Summary – M01 July 2025

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.

As at 31 July 2025 the municipality's total operating revenue YTD (excluding capital transfers and contributions) amounted to R85.5 million against the budgeted YTD amount of R34 million.

The total operating expenditure YTD amounted to R37.4 million against the YTD budget of R50 million.

The municipality has a monthly operating surplus of R48 million.

Monthly Budget Statement Tables

The table below shows Monthly financial performance, by revenue source and expenditure item, for the period ended 31 July 2025.

LIM361 Thabazimbi – Table C2 Monthly Budget Statement – Financial Performance (functional classification) – M01 – July 2025

LIM361 Thabazimbi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 - July

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue - Functional										
Governance and administration		355.786	401.969	–	69.273	69.273	33.497	35.776	107%	401.969
Executive and council		126.839	159.871	–	52.827	52.827	13.323	39.504	297%	159.871
Finance and administration		228.947	242.098	–	16.446	16.446	20.175	(3.728)	-18%	242.098
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		429	5.906	–	41	41	492	(452)	-92%	5.906
Community and social services		429	361	–	41	41	30	11	35%	361
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	5.545	–	–	–	462	(462)	-100%	5.545
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		3.126	41.276	–	16	16	3.440	(3.424)	-100%	41.276
Planning and development		526	1.575	–	16	16	131	(115)	-88%	1.575
Road transport		2.601	39.701	–	–	–	3.308	(3.308)	-100%	39.701
Environmental protection		–	–	–	–	–	–	–		–
Trading services		177.133	327.371	–	16.192	16.192	27.281	(11.089)	-41%	327.371
Energy sources		83.322	165.635	–	8.273	8.273	13.803	(5.530)	-40%	165.635
Water management		46.643	59.888	–	3.840	3.840	4.991	(1.151)	-23%	59.888
Waste water management		31.220	33.278	–	2.699	2.699	2.773	(74)	-3%	33.278
Waste management		15.948	68.570	–	1.381	1.381	5.714	(4.334)	-76%	68.570
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	536.475	776.522	–	85.522	85.522	64.710	20.812	32%	776.522
Expenditure - Functional										
Governance and administration		172.798	235.794	–	16.091	16.091	19.650	(3.559)	-18%	235.794
Executive and council		30.148	26.508	–	3.558	3.558	2.209	1.349	61%	26.508
Finance and administration		139.665	204.881	–	12.254	12.254	17.073	(4.820)	-28%	204.881
Internal audit		2.986	4.405	–	279	279	367	(88)	-24%	4.405
Community and public safety		38.775	20.181	–	824	824	1.682	(858)	-51%	20.181
Community and social services		32.231	14.011	–	237	237	1.168	(931)	-80%	14.011
Sport and recreation		6.544	5.164	–	587	587	430	156	36%	5.164
Public safety		–	1.006	–	–	–	84	(84)	-100%	1.006
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		27.928	49.844	–	2.773	2.773	4.154	(1.381)	-33%	49.844
Planning and development		8.272	16.519	–	737	737	1.377	(640)	-46%	16.519
Road transport		19.656	33.326	–	2.036	2.036	2.777	(741)	-27%	33.326
Environmental protection		–	–	–	–	–	–	–		–
Trading services		215.265	295.425	–	17.743	17.743	24.619	(6.876)	-28%	295.425
Energy sources		107.177	170.010	–	13.950	13.950	14.168	(217)	-2%	170.010
Water management		68.904	87.040	–	1.324	1.324	7.253	(5.929)	-82%	87.040
Waste water management		30.406	26.751	–	1.674	1.674	2.229	(555)	-25%	26.751
Waste management		8.777	11.624	–	794	794	969	(174)	-18%	11.624
Other		56	160	–	–	–	13	(13)	-100%	160
Total Expenditure - Functional	3	454.822	601.405	–	37.430	37.430	50.117	(12.687)	-25%	601.405
Surplus/ (Deficit) for the year		81.654	175.117	–	48.092	48.092	14.593	33.499	230%	175.117

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

Table 2: MBRR C2 reflects the revenue and expenditure as per the functional classification

LIM361 Thabazimbi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M01 July 2025

LIM361 Thabazimbi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 - July

Vote Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Revenue by Vote	1									
Vote 1 - Executive & Council		126.839	158.651	–	52.827	52.827	13.221	39.606	299.6%	158.651
Vote 2 - Municipal Manager		–	1.220	–	–	–	102	(102)	-100.0%	1.220
Vote 3 - Budget and Treasury		226.034	240.293	–	16.363	16.363	20.024	(3.662)	-18.3%	240.293
Vote 4 - Corporate Services		2.110	854	–	44	44	71	(27)	-38.5%	854
Vote 5 - Planning and Development		526	1.575	–	16	16	131	(115)	-88.0%	1.575
Vote 6 - Community Services		17.180	75.427	–	1.461	1.461	6.286	(4.825)	-76.8%	75.427
Vote 7 - Technical Services		163.786	298.502	–	14.812	14.812	24.875	(10.064)	-40.5%	298.502
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**536.475**	**776.522**	–	**85.522**	**85.522**	**64.710**	**20.812**	**32.2%**	**776.522**
Expenditure by Vote	1									
Vote 1 - Executive & Council		15.595	14.079	–	1.339	1.339	1.173	166	14.1%	14.079
Vote 2 - Municipal Manager		16.170	13.647	–	2.344	2.344	1.137	1.207	106.2%	13.647
Vote 3 - Budget and Treasury		51.064	134.543	–	7.268	7.268	11.212	(3.944)	-35.2%	134.543
Vote 4 - Corporate Services		74.547	65.613	–	3.958	3.958	5.468	(1.510)	-27.6%	65.613
Vote 5 - Planning and Development		6.836	13.428	–	612	612	1.119	(507)	-45.3%	13.428
Vote 6 - Community Services		64.509	44.968	–	2.977	2.977	3.747	(770)	-20.6%	44.968
Vote 7 - Technical Services		226.102	315.127	–	18.932	18.932	26.261	(7.328)	-27.9%	315.127
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**454.822**	**601.405**	–	**37.430**	**37.430**	**50.117**	**(12.687)**	**-25.3%**	**601.405**
Surplus/ (Deficit) for the year	2	**81.654**	**175.117**	–	**48.092**	**48.092**	**14.593**	**33.499**	**229.6%**	**175.117**

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) – M01 July 2025

LIM361 Thabazimbi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 - July

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		83.322	145.635	–	8.273	8.273	12.136	(3.864)	-32%	145.635
Service charges - Water		46.758	59.889	–	3.844	3.844	4.991	(1.146)	-23%	59.889
Service charges - Waste Water Management		31.220	33.278	–	2.699	2.699	2.773	(74)	-3%	33.278
Service charges - Waste management		15.948	20.116	–	1.381	1.381	1.676	(296)	-18%	20.116
Sale of Goods and Rendering of Services		703	1.861	–	57	57	155	(98)	-63%	1.861
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		70.108	54.370	–	5.655	5.655	4.531	1.124	25%	54.370
Interest from Current and Non Current Assets		314	–	–	392	392	–	392	#DIV/0!	–
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		527	675	–	44	44	56	(12)	-21%	675
Licence and permits		–	–	–	–	–	–	–		–
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		1.772	1.507	–	1	1	126	(125)	-99%	1.507
Non-Exchange Revenue								–		
Property rates		152.426	134.125	–	10.310	10.310	11.177	(867)	-8%	134.125
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		780	914	–	27	27	76	(50)	-65%	914
Licence and permits		23	5.583	–	13	13	465	(452)	-97%	5.583
Transfers and subsidies - Operational		127.791	160.105	–	52.827	52.827	13.342	39.485	296%	160.105
Interest		–	–	–	–	–	–	–		–
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		96	–	–	–	–	–	–		–
Other Gains		–	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**531.789**	**618.057**	**–**	**85.522**	**85.522**	**51.505**	**34.017**	**66%**	**618.057**
Expenditure By Type										
Employee related costs		158.720	182.640	–	13.827	13.827	15.220	(1.393)	-9%	182.640
Remuneration of councillors		10.126	12.658	–	900	900	1.055	(155)	-15%	12.658
Bulk purchases - electricity		95.820	132.203	–	13.050	13.050	11.017	2.033	18%	132.203
Inventory consumed		64.799	60.933	–	544	544	5.078	(4.534)	-89%	60.933
Debt impairment		–	31.271	–	–	–	2.606	(2.606)	-100%	31.271
Depreciation and amortisation		–	44.420	–	–	–	3.702	(3.702)	-100%	44.420
Interest		13.518	21.529	–	116	116	1.794	(1.678)	-94%	21.529
Contracted services		84.765	68.330	–	7.988	7.988	5.694	2.294	40%	68.330
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		–	5.000	–	–	–	417	(417)	-100%	5.000
Operational costs		27.073	42.420	–	1.005	1.005	3.535	(2.530)	-72%	42.420
Losses on Disposal of Assets		–	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**454.822**	**601.405**	**–**	**37.430**	**37.430**	**50.117**	**(12.687)**	**-25%**	**601.405**
Surplus/(Deficit)		**76.967**	**16.652**	**–**	**48.092**	**48.092**	**1.388**	**46.704**	**3366%**	**16.652**
Transfers and subsidies - capital (monetary allocations)		4.687	111.465	–	–	–	9.289	(9.289)	-100%	111.465
Transfers and subsidies - capital (in-kind)		–	47.000	–	–	–	3.917	(3.917)	-100%	47.000
Surplus/(Deficit) after capital transfers & contributions		**81.654**	**175.117**	**–**	**48.092**	**48.092**	**14.593**			**175.117**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**81.654**	**175.117**	**–**	**48.092**	**48.092**	**14.593**			**175.117**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**81.654**	**175.117**	**–**	**48.092**	**48.092**	**14.593**			**175.117**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**81.654**	**175.117**	**–**	**48.092**	**48.092**	**14.593**			**175.117**

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

Revenue

Exchange Revenue

1.1.1. **Electricity services** revenue YTD actual amounted to R8.2 million compared to the YTD budgeted figure of R12.1 million. The reasons for this significant decrease is mainly due to electricity losses as well as pre-paid electricity not being fully paid to the municipality.

1.1.2. **Water services** revenue YTD actual amounted to R3.8 million against the YTD budget of R4.9 million. The reasons for the material variances is due to the water losses experienced by the municipality.

1.1.3. **Waste water management (sanitation)** revenue YTD actuals amounted to R2.6 million compared to the YTD budget amounted to R2.7 million which resulted in a variance of negative 3 percent. This an accepted norm.

1.1.4. **Waste management (refuse)** revenue YTD actuals amounted to R1.3 million against the YTD budget figure of R1.6 million which resulted in a variance of negative 18 percent.

1.1.5. **Rental from Fixed Assets** revenue YTD actuals amounted to R44 thousand compared to the YTD budgeted figure of R56 thousand.

1.1.6. **Interest earned – outstanding debtor's** revenue – As at 31 July the YTD actuals amounted to R5.6 million compared to the TYD budget figure of R4.5 million. This looks positive on face value however; it represents an increase in the debtor's book which means that the municipality's collection is not improving.

<u>Non-Exchange Revenue</u>

1.1.7. **License and permits** YTD actuals amounts to R13 thousand as compared to the YTD budget of R465 million. Target is not achieved mainly due to the temporary closure of operation of the license department.

1.1.8. **Property Rates** revenue YTD actual amounted to R10.3 million compared to the YTD budget of R11.1 million. The material variance amounted to positive 6 percent. The municipality is currently resolving the discrepancies between the GVR and the information on the financial system. There are properties that are on the valuation roll but not on the financial system, resulting in a loss of revenue for the municipality. The service provider together with the municipality are currently resolving the lodged disputes/objections from property owners regarding the new GVR. This is a working process and the results will be reflected on the GVR recon that is performed on a monthly basis.

1.1.9. **Transfers and Subsidies (Operational)** has actual YTD of 52,8 million against the YTD budget of R13,3 million.

Expenditure

1.1.10. **Employee related costs** YTD actual expenditure amounted to R13.8 million compared to the budgeted of R15.2 million. The reason for the difference is due to the vacant positions that were budgeted for but not filled including vacant positions for senior management.

1.1.11. **Remuneration of councilors** Remuneration of councilors YTD expenditure amounted to R900 thousand compared to the YTD budget of R1 million.

1.1.12. **Bulk purchases electricity reflected an** YTD actual of R13 million against the YTD budget of R11 million or a variance of positive 18 percent.

1.1.13. **Debt impairment** actuals for the month reflects a zero figure. This is mainly due to impairment being captured at year-end in order to take into account the total debtors as at June every year based on the current debt impairment methodology.

1.1.14. **Depreciation and amortization** actuals for the month is R0 to date. This is due to depreciation being captured at year-end.

1.1.15. **Finance charges** YTD expenditure amounts to R116 thousand compared to the YTD budgeted figure of R1.7 million.

1.1.16. **Inventory consumed** expenditure YTD actuals amounted to R544 thousand and the YTD budgeted amount of R5 million.

1.1.17. **Contracted services** expenditure YTD actuals amounted to R7.9 million compared to the R5.6 million YTD budgeted figure. The increase is due to the upfront 12 month period payment made for insurance cover for the 2025/26 financial year.

1.1.18. **Operational costs** YTD amounts to R1 million compared to the YTD budgeted figure of R3.5 million.

Financial position

1.1.19. **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

1.1.20. **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) – M01 July 2025

LIM361 Thabazimbi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 - July

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
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	–	–	–	1.333	(1.333)	-100%	16.000
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**	–	–	–	**1.333**	**(1.333)**	**-100%**	**16.000**
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		–	–	–	–	–	–	–		–
Vote 7 - Technical Services		9.673	93.480	–	3.787	3.787	7.790	(4.003)	-51%	93.480
Vote 8 -		–	–	–	–	–	–	–		–
Vote 9 -		–	–	–	–	–	–	–		–
Vote 10 -		–	–	–	–	–	–	–		–
Vote 11 -		–	–	–	–	–	–	–		–
Vote 12 -		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	9.673	93.480	–	3.787	3.787	7.790	**(4.003)**	**-51%**	93.480
Total Capital Expenditure		**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109.480**
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		**4.765**	**41.716**	–	**3.787**	**3.787**	**3.476**	310	9%	**41.716**
Planning and development		–	–	–	–	–	–	–		–
Road transport		4.765	41.716	–	3.787	3.787	3.476	310	9%	41.716
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**7.970**	**67.764**	–	–	–	**5.647**	(5.647)	-100%	**67.764**
Energy sources		–	20.000	–	–	–	1.667	(1.667)	-100%	20.000
Water management		3.062	47.764	–	–	–	3.980	(3.980)	-100%	47.764
Waste water management		4.907	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109.480**
Funded by:										
National Government		12.735	109.480	–	3.787	3.787	9.123	(5.337)	-58%	109.480
Provincial Government		–	–	–	–	–	–			–
District Municipality		–	–	–	–	–	–			–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–			–
Transfers recognised - capital	6	**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109.480**
Borrowing		–	–	–	–	–	–			–
Internally generated funds		–	–	–	–	–	–			–
Total Capital Funding		**12.735**	**109.480**	–	**3.787**	**3.787**	**9.123**	**(5.337)**	**-58%**	**109.480**

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

LIM361 Thabazimbi - Table C6 Monthly Budget Statement - Financial Position M01 July 2025

LIM361 Thabazimbi - Table C6 Monthly Budget Statement - Financial Position - M01 - July

Description	Ref	2024/25	Budget Year 2025/26			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		41,837	156,415	–	73,166	156,415
Trade and other receivables from exchange transactions		155,714	169,993	–	161,698	169,993
Receivables from non-exchange transactions		158,459	60,818	–	157,142	60,818
Current portion of non-current receivables		–	–	–	–	–
Inventory		3,030	11,047	–	3,124	11,047
VAT		261,409	238,610	–	266,781	238,610
Other current assets		0	–	–	0	–
Total current assets		**620,450**	**636,883**	**–**	**661,910**	**636,883**
Non current assets						
Investments		–	–	–	–	–
Investment property		0	–	–	0	–
Property, plant and equipment		821,331	970,299	–	825,118	970,299
Biological assets		827	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		**822,158**	**971,134**	**–**	**825,945**	**971,134**
TOTAL ASSETS		**1,442,608**	**1,608,017**	**–**	**1,487,855**	**1,608,017**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		0	–	–	0	–
Consumer deposits		5,237	4,796	–	5,238	4,796
Trade and other payables from exchange transactions		556,585	817,044	–	543,471	817,044
Trade and other payables from non-exchange transactions		39,448	2,851	–	46,312	2,851
Provision		22,178	2,545	–	22,178	2,545
VAT		134,650	143,298	–	136,547	143,298
Other current liabilities		–	–	–	–	–
Total current liabilities		**758,097**	**970,534**	**–**	**753,746**	**970,534**
Non current liabilities						
Financial liabilities		594	–	–	537	–
Provision		71,695	61,547	–	71,695	61,547
Long term portion of trade payables		201,900	–	–	201,900	–
Other non-current liabilities		38,981	–	–	38,981	–
Total non current liabilities		**313,170**	**61,547**	**–**	**313,113**	**61,547**
TOTAL LIABILITIES		**1,071,267**	**1,032,081**	**–**	**1,066,859**	**1,032,081**
NET ASSETS	2	**371,340**	**575,937**	**–**	**420,996**	**575,937**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		333,300	575,937	–	381,395	575,937
Reserves and funds		38,077	–	–	39,601	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**371,377**	**575,937**	**–**	**420,996**	**575,937**

Table 6: MBRR C6 Financial Position as at 31 July 2025

LIM361 Thabazimbi - Table C7 Monthly Budget Statement - Cash Flow – M01 July 2025

LIM361 Thabazimbi - Table C7 Monthly Budget Statement - Cash Flow - M01 - July

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		78.989	120.694	–	12.319	12.319	10.058	2.261	22%	120.694
Service charges		118.410	206.666	–	14.279	14.279	17.222	(2.943)	-17%	206.666
Other revenue		22.495	40.957	–	15.843	15.843	3.413	12.430	364%	40.957
Transfers and Subsidies - Operational		143.150	160.108	–	55.196	55.196	13.342	41.853	314%	160.108
Transfers and Subsidies - Capital		–	111.465	–	–	–	9.289	(9.289)	-100%	111.465
Interest		–	–	–	–	–	–	–		–
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(215.324)	(546.425)	–	(58.234)	(58.234)	(45.535)	(12.699)	28%	(546.425)
Interest		–	(21.529)	–	–	–	(1.794)	1.794	-100%	(21.529)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**147.720**	**71.935**	**–**	**39.402**	**39.402**	**5.995**	**(33.408)**	**-557%**	**71.935**
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)	–	(4.360)	(4.360)	(9.123)	4.763	-52%	(109.480)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**14.664**	**(109.480)**	**–**	**(4.360)**	**(4.360)**	**(9.123)**	**(4.763)**	**52%**	**(109.480)**
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		**162.384**	**(37.545)**	**–**	**35.042**	**35.042**	**(3.129)**			**(37.545)**
Cash/cash equivalents at beginning:		18.319	193.960	–		41.837	193.960			41.837
Cash/cash equivalents at month/year end:		180.703	156.415	–		76.879	190.831			4.293

Table 7: MBRR C7 Monthly Budget Statement – Cash

Based on the above table C7, the cash and cash equivalents at the year-end reflects a favourable amount of R76.8 million. However, the municipality performs the bank reconciliation on a monthly basis. Total cash on hand as at 31 July 2025 is R43.2 million. The following is the true reflection of the cash position:

- Thabazimbi Main Bank Account – R3.8 million
- Investment Account – R39,1 million
- Traffic Fines Account – R376 thousand
- The municipality is working with Munsoft to correct mapping on the cash flow

As at 31 July 2025 the collection rate was at 50%, which is due to amongst others:

- Water losses & Electricity losses
- Poor water service delivery due to ageing infrastructures which results in consumers not paying current accounts
- Pre-paid vending fees not fully paid to the municipality

PART 2 – SUPPORTING DOCUMENTATION

Performance Indicators

LIM361 Thabazimbi - Supporting Table SC2 Monthly Budget Statement - performance indicators – M01 July 2025

LIM361 Thabazimbi - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 - July

Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
						YearTD actual	
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		3.0%	11.0%	0.0%	0.3%	5.7%
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/		171.1%	142.4%	0.0%	149.5%	142.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	81.8%	65.6%	0.0%	87.8%	65.6%
Liquidity Ratio	Monetary Assets/Current Liabilities		5.5%	16.1%	0.0%	9.7%	16.1%
Revenue Management							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		59.1%	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		29.8%	29.6%	0.0%	16.2%	29.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1.1%	3.0%	0.0%	5.0%	3.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		2.5%	10.7%	0.0%	0.1%	5.5%
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						

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 – M01 July 2025

LIM361 Thabazimbi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 - July

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4,047	3.192	3.548	8.915	2.570	1.343	1.097	164.847	189.559	178.772	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,775	3,056	2,534	4,824	2,457	1,571	4,268	31,603	56,088	44,723	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	11,285	15,921	10.777	8.096	9,477	7,844	6,746	160,984	231,130	193,147	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	2,707	2,352	2,341	2,126	1,965	1,809	1,757	123,480	138,538	131,137	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,290	1,099	1,049	1,001	852	837	822	75,364	82,313	78,875	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	352	352	352	–	–
Interest on Arrear Debtor Accounts	1810	6.673	6.506	6.408	6.182	6.010	5.873	5.738	248.258	291.649	272.061	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	207	146	30	9	53	11	40	31.221	31.716	31.333	–	–
Total By Income Source	**2000**	**31.984**	**32.273**	**26.687**	**31.152**	**23.383**	**19.287**	**20.468**	**836.110**	**1,021,345**	**930.400**	**–**	**–**
2024/25 - totals only		–	–	–	–	–	–	–	–	–	–	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	3.322	1.353	1.187	2.251	3.302	1.116	772	37.881	51.185	45.322	–	–
Commercial	2300	15.281	16.725	11.071	13.434	9.106	7.899	9.993	176.003	259.513	216.435	–	–
Households	2400	13.381	14.195	14.429	15.467	10.976	10.272	9.703	622.225	710.648	668.643	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**31.984**	**32.273**	**26.687**	**31.152**	**23.383**	**19.287**	**20.468**	**836.110**	**1,021,345**	**930.400**	**–**	**–**

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

Households remain the highest on the municipal debtor's book. It is highly unlikely that the bulk of these receivables will be recovered, and it is therefore recommended that a recoverability assessment be conducted, and impairment be affected if necessary in line with the policy. Efforts will continue to be applied to ensure that the municipality recovers debts from commercial and organs of state.

Creditor Aged Analysis

LIM361 Thabazimbi - Supporting Table SC4 Monthly Budget Statement - aged creditors – M01 July 2025

LIM361 Thabazimbi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 - July

Description	NT	Budget Year 2025/26									Prior year totals for chart (same period)
R thousands	Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	21.535	10.797	10.722	13.680	11.798	586	23.407	541.518	**634.043**	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**21.535**	**10.797**	**10.722**	**13.680**	**11.798**	**586**	**23.407**	**541.518**	**634.043**	–

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

The municipality's cash flow position has not improved therefore hampering the ability to service the complete credit book.

Trade creditors will be unbundled as part of the MSCOA roadmap to accurately reflect the age analysis for each creditor.

Investment Register

THABAZIMBI LOCAL MUNICIPALITY

SUMMARY OF THE SHORT-TERM INVESTMENT REGISTER FROM 01 July 2025- 31 July 2025

FINANCIAL INSTITUTION	ACCOUNT TYPE	ACCOUNT NUMBER	BALANCE AT 01-07-2025	INVESTMENT MADE	INTEREST EARNED	SUB - TOTAL	INVESTMENT WITHDRAW	BANK CHARGES	BALANCE AT 30-07-2025
SANLAM	UNIT TRUST	1136899	53,592.02			53,592.02		-	53,592.02
SANLAM	UNIT TRUST	1185152	79,297.46			79,297.46		-	79,297.46
ABSA	CALL ACCOUNT	93-0124-4384	29,066,882.80	43,000,000.00	180,179.97	72,247,062.77	- 33,100,000.00		39,147,062.77
ABSA	FIXED DEPOSIT	20-5764-9514	98,493.62			98,493.62		-	98,493.62
TOTAL			29,298,265.90	43,000,000.00	180,179.97	72,478,445.87	- 33,100,000.00	-	39,378,445.87

The investment register above is compiled manually using the bank statements received. As at 31 July 2025, the closing balance on the investment register amounts to R39.3 million. A total of R180 thousands was earned during the month of July. The process has been added to the MSCOA roadmap with an action plan.

Transfer and Grant Expenditure

LIM361 Thabazimbi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 - July

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		129.903	160.105	–	52.827	52.827	13.342	39.485	295.9%	160.105
Expanded Public Works Programme Integrated Grant		952	1.454	–	–	–	121	(121)	-100.0%	1.454
Local Government Financial Management Grant	3	3.000	3.000	–	–	–	250	(250)	-100.0%	3.000
Equitable Share		125.951	155.651	–	52.827	52.827	12.971	39.856	307.3%	155.651
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		129.903	160.105	–	52.827	52.827	13.342	39.485	295.9%	160.105
Capital Transfers and Grants										
National Government:		16.123	111.465	–	6.864	6.864	9.289	(2.425)	-26.1%	111.465
Municipal Infrastructure Grant		14.152	39.701	–	–	–	3.308	(3.308)	-100.0%	39.701
Integrated National Electrification Programme Grant		–	20.000	–	6.864	6.864	1.667	5.197	311.8%	20.000
Water Services Infrastructure Grant		1.971	51.764	–	–	–	4.314	(4.314)	-100.0%	51.764
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		16.123	111.465	–	6.864	6.864	9.289	(2.425)	-26.1%	111.465
TOTAL RECEIPTS OF TRANSFERS & GRANTS		146.026	271.570	–	59.691	59.691	22.631	37.060	163.8%	271.570

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

Transfer and Grant Expenditure

LIM361 Thabazimbi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 - July

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		952	1.454	–	–	–	121	(121)	-100.0%	1.454
Expanded Public Works Programme Integrated Grant		952	1.454	–	–	–	121	(121)	-100.0%	1.454
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		952	1.454	–	–	–	121	(121)	-100.0%	1.454
Capital Transfers and Grants		4.687	111.465	–	–	–	9.289			111.465
National Government:								(9.289)	-100.0%	
Municipal Infrastructure Grant		1.649	39.701	–	–	–	3.308	(3.308)	-100.0%	39.701
Integrated National Electrification Programme Grant		–	20.000	–	–	–	1.667	(1.667)	-100.0%	20.000
Water Services Infrastructure Grant		3.038	51.764	–	–	–	4.314	(4.314)	-100.0%	51.764
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		4.687	111.465	–	–	–	9.289	(9.289)	-100.0%	111.465
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		5.639	112.919	–	–	–	9.410	(9.410)	-100.0%	112.919

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

LIM361 Thabazimbi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 - July

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7.141	7,842	–	617	617	653	(37)	-6%	7,842
Pension and UIF Contributions		804	1,615	–	67	67	135	(68)	-50%	1,615
Medical Aid Contributions		–	65	–	–	–	5	(5)	-100%	65
Motor Vehicle Allowance		1.291	1,902	–	126	126	159	(33)	-21%	1,902
Cellphone Allowance		890	1,234	–	90	90	103	(13)	-12%	1,234
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		10,126	12,658	–	900	900	1,055	(155)	-15%	12,658
% increase	4		25.0%							25.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		9.419	5,862	–	840	840	489	352	72%	5,862
Pension and UIF Contributions		145	11	–	12	12	1	11	1282%	11
Medical Aid Contributions		351	–	–	34	34	–	34	#DIV/0!	–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		736	–	–	49	49	–	49	#DIV/0!	–
Motor Vehicle Allowance		2,263	–	–	186	186	–	186	#DIV/0!	–
Cellphone Allowance		122	90	–	12	12	8	5	60%	90
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		3	1	–	0	0	0	0	109%	1
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		(10)	234	–	–	–	20	(20)	-100%	234
In kind benefits		9	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		13,037	6,199	–	1,133	1,133	517	616	119%	6,199
% increase	4		-52.5%							-52.5%
Other Municipal Staff										
Basic Salaries and Wages		84.448	99,462	–	6.870	6.870	8.288	(1.419)	-17%	99,462
Pension and UIF Contributions		19.103	16,379	–	1.629	1.629	1,365	264	19%	16,379
Medical Aid Contributions		7.390	8,601	–	689	689	717	(27)	-4%	8,601
Overtime		9.464	13,670	–	719	719	1.139	(420)	-37%	13,670
Performance Bonus		6.503	7,901	–	1.228	1.228	658	570	87%	7,901
Motor Vehicle Allowance		13.495	20,532	–	1.151	1.151	1.711	(560)	-33%	20,532
Cellphone Allowance		175	–	–	15	15	–	15	#DIV/0!	–
Housing Allowances		146	255	–	6	6	21	(15)	-72%	255
Other benefits and allowances		2.791	5,262	–	199	199	438	(240)	-55%	5,262
Payments in lieu of leave		2.039	4,381	–	188	188	365	(177)	-48%	4,381
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		128	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		145.683	176,441	–	12.694	12.694	14.703	(2.009)	-14%	176,441
% increase	4		21.1%							21.1%
Total Parent Municipality		168.846	195,298	–	14.727	14.727	16.275	(1.548)	-10%	195,298
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		–	–	–	–	–	–	–		–
	1	A	B	C						D
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		168.846	195,298	–	14.727	14.727	16.275	(1.548)	-10%	195,298
% increase	4		15.7%							15.7%
TOTAL MANAGERS AND STAFF		158.720	182,640	–	13.827	13.827	15.220	(1.393)	-9%	182,640

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

Actual and Receipts Targets for Cash Receipts

LIM361 Thabazimbi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 - July

Description	Ref	Budget Year 2025/26												2023/24 Medium Term Revenue & Expenditure		
		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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		12.319	31.341	31.341	31.341	31.341	31.341	31.341	31.341	31.341	31.341	31.341	31.341	120.694	126.125	129.278
Service charges - Electricity revenue		9.476	34.125	34.125	34.125	34.125	34.125	34.125	34.125	34.125	34.125	34.125	34.125	131.413	137.327	140.760
Service charges - Water revenue		3.741	12.135	12.135	12.135	12.135	12.135	12.135	12.135	12.135	12.135	12.135	12.135	46.729	48.832	50.053
Service charges - Waste Water Management		–	3.233	3.233	3.233	3.233	3.233	3.233	3.233	3.233	3.233	3.233	3.233	12.451	13.011	13.336
Service charges - Waste Mangement		1.063	4.174	4.174	4.174	4.174	4.174	4.174	4.174	4.174	4.174	4.174	4.174	16.073	16.796	17.216
Rental of facilities and equipment		18	158	158	158	158	158	158	158	158	158	158	158	607	634	650
Interest earned - external investments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		27	213	213	213	213	213	213	213	213	213	213	213	822	859	881
Licences and permits		–	1.296	1.296	1.296	1.296	1.296	1.296	1.296	1.296	1.296	1.296	1.296	4.991	5.215	5.346
Agency services		310	395	395	395	395	395	395	395	395	395	395	395	1.520	1.588	1.628
Transfers and Subsidies - Operational		55.196	41.941	41.941	41.941	41.941	41.941	41.941	41.941	41.941	41.941	41.941	41.941	160.108	167.828	175.351
Other revenue		15.489	7.072	7.072	7.072	7.072	7.072	7.072	7.072	7.072	7.072	7.072	7.072	33.017	34.323	17.530
Cash Receipts by Source		**97.637**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**136.083**	**528.424**	**552.539**	**552.028**
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National /		–	30.479	30.479	30.479	30.479	30.479	30.479	30.479	30.479	30.479	30.479	30.479	111.465	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**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**166.562**	**639.889**	**676.514**	**682.341**
Cash Payments by Type																
Employee related costs		–	49.449	49.449	49.449	49.449	49.449	49.449	49.449	49.449	49.449	49.449	49.449	188.744	198.623	206.020
Remuneration of councillors		–	2.303	2.303	2.303	2.303	2.303	2.303	2.303	2.303	2.303	2.303	2.303	8.869	9.268	9.499
Interest		–	5.591	5.591	5.591	5.591	5.591	5.591	5.591	5.591	5.591	5.591	5.591	21.529	22.498	23.060
Bulk purchases - Electricity		21.419	34.330	34.330	34.330	34.330	34.330	34.330	34.330	34.330	34.330	34.330	34.330	132.203	138.152	141.606
Acquisitions - water & other inventory		1.628	29.901	29.901	29.901	29.901	29.901	29.901	29.901	29.901	29.901	29.901	29.900	115.145	120.327	123.335
Contracted services		5.627	15.978	15.978	15.978	15.978	15.978	15.978	15.978	15.978	15.978	15.978	15.978	61.530	64.299	65.906
Transfers and subsidies - other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		29.012	10.180	10.180	10.180	10.180	10.180	10.180	10.180	10.180	10.180	10.180	10.180	39.934	41.698	40.531
Cash Payments by Type		**57.685**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**147.731**	**567.954**	**594.865**	**609.957**
Other Cash Flows/Payments by Type																
Capital assets		4.360	29.949	29.949	29.949	29.949	29.949	29.949	29.949	29.949	29.949	29.949	29.949	109.480	121.829	128.074
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments		549	–	–	–	–	–	–	–	–	–	–	–			
Total Cash Payments by Type		**62.595**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.680**	**177.679**	**677.434**	**716.694**	**738.031**
NET INCREASE/(DECREASE) IN CASH HELD		**35.042**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.118)**	**(11.117)**	**(37.545)**	**(40.180)**	**(55.690)**
Cash/cash equivalents at the month/year beginning		41.837	76.879	65.761	54.643	43.525	32.407	21.289	10.171	(947)	(12.065)	(23.183)	(34.300)	41.837	4.293	(35.888)
Cash/cash equivalents at the month/year end:		76.879	65.761	54.643	43.525	32.407	21.289	10.171	(947)	(12.065)	(23.183)	(34.300)	(45.418)	4.293	(35.888)	(91.578)

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

Annexure 2 - Municipal Debt Relief

Annexure A2 - Monthly

National Treasury

Municipal Debt Relief

MFMA Circular No. 124

Municipal Finance Management Act No. 56 of 2003

Select Assessor

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period	Jul'25
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*	No
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?	No
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?	No
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 <u>and</u> 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 <u>and</u> 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 <u>and</u> 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?	Yes
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.*	

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.

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		
Month	Code Descr	Code	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14
25.July25	Thabazimbi	LIM361	No	No	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
26.August25	Thabazimbi	LIM361														
27.September25	Thabazimbi	LIM361														
28.October25	Thabazimbi	LIM361														
29.November25	Thabazimbi	LIM361														
30.December25	Thabazimbi	LIM361														
31.January26	Thabazimbi	LIM361														
32.February26	Thabazimbi	LIM361														
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 D: Electricity and water as collection tools				Part C: Quarterly collection of property rates and services charges							Maximization of Revenue Base		
Month	C15	C16	C17	C18	C19	C20	C21	C22	C23	C24	C25	C26	C27	C28
25.July25	Yes	Yes	No	No	No	N/A	No	Yes	Yes	Yes	Yes	No	Yes	Yes
26.August25														
27.September25														
28.October25														
29.November25														
30.December25														
31.January26														
32.February26														
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	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	78%	Moderate compliance
26.August25														0%	Not completed
27.September25														0%	Not completed
28.October25														0%	Not completed
29.November25														0%	Not completed
30.December25														0%	Not completed
31.January26														0%	Not completed
32.February26														0%	Not completed
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

MFMA Circular 124 – Condition 6.6 (Electricity and Water as Collection Tools) & Condition 6.7 (Maintain a minimum average quarterly collection of property rates and services charges)

MFMA Circular 124 – Condition 6.8

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 4

Reconciliation Overview

High Level Reconciliation

Propety Categories	# of Properties			Market Values		
Propety Categories	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	9932	9719	213	6,369,484,030.00	7,812,653,836.00	- 1,443,169,806.00
Industrial	40	36	4	124,500,000.00	86,363,100.00	38,136,900.00
Business and Commercial	476	392	84	3,153,901,015.68	1,108,626,249.00	2,045,274,766.68
Agricultural	1184	455	729	4,213,865,000.00	2,010,763,592.00	2,203,101,408.00
Mining	16	17	-1	190,460,000.00	49,310,000.00	141,150,000.00
State Owned for Public Purpose	40	36	4	343,630,000.00	96,828,412.00	246,801,588.00
PSI	90	98	-8	27,031,000.00	313,951,000.00	- 286,920,000.00
PBO	26	38	-12	46,990,000.00	56,366,000.00	- 9,376,000.00
Multi Use	7	4	3	458,040,000.00	11,920,000.00	446,120,000.00
Vacant	5365	5382	-17	6,474,291,365.00	9,886,250,182.00	- 3,411,958,817.00
POW	0	0	0	-	-	-
Municipal	0	0	0	-	-	-
Other	0	0	0	-	-	-
	17,176	16,195	999	21,402,192,410.68	21,433,032,371.00	30,839,960.32

Detailed Reconciliation

Propety Categories	Monthly Billing			Quarterly		
Propety Categories	GV	MFS	Variance	GV	MFS	Variance
Residential	4,139,828	5,616,420	- 1,476,591	12,419,484.35	16,849,258.83	- 4,429,774.48
Industrial	180,525	106,046	74,479	541,575.00	318,137.31	223,437.69
Business and Commercial	#REF!	527,147	#REF!	#REF!	1,581,440.61	#REF!
Agricultural	772,542	553,607	218,934	2,317,625.75	1,660,822.35	656,803.40
Mining	763,427	24,654	738,773	2,290,281.50	73,962.12	2,216,319.38
State Owned for Public Purpose	-	31,401	- 31,401	-	94,204.05	- 94,204.05
PSI	-	141,137	- 141,137	-	423,411.96	- 423,411.96
PBO	9,006	24,906	- 15,899	27,019.25	74,717.73	- 47,698.48
Multi Use	#VALUE!	1,858	#VALUE!	#VALUE!	5,572.59	#VALUE!
Vacant	10,466,771	5,467,859	4,998,912	31,400,313.12	16,403,576.52	14,996,736.60
POW	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	#REF!	R12,495,034.69	#REF!	#REF!	37,485,104.07	#REF!

Prepared By	Mutondi Ramaru	Date	13/06/2025
	Contatct Details 076 043 9854		
Signature			

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

MFMA Circular 124 – Condition 6.3 (Maintaining the Eskom bulk current account) and Condition 6.12 (Proper Management of Resources)

Thabazimbi Local Municipality OCPO July 2025

Reporting period:	**Aug-25**				
Captured by:	**P.Selalome**	**Contact number:**	**082 864 8837**	**Email address:**	selalomep@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
Uv Trading and Projects	MAAA1130287	UV Trading and Projects	2017/661618/07	N/A	FNB	62917859384	Hiring of plate compactor		N/A	N/A	2025/26			R29 500.00
Memotek Trading	MAAA0140144	Memotek Trading	2007/017380/23	N/A	Nedbank Limited	1148452524	Black Refusi bags		N/A	N/A	2025/26			R120 706.30
JTK Airtek and Projects	MAAA1498339	JTK Airtek and Projects	2024/182453/07	N/A	Absa	4113899447	Water materials		N/A	N/A	2025/26			R29 064.00
Uv Trading and Projects	MAAA1130287	UV Trading and Projects	2017/661618/07	N/A	FNB	62917859384	White Roadmarking paint		N/A	N/A	2025/26			R54 192.50
NWT Rustenburg	MAAA0831089	NWT Rustenburg	1972/009559/07	N/A	FNB	62107990394	Vehicle service costs		N/A	N/A	2025/26			R81 011.16
Office Man	MAAA0082277	Office Man	N/A	N/A	Absa	15820148928	Stationery		N/A	N/A	2025/26			R 29 256.35
Sunday World	MAAA0819393	Fundudzi Media	2019/030060/07	N/A	Nedbank Limited	1190997916	Vacant post and Tender advert		N/A	N/A	2025/26			R87 020.50
The Institute of Internal Auditor	MAAA0005432	The Institute of Internal Auditor	1985/003686/08	N/A	Nedbank Limited	1924210053	Internal membership costs		N/A	N/A	2025/26			R 14 777.50
Government Printing works	MAAA0090672	Government Printing Works	N/A	N/A	Absa	1044610074	Resolution levying property rates costs		N/A	N/A	2025/26			R3 026.32
Mosate Lodge	MAAA0172652	Mosate Lodge	1997/005589/07	N/A	Standard Bank	331158150	Accommodation costs		N/A	N/A	2025/26			R 1420. 00
Teffo Coating Consstruction	MAAA0704376	Teffo Coatings Costruction	2018/572785/07	N/A	Standard Bank	331642948	Burial costs (Regorogile Adults)		N/A	N/A	2025/26			R113 100.00
Mohumo Enterprise	MAAA1394447	Mohumo Enterprise	2023/113647/07	N/A	Absa	4119530487	Repair costs of the main water pipe at Thabazimbi		N/A	N/A	2025/26			R97 054.00.
Div of Nteka	MAAA1330118	Div of Nteka	2021/648219/07	N/A	Standard Bank	10172622709	TLB Rentals costs		N/A	N/A	2025/26			R163 980.00
H Mofiso Enterprise	MAAA1207499	H Mofiso Enterprise	2022/313260/07	N/A	FNB	62939077724			N/A	N/A	2025/26			R27 000.00

END