

CITY OF JOHANNESBURG



GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 30 JUNE 2026

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**CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD
ENDED 30 JUNE 2026**

1. STRATEGIC THRUST

Good Governance

Financial Sustainability

2. OBJECTIVE

The Accounting Officer is required, in terms of the Municipal Finance Management Act, 2003 (the MFMA (Act No. 56 of 2003)) Section 71, and the Municipal Budget and Reporting Regulations (MBRR) Government Gazette 32141 of 17 April 2009, to submit to the mayor of a municipality a report in a prescribed format to review the performance of the budget compared to actual results monthly.

This report sets out the progress on the financial performance of the City of Johannesburg against the budget for the period ended 30 June 2026, in compliance with Section 71 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

3. SUMMARY

The attached in-year report (Annexure A) provides a high-level summary of Consolidated Monthly budget statement period ending 30 June 2026 in the prescribed format. Material variances will be briefly referred to in this report. Reasons for variances are provided for material variances that are below 5% for revenue and above 5% for expenditure.

The actual year-to-date revenue variance is less than 1% (R376 million) over recovery in comparison to the year-to-date budget (June 2025: 1%). The actual operating expenditure variance is 6% (R4.8 billion) overspending against year-to-date budget (June 2025: 3%). The net result is an operating deficit of R1.2 million against a year-to-date (YTD) budgeted surplus of R3.2 billion.

The Capital budget for the 2025/26 financial year amounts to R8.4 billion after the approval of the adjusted budget in Council. The total actual expenditure (excluding commitments) to date amounts to R6.1 billion (72%) of the medium-term budget. It should, however, be noted that

year-end accruals are still being processed, and the finalisation of these adjustments may result in a change to the reported results.

The total opening and closing investment balances including cash for the month of June 2026 were R2 billion and R2.8 billion respectively. This shows an increase of R823 million during the month as indicated in the table below.

Jun-26	OPENING R	CLOSING R
Operational Call Deposits	30,909,411	30,995,239
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	683,672,095	494,491,402
Absa Primary Account Balance	55,366,027	1,060,654
TOTAL UNENCUMBERED	769,947,533	526,547,295
Contingency Reserve Fund	1,177,076	1,177,076
Unfunded Liability Fund	2,030,000	2,030,000
COD	302,102,102	302,102,102
Capital Grants	-	-
Capital Replacement Reserve	20,928,474	21,049,745
Non-Sweeping Bank Accounts	927,147,585	1,993,778,868
TOTAL ENCUMBERED	1,253,385,237	2,320,137,791
TOTAL INVESTMENTS/CASH BALANCE	2,023,332,770	2,846,685,086

Table 1: Cash Balances as at 30 June 2026; Source – Bank Statements

Jun-26	OPENING R	CLOSING R
Cash and Cash Equivalents	1,554,392,089	332,408,771
Interest Rate swaps	144,902,466	234,068,915
Tradable Instruments Portfolio	341,856,590	133,316,325
TOTAL SINKING FUND INVESTMENTS	2,041,151,155	699,795,011

Table 1a: Sinking Fund Balance as at 30 June 2026 including Accrued Interest: Source –Sinking Fund AFS

- Total unencumbered balances decreased by R244 million during the month, which was primarily driven by the decrease in the STD Bank primary bank account. Total encumbered balances increased by R1.1 billion during this same period, with the highest increase being in the non-sweepings' portfolio.
- The Sinking Fund balances closed R 1.3 billion lower at R 700 million, with a decrease of R 1.2 billion in the cash and cash equivalents portfolio. The tradable instruments decreased with an amount of R209 million. These movements are attributable to market movements. The interest rate swaps reflect a positive movement of R89 million during the month of June.
- Total contributions for the periods 2020/21 and 2023/24 were R1.3 billion. Additional contributions for the collective amount of R480 million was injected into the fund during the previous financial year (2024/25). An amount of R65 million was injected into the

fund during the month of December 2025, R200 million during April 2026 and R150 million in May 2026.

Inflows for the month of June 2026 amounted to R10.9 billion versus outflows of R10 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was an increase of R823 million as depicted in Table 1.1 below.

Jun-26	
Description	R
Cash Collections	4,557,257,963
Revenue cash collections paid into Primary and Ordinary bank accounts	201,740,603
Direct Payments into MOE Revenue accounts	9,107,097
Prepaid Collections	288,661,225
Other Income (Interest Received, Vat Refund, Licensing Fees)	2,101,658,979
Long-term Loan	951,600,000
Positive Sweepings and Non-Sweeping Movements	2,761,703,664
Total Cash Inflows	10,871,829,431
Outflows	
Description	R
Operational and Capital Expenditure and Treasury Transactions*	-9,818,733,021
Negative Sweepings and Non-Sweeping Movements	-229,744,094
Total Cash Outflows	-10,048,477,115
Net Movement	823,352,316

Summary Table 1.1 Cash Movements as at 30 June 2026

Cash outflows were less than the inflows resulting in a positive movement on the overall cash balances. The inflows for the month of May include cash collection: R4.6billion, receipts paid directly into MOE bank accounts: R9.1 million; cash collection paid into the Ordinary and Primary bank accounts: R202 million, Prepaid collections of R289 million, other income: R2.1 billion. Included in the inflows is a long-term loan amounting to R952 million.

Financial Year 2025/26 Grant funding:

The table below indicates the level of grant funding received year to date up to 30 June 2026.

Grant Name	USDG Allocation National Treasury Schedule (R)	USDG Allocation National Treasury Schedule (R)	Variance (R)
Operational			
Equitable Share Grant	8,140,146,000	7,684,264,000	-455,882,000
Fuel Levy Grant	4,572,290,000	4,572,290,000	-
Total Operational Grants	12,712,436,000	12,256,554,000	-455,882,000
Conditional			
Urban Settlements Development Grant	2,320,638,000	2,162,190,000	-158,448,000
Informal Settlements Upgrading Grant	772,855,000	772,855,000	-
Infrastructure Skills Development Grant	7,000,000	7,000,000	-
Public Transport Network Grant	972,942,000	1,172,842,000	200,000,000
Urban Development Financing Grant	622,832,000	645,318,000	22,887,000
Energy Efficiency Demand-Side Management Grant	7,000,000	7,000,000	-
Expanded Public Works Programme	4,000,000	4,000,000	-
Financial Management Grant	1,000,000	1,000,000	-
Total Conditional Grants	4,798,367,000	4,772,306,000	-26,061,000
Total Local Government Grants	17,420,803,000	17,028,860,000	-391,943,000

Source: National Treasury and Bank Statements

The City was allocated funding through the USDG, ISUPG and PTNG grant programmes, of which only portions were received during the financial year. In respect of the USDG and equitable share allocations, the city did not receive the full scheduled transfers, primarily due to a disagreement between the City of Johannesburg and National Treasury regarding the accounting treatment applied to USDG ISUPG expenditure as reported in the financial statements for the year ended 30 June 2025. While the City utilized and accounted for the funds in accordance with GRAP standards and accrued for 100% spending for USDG and ISUPG, and hence did not apply for grant roll overs, National Treasury did not recognize the accounting approach adopted by the City. Consequently, National Treasury withheld a portion of the equitable share allocation amounting to R456 million (being an offset against current year Equitable share related to a return to the National revenue fund for the portion of 2024/25 USDG expenditure not recognised by National Treasury), as well as R158 million of the USDG allocation for 2025/26 related to BFI expenditure for the Lufhereng project also disputed by National department of Human Settlements .

The city also received more than is scheduled for PTNG and UDFG. The additional R200 million for PTNG will be returned as it was incorrectly disbursed to the city without a corresponding Government Gazette to support it. This error has been officially communicated by National Treasury with an instruction to return the funds to the National Revenue Fund. R22.4 million for UDFG was also not approved and will also need to be returned to the National Revenue Fund.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 30 June 2026 against Financial Year 2025/26 allocations.

FY2025/26				
Conditional Grant Name	YTD Allocations received R	Expenditure R	Unspent R	% Expenditure against YTD Allocations received
USDG	2,162,190,000	1,727,133,006	435,056,994	80%
UDFG	645,319,000	100,647,971	544,671,029	16%
ISDG	7,000,000	5,408,379	1,591,621	77%
ISUPG	772,865,000	635,999,085	136,865,915	82%
PTNG	1,172,942,000	670,564,316	502,377,684	57%
EPWP	4,000,000	3,892,000	108,000	97%
EEDSM	7,000,000	6,999,977	23	100%
FMG	1,000,000	1,000,000	-	100%
Totals	4,772,306,000	3,191,664,734	1,620,641,286	66%

The expenditure of conditional grants has slightly increased from 50% in April to 66% in the month under review. It should, however, be noted that year-end accruals are still being processed, and the finalisation of these adjustments may result in a change to the reported results.

Profit And Cost Centres Movements Analysis:

According to the City's business model, key cash generators are City Power, Joburg Water, Pikitup and Rates & Taxes. Cash generators or profit centres fund overall City operations including Core Departments. Table 3 below depicts movements and balances on sweeping and non-sweeping bank accounts for the month ended 30 June 2026 for all MOEs.

As depicted in the sweeping statements for the month ended 30 June 2026, City Power, JDA, Joshco, Metrobus, Propcom Portfolio and MTC remain overdrawn.

Entity	End of May Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of June Balance R
City Power	20,752,426,791	2,280,618,986	1,019,488,464	1,261,130,522	19,491,296,269
Joburg Water	3,209,442,786	1,070,466,769	948,259,187	222,227,583	3,431,670,369
Pikitup	2,157,482,433	505,405,543	96,759,082	408,646,461	2,566,128,914
Parks Zoo	1,001,891,562	153,926,436	112,363,148	41,563,287	1,043,456,839
Fresh Produce	891,950,529	111,173,688	306,729,434	-195,555,766	696,394,763
JDA	-2,073,190,353	82,707,175	78,130,526	4,576,650	-2,068,613,702
Joshco	-1,983,891,511	50,083,381	36,155,272	13,938,110	-1,870,053,401
Metro Bus	-504,047,531	65,412,653	21,427,048	43,985,605	-460,062,026
Propcom	-2,492,997	81,854,449	41,560,706	40,293,743	37,800,746
Propcom Portfolio	-125,142,336	3,714,126	6,405,660	-2,691,534	-127,833,870
Roads	176,534,004	198,710,335	88,449,401	110,260,934	286,794,838
MTC	-822,485,137	18,838,548	50,581,866	-31,943,257	-854,428,394
JTC	135,887,084	8,126,376	3,315,757	4,810,619	140,797,703
Core	20,713,821,017	8,323,005,230	9,420,887,771	-1,097,892,541	19,615,928,476
Total Sweepings and Balances	2,023,332,769			823,362,316	2,846,695,086

Table 3: Sweeping movements including Intercompany Transactions: Source: Sweeping and Bank Statements

Inflows for the month of June versus outflows resulted in a positive net movement of R823 million. The table below indicates that revenue generated by these entities were slightly higher than the expenditure cash outflows. This led to the positive movement for the month.

Entity	YTD Net Movement												
	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	YTD
	R	R	R	R	R	R	R	R	R	R	R	R	R
City Power	-1,398,422,452	305,136,423	-3,510,572,748	-1,549,469,179	-55,149,087	2,224,716,056	-1,821,270,626	1,321,164,696	760,740,320	-1,688,368,185	133,585,894	1,261,130,522	-3,814,785,265
Joburg Water	-225,427,910	-283,913,543	-156,905,155	360,023,635	-1,732,828,426	700,574,372	1,380,439,292	-1,417,303,434	827,164,235	674,007,369	-781,845,948	222,227,583	-512,867,930
Pikitup	-108,490,578	300,191,526	-121,577,689	-119,849,293	103,442,525	321,334,269	-98,595,558	398,096,248	-25,325,339	-172,503,228	73,306,138	408,646,461	958,875,505
Parks Zoo	-140,305,714	251,472,216	-136,682,038	21,398,280	-128,855,933	135,790,119	17,030,568	-80,405,411	165,826,763	123,737,715	-69,691,675	41,555,287	199,966,177
Fresh Produce	-37,753,632	174,889,091	169,878,027	-49,789,125	223,978,330	-100,060,075	-19,626,109	35,994,489	-38,297,429	-78,395,893	461,798,075	-185,555,766	589,467,894
JDA	-201,388,379	-172,890,953	-82,880,384	-102,526,583	-86,338,455	147,783,537	16,051,372	-59,179,844	26,375,289	-31,894,726	17,146,309	4,576,650	-524,787,167
Joshco	-93,975,018	-120,712,884	-50,239,875	-27,893,101	-49,592,951	-12,854,179	121,726,046	-35,120,339	5,147,171	-23,514,422	27,688,271	13,938,110	-241,502,782
Metro Bus	-383,664,119	143,656,822	-30,128,184	39,555,869	-28,578,413	47,253,231	33,286,740	-11,370,994	140,404,534	49,245,220	-20,302,798	43,985,505	15,341,263
Propcom	-50,678,843	-42,783,433	-24,441,878	-78,822,718	-10,460,834	-40,455,442	28,444,104	-103,676,515	77,144,588	-80,554,434	-42,737,385	40,293,743	-330,629,966
Propcom Portfolio	4,473,343	-1,295,583	4,682,272	-11,174,109	15,099,448	-14,405,202	3,908,546	5,285,081	8,662,980	4,782,440	7,351,137	-2,681,534	25,547,788
Roads	-251,888,233	617,033,218	-50,517,820	171,366,166	-48,382,300	-87,571,314	55,811,251	-108,487,879	434,798,957	45,941,044	-43,273,823	110,280,934	844,910,299
MTC	30,294,351	-105,074,122	-16,073,740	-24,346,437	-37,446,160	-125,020,360	18,976,834	-41,846,841	29,187,070	-13,864,588	55,508,158	-31,943,257	-260,738,102
JTC	-12,743,458	7,147,893	-1,407,235	-7,418,693	-6,650,885	8,923,227	-7,307,226	27,952,093	18,175,395	7,431,528	283,961	4,810,819	39,202,129

Funding Activities:

Short-term funding facilities are utilised to assist with liquidity management within the financial year. The following facilities have been utilised to date during the 2025/26 financial year:

EXTERNAL FUNDING FY 2025/26		
	Available Facility	Utilized Facility
	R	R
Banks		
STD Bank(Overdraft)	-	-
STD Bank(Short-term facility)	-	-
Total	-	-

Table 5: External Facilities; Source – COJ Treasury

The STD Bank Short-term facility was repaid on the 20th March 2026.

May 2026 Billing & June 2026 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	May 2026	Jun 2026		YTD: Jun'25 to May'26	YTD: Jul'25 to Jun'26	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 584 890	1 551 767	97.9%	19 705 267	17 513 250	88.9%
Electricity	2 445 318	2 288 623	93.6%	29 118 496	26 928 926	92.5%
Water	1 798 824	1 360 213	75.6%	21 519 512	15 970 481	74.2%
Refuse	323 711	242 120	74.8%	3 745 737	2 798 461	74.7%
TOTAL	6 152 743	5 442 723	88.5%	74 089 012	63 211 118	85.3%

Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.

The city billed R6.2 billion in May 2026 with R5.4 billion collected in June 2026 resulting in a monthly collection rate of 88.5%. The year-to-date billing as at 31 May 2026 is R74.1 billion with R63.2 billion collected as at 30 June 2026 resulting in a year-to-date collection rate of 85.3%.

Reconciliation between Treasury banking and RSSC collections

The table reflects the difference between the cash collections as reported by Treasury and RSSC.

Description	Jun 2026	YTD
	R 000's	R 000's
Balance as reported by Treasury	5 056 767	58 514 023
Deposits reflected by Treasury in previous month	137 375	1 386 245
Refunds, Deposits and Sundry Revenue	-85 465	-623 087
Water: Industrial Effluent and Cross-Boundary Sales	16 757	293 231
Difference in electricity and water prepaid sales	4 399	12 194
E-Joburg	105 001	1 203 285
Non-Cash Items:		
Staff Accounts	9 426	109 434
Departmental Settlements	198 463	2 315 793
Total Revenue as per Revenue Collection Report	5 442 723	63 211 118

June 2026 deposits of approximately R137 million are mainly as a result of the monthly timing differences that occur due to electronic payments received at the end of the month and reflected on the Treasury Bank Statement for that month. These deposits are uploaded to the accounts and will only reflect in the following month on the debtor accounts.

Revenue Performance: Actual vs. Budget

Description		May 2026	Jun 2026
Adjusted Budget Billing	R 000	6 152 016	7 092 554
Actual Billing	R 000	6 152 743	6 409 589
Shortfall (-) / Surplus (+) in Billing	R 000	727	-682 965
Adjusted Budget Collection	R 000		6 061 890
Actual Revenue Collection	R 000		5 442 723
Shortfall (-) / Surplus (+) in Collections	R 000		-619 167
Actual Billing vs Adjusted Budgeted Billing	%	100.0%	90.4%
Actual Collection vs Adjusted Budgeted Collection	%		89.8%
Adj Budget Collection (Jun) vs Adj Budget Billing (May)	%		98.5%
Actual Collections (Jun) vs Actual Billing (May)	%		88.5%

The actual billing of R6.2 billion for May 2026 was aligned to the budgeted billing of R6.2 billion. The actual collection of R5.4 billion for June 2026 was R619 million below the budgeted

collection of R6.1 billion. Actual collection of 88.5% is 10% below the budgeted collection of 98.5%.

4. POLICY IMPLICATION

None.

5. LEGAL AND CONSTITUTIONAL IMPLICATIONS

The city is progressively working towards full mSCOA compliance through the SAP Business Transformation Process, with its various release strategies. This report includes the schedules that represent the modules and components of SAP that can be produced using a hybrid of the SAP Budget Planning and Consolidation module and some manual interventions.

6. FINANCIAL IMPLICATIONS

None

7. COMMUNICATION IMPLICATIONS

None.

8. COMPLIANCE WITH MUNICIPAL STANDARD CHART OF ACCOUNTS (mSCOA)

The primary objective of the mSCOA regulation is to achieve uniformity across all governments (municipalities and municipal entities). All municipalities were expected to transact in line with the seven mSCOA segments from 01August2017.

The City does not have an mSCOA system for transacting; however, the City is still required to submit financial information to the National Treasury in terms of the seven mSCOA segments, and the project team is currently developing an interim reporting solution. The month 12 mSCOA data strings was submitted to the National Treasury on the 14th of July 2026.

9. OTHER DEPARTMENTS/BODIES CONSULTED

The Core Departments and the Municipal Owned Entities are required to provide the details as contained in this report under the approval of each Chief Financial Officer monthly.

The table below highlights the compliance of departments and entities with the Section 71 process (Trial balance upload on Reporting platform by 5th working day):

No	Entity/Department	Operational Expenditure	Capital Expenditure
1	Core (All departments)	Yes	Yes
2	City Power	Yes	Yes
3	Joburg Water	Yes	Yes
4	Pikitup	Yes	Yes
5	Joburg Roads Agency	Yes	Yes
6	Joburg Development Agency	Yes	Yes
7	Metrobus	Yes	Yes
8	Joburg City Parks and Zoo	Yes	Yes
9	Joburg Property Company	Yes	Yes
10	Metro Trading Company	Yes	Yes
11	Joburg City Theatres	Yes	Yes
12	JOSCHO	Yes	Yes
13	Joburg Fresh Produce Market	Yes	Yes
14	Joburg Tourism Company	Yes	Yes

10. KEY PERFORMANCE INDICATOR

In-year budget monitoring in compliance with the MFMA.

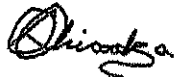
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COJ: GOVERNANCE SUB-MAYORAL
COJ: EMT
COJ: MAYORAL COMMITTEE
GROUP ACCOUNTING

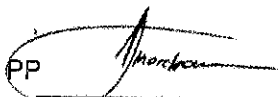
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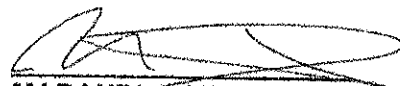
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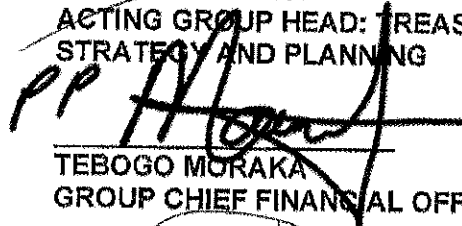
- That the contents of this report with the attached Annexure A be noted.

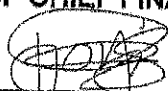
Author: Phindile Tshezi
Assistant Director: Financial Analysis
011 021 3350

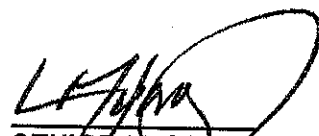

CHARITY-ANN WURAYAYI
GROUP HEAD GROUP ACCOUNTING


LUFUNO MASHAU
GROUP HEAD: RSSC


MABANDLA SIBISI
ACTING GROUP HEAD: TREASURY AND FINANCIAL
STRATEGY AND PLANNING


TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER


COUNCILLOR LOYISO MASUKU
MMC GROUP FINANCE


SENIOR LEGAL ADVISOR
GROUP LEGAL AND
CONTRACTS

03/09/2026
DATE

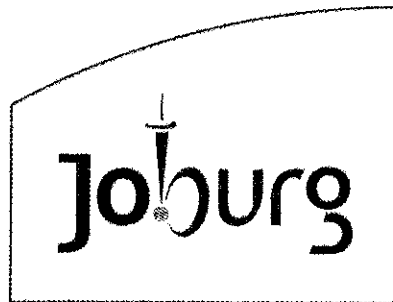
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Annexure A

In-Year Report



Budget year: 2025/26
Reporting Period: Month 12
June 2026

PART 1: IN-YEAR REPORT

1.1 Mayor's Report

On 22 May 2025, Council approved the 2024/25 Medium-term Revenue and Expenditure Framework (MTREF) for the City of Johannesburg. The city also, also approved the adjusted budget on the 20th June 2026. This gives effect to the financial plan of the City of Johannesburg, which includes its entities.

1.2 Executive Summary

The financial results of the City of Johannesburg for period ended 30 June 2026 are summarised as follows:

Consolidated Monthly budget statement - summary.

The summary of the consolidated monthly budget statement as reflected in table C4 provides the following information:

- Revenue by source.
- Expenditure by type; and
- Transfers recognised.

The table provides information related to the unaudited outcome, original budget, and the performance for the period under review, YTD variance and YTD percentage variance.

The total revenue excludes capital transfers and contributions. The reasons for variances are captured in Table SC1 of this report.

The operating revenue that was realized, excluding capital transfers and contributions, reflects R376 million over recovery against the YTD budget for the period ended June 2026.

The operating expenditure is 6% above budget compared to a year-to-date expenditure budget of R81.7 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R8.4 billion, adjusted. The actual year to date expenditure (excluding commitments) amounts to R6.1 billion (72%) of the budget.

Capital Expenditure per funding source as at 30 June 2025:

Description	Budget	YTD	%
(R million)	24/25	Exp	Spent
CoJ Loans	2,700	2,163	80%
CRR / Cash	1,220	596	49%
Nat Grant	317	100	32%
Prov Grant	15	1	4%
USDG	1,921	1,695	88%
USIP	740	654	88%
Other	577	706	122%
Total CoJ	7,491	5,915	79%

Capital Expenditure per funding source as at 30 June 2026:

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
CoJ Loans	2,775	2,105	76%
CRR / Cash	650	357	55%
Nat Grant	993	409	41%
Prov Grant	11	11	100%
USDG	2,321	1,701	73%
USIP	773	557	72%
Other	903	963	107%
Total CoJ	8,424	6,103	72%

Most funding sources have spending save for Provincial grants. Current spending is 7% less than the previous year's spending patterns

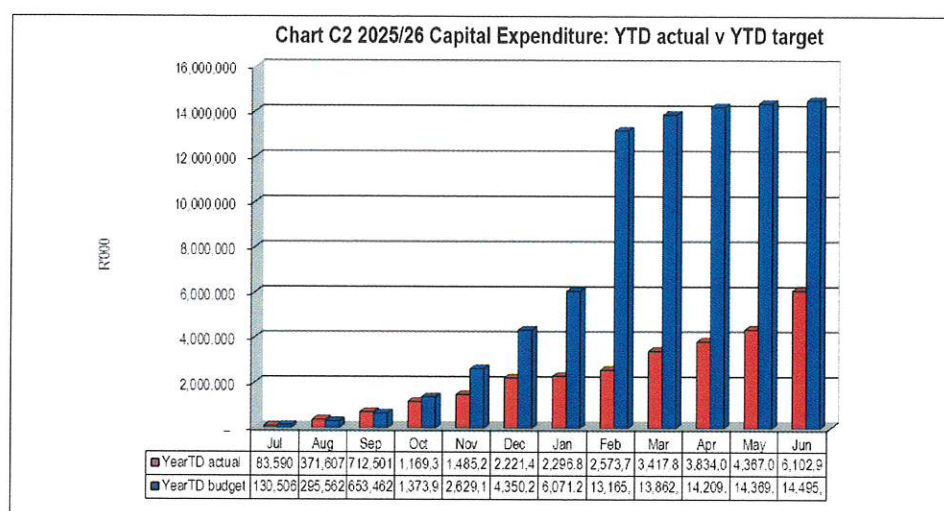
Consolidated Summary - Capital Expenditure as 30 June 2026:

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
City Power	1,098	1,133	103%
Johannesburg Water	1,704	1,078	63%
Plkitup	310	69	22%
Jhb Roads Agency	916	830	91%
Metrobus	132	118	89%
Jhb City Parks and Zoo	31	26	83%
Jhb Development Agency	105	103	98%
Jhb Property Company	40	18	46%
Metro Trading Company	27	27	100%
Joburg Market	83	80	96%
JOSHCO	207	201	97%
Joburg City Theatres	19	19	100%
Joburg Tourism	1	1	100%
Total MEs	4,672	3,703	79%

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
Economic Development	2	-	0%
EISD	201	100	50%
Transportation	573	275	48%
Community Development	99	96	97%
Health	38	25	66%
Social Development	42	24	57%
Forensic	2	0	10%
Ombudsman	0	0	45%
Office of the City Manager	12	1	9%
Speaker	1	0	17%
Group ICT	420	261	62%
Group Finance	8	8	100%
Group Corporate Services	261	218	84%
Human Settlements	1,974	1,294	66%
Development Planning	80	80	100%
Public Safety	41	18	45%
Total Core Administration	3,753	2,400	64%

All MOEs have commenced with spending, while Economic Development is the only departments that have not recorded capital spending.

Table SC12(Annexure) provides an illustration of actual capital expenditure compared to the budget target on a monthly and year-to-date basis. The Chart below is an illustration of the Capital expenditure YTD actual vs YTD budget target:



Cash Flow

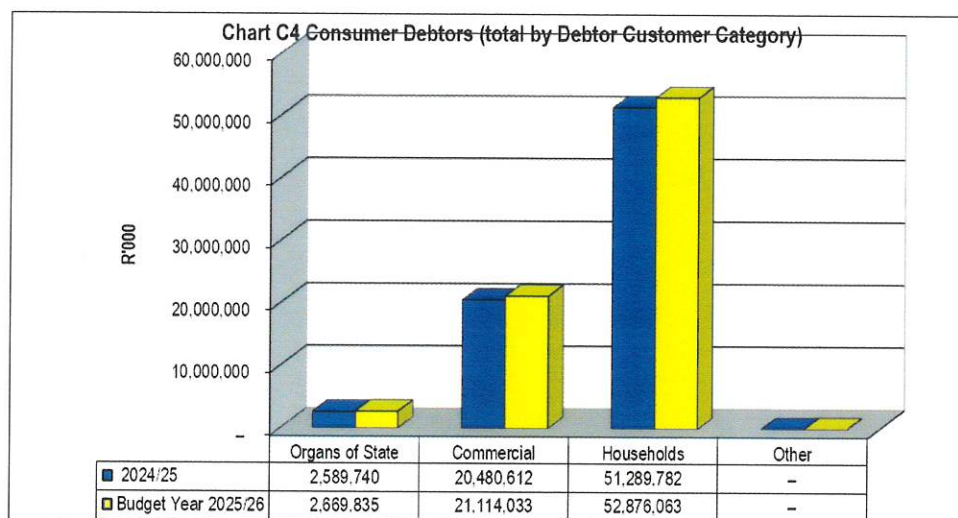
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of June 2026 amount to R2.8 billion.
- The cash flow from operating activities is 4.3 billion.
- The cash flow from investing activities amount to R3.8 billion, negative.
- The cash flow from financing activities amount to R8.3 billion, negative.

Debtor Age Analysis

The debtors' report, as reflected in Tables C1 and SC3, has been prepared based on the format required to be lodged electronically with the National Treasury. This format provides an extended age analysis, as well as age analysis by debtor type. It must be noted that SAP system is currently not configured to provide service charges figures for the periods over 90 days, however the Revenue department has engaged with OCIO on this matter and the results will be seen once the matter has been resolved. This matter is receiving attention in the broader context of the SAP Business transformation process.

Tables C1 and SC3 indicate that the total debtor's amount to R76.7 billion. Chart C3 below illustrates the Consumers debtors age analysis:

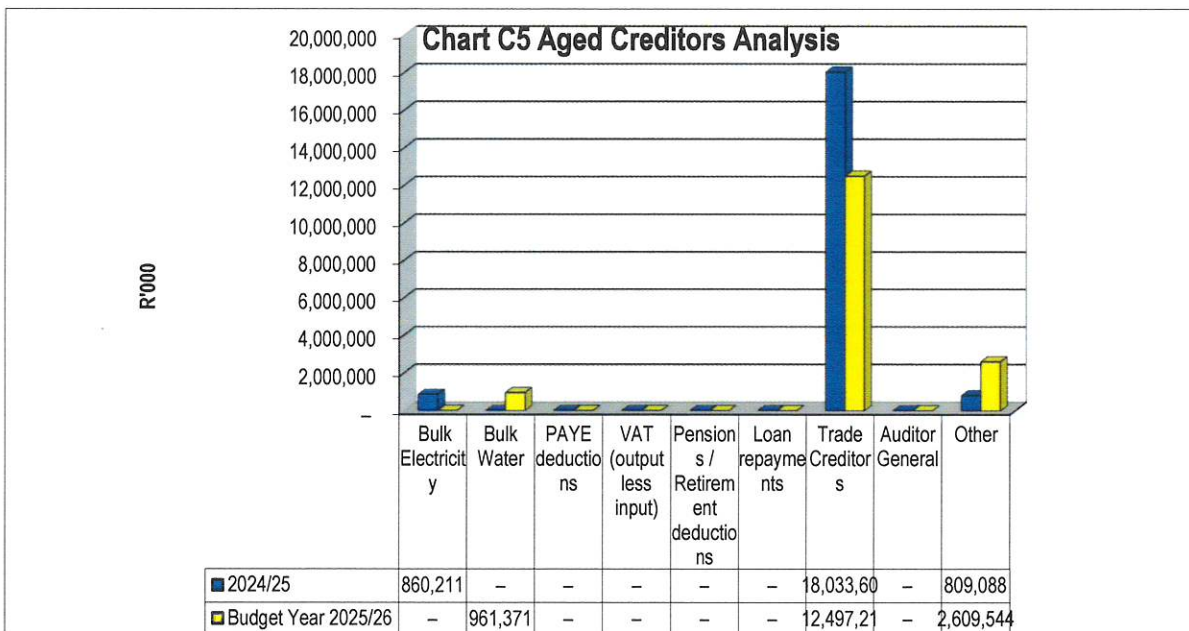
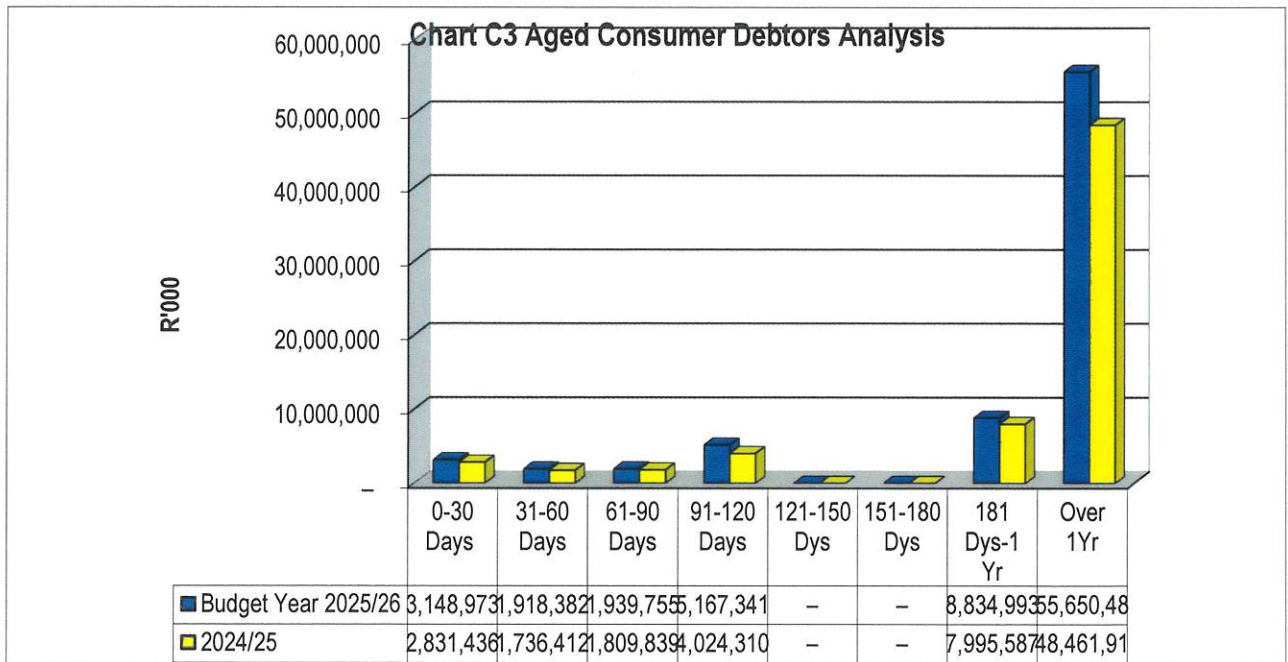


The following interventions / actions were implemented during June 2026 to increase collection levels:

- 3 124 electricity accounts were identified for disconnections, total value R1.7 billion and 1 441 account payments to the value of R93.1 million were collected from the accounts.
- 4 147 water accounts were identified for disconnections, total value R2.2 billion and 715 account payments to the value of R26.8 million were collected from the accounts.

Creditors' age analysis

Tables C1 and SC4 provide an extended age analysis by creditor type. The chart compares this month's results with that of the previous financial year, which shows the aged creditors per category.



Parent (Core) municipality's financial performance (Table SC10)

This disclosure is required by the National treasury. Municipalities that have municipal entities should provide the monthly statement of financial performance for the parent municipality only.

1.3 In-year budget statement tables

The financial results for the period ended 30 June 2026 are reflected in Tables C1, C4, C6 and C7, and they are followed by the supporting documents contained in the SC Tables (SC1, SC3, SC4, SC10, SC11 and SC12). The tables listed above represent the modules and components of SAP that can be produced using a hybrid of the SAP Budget Planning and Consolidation (BPC) module and some manual interventions.

Summary of municipal entities (Table SC11)

The City of Joburg has 13 municipal entities, as indicated in Table SC11:

This table summarises the revenue, operating expenditure for these entities. The reasons for the variance are captured in Table SC1.

PART 2: SUPPORTING SCHEDULES

Table C1 – Monthly budget statement summary

JHB City Of Johannesburg - Table C1 Monthly Budget Statement Summary - M12 June

Description	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									
Financial Performance									
Property rates	-	18,136,267	18,136,267	1,623,604	18,919,912	18,136,267	783,645	4%	18,136,267
Service charges	-	48,912,644	48,931,875	4,061,682	47,642,838	48,931,875	(1,289,037)	-3%	48,931,875
Investment revenue	-	199,899	198,326	2,413	189,286	198,326	(9,040)	-5%	198,326
Transfers and subsidies - Operational	-	8,980,278	9,011,475	44,246	8,831,723	9,011,475	(179,752)	-2%	9,011,475
Other own revenue	-	8,561,214	8,570,330	1,109,078	9,640,994	8,570,330	1,070,664	12%	-
Total Revenue (excluding capital transfers and contributions)	-	84,820,301	84,848,273	6,844,023	85,224,751	84,848,273	376,478	0%	84,848,273
Employee costs	-	21,654,002	23,008,891	1,958,766	23,794,018	23,008,891	785,127	3%	23,008,891
Remuneration of Councilors	-	202,021	202,021	16,379	188,823	202,021	(13,198)	-7%	202,021
Depreciation and amortisation	-	5,643,271	5,560,480	139,852	4,656,665	5,560,480	(903,815)	-16%	5,560,480
Interest	-	2,627,256	2,632,282	261,697	2,687,836	2,632,282	55,554	2%	2,632,282
Inventory consumed and bulk purchases	-	24,817,816	24,837,138	3,095,551	28,388,103	24,837,138	3,550,965	14%	24,837,138
Transfers and subsidies	-	113,739	75,664	855	66,929	75,664	(8,735)	-12%	75,664
Other expenditure	-	25,611,508	25,335,126	2,564,512	26,677,302	25,335,126	1,342,177	5%	25,335,126
Total Expenditure	-	80,669,613	81,651,802	8,037,811	86,439,676	81,651,802	4,788,075	6%	81,651,802
Surplus/(Deficit)	-	4,150,688	3,196,671	(1,196,588)	(1,214,925)	3,196,671	(4,411,596)	-138%	3,196,671
Transfers and subsidies - capital (monetary allocations)	-	4,100,420	4,550,032	186,315	2,278,032	4,550,032	(2,272,000)	-50%	4,550,032
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	8,251,108	7,746,703	(1,010,274)	1,063,107	7,746,703	(6,683,596)	-86%	7,746,703
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	8,251,108	7,746,703	(1,010,274)	1,063,107	7,746,703	(6,683,596)	-86%	7,746,703
Capital expenditure & funds sources									
Capital expenditure	-	8,700,420	8,424,388	1,735,838	6,102,904	8,424,388	(2,321,484)	-28%	8,424,388
Capital transfers recognised	-	4,550,420	4,999,831	1,084,367	3,641,260	4,999,831	(1,358,571)	-27%	4,999,831
Borrowing	-	3,500,000	2,774,557	889,811	2,105,005	2,774,557	(669,552)	-24%	2,774,557
Internally generated funds	-	650,000	650,000	(38,340)	356,648	650,000	(293,351)	-45%	650,000
Total sources of capital funds	-	8,700,420	8,424,388	1,735,838	6,102,904	8,424,388	(2,321,484)	-28%	8,424,388
Financial position									
Total current assets	-	18,154,044	17,906,656		89,295,552				17,906,656
Total non current assets	-	99,147,322	100,635,148		105,998,132				100,635,148
Total current liabilities	-	16,864,160	21,082,285		82,918,597				21,082,285
Total non current liabilities	-	29,918,973	30,557,737		54,426,056				30,557,737
Community wealth/Equity	-	70,518,243	66,901,782		62,179,267				66,901,782
Cash flows									
Net cash from (used) operating	-	10,476,180	6,113,404	2,323,426	4,274,890	7,016,452	(2,741,561)	-39%	6,113,404
Net cash from (used) investing	-	(9,295,082)	(7,895,107)	(274,846)	(3,779,713)	(8,798,155)	5,018,442	-57%	(7,895,107)
Net cash from (used) financing	-	316,193	(449,546)	(1,225,227)	(8,268,348)	(449,548)	(7,818,802)	1739%	(449,546)
Cash/cash equivalents at the month/year end	-	4,228,182	1,734,411	2,846,885	2,846,885	1,734,411	1,112,274	64%	1,734,411
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	3,148,973	1,918,382	1,939,755	5,167,341	-	-	8,834,993	55,650,487	76,869,831
Creditors Age Analysis									
Total Creditors	7,329,770	2,824,716	727,431	437,263	958,418	2,315,400	314,663	1,180,471	16,068,132

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

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										
Revenue										
Exchange Revenue										
Service charges - Electricity		–	25,584,204	25,584,204	2,240,323	25,420,341	25,584,204	(163,863)	-1%	25,584,204
Service charges - Water		–	11,889,649	11,889,649	839,879	10,720,630	11,889,649	(1,169,019)	-10%	11,889,649
Service charges - Waste Water Management		–	8,101,381	8,101,381	694,231	8,136,174	8,101,381	34,793	0%	8,101,381
Service charges - Waste management		–	3,337,410	3,356,641	287,249	3,365,692	3,356,641	9,051	0%	3,356,641
Sale of Goods and Rendering of Services		–	983,502	975,386	402,328	1,515,794	975,386	540,408	55%	975,386
Agency services		–	407,228	407,228	25,783	350,874	407,228	(56,354)	-14%	407,228
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		–	567,356	552,655	58,868	663,693	552,655	111,038	20%	552,655
Interest from Current and Non Current Assets		–	199,899	198,326	2,413	189,286	198,326	(9,040)	-5%	198,326
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		–	469,692	471,647	29,024	324,122	471,647	(147,525)	-31%	471,647
Licence and permits		–	–	–	398	4,115	–	4,115	–	–
Special rating levies		–	–	–	–	–	–	–	–	–
Operational Revenue		–	947,578	948,157	157,836	1,261,880	948,157	313,723	33%	948,157
Non-Exchange Revenue										
Property rates		–	18,136,267	18,136,267	1,623,604	18,919,912	18,136,267	783,645	4%	18,136,267
Surcharges and Taxes		–	332,047	332,047	34,498	405,525	332,047	73,478	22%	332,047
Fines, penalties and forfeits		–	176,770	176,874	3,745	292,597	176,874	115,723	65%	176,874
Licence and permits		–	3,994	3,758	250	2,724	3,758	(1,034)	-28%	3,758
Transfers and subsidies - Operational		–	8,980,278	9,011,475	44,246	8,831,723	9,011,475	(179,752)	-2%	9,011,475
Interest		–	127,429	127,429	15,680	249,296	127,429	121,867	96%	127,429
Fuel Levy		–	4,572,290	4,572,290	381,024	4,572,290	4,572,290	–	–	4,572,290
Operational Revenue		–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	3,328	2,858	27	(841)	2,858	(3,699)	-129%	2,858
Other Gains		–	–	–	(384)	(1,077)	–	(1,077)	–	–
Discontinued Operations		–	–	–	0	0	–	0	–	–
Total Revenue (excluding capital transfers and contributions)		–	84,820,301	84,848,273	6,841,023	85,224,751	84,848,273	376,479	0%	84,848,273
Expenditure By Type										
Employee related costs		–	21,654,002	23,008,891	1,958,765	23,794,018	23,008,891	785,127	3%	23,008,891
Remuneration of councillors		–	202,021	202,021	16,379	188,823	202,021	(13,198)	-7%	202,021
Bulk purchases - electricity		–	17,582,825	17,582,825	2,429,600	20,659,644	17,582,825	3,076,818	17%	17,582,825
Inventory consumed		–	7,234,991	7,254,312	665,951	7,708,459	7,254,312	454,147	6%	7,254,312
Debt impairment		–	8,076,200	9,132,196	991,448	11,147,916	9,132,196	2,015,720	22%	9,132,196
Depreciation and amortisation		–	5,643,271	5,560,480	139,852	4,656,665	5,560,480	(903,815)	-16%	5,560,480
Interest		–	2,627,256	2,632,282	261,697	2,687,836	2,632,282	55,554	2%	2,632,282
Contracted services		–	7,323,519	6,285,251	680,495	5,116,049	6,285,251	(1,169,202)	-19%	6,285,251
Transfers and subsidies		–	113,739	75,664	855	66,929	75,664	(8,735)	-12%	75,664
Irrecoverable debts written off		–	–	–	5,526	10,627	–	10,627	–	–
Operational costs		–	6,829,056	6,536,603	651,827	7,163,842	6,536,603	627,239	10%	6,536,603
Losses on Disposal of Assets		–	4,140	2,513	347	19,027	2,513	16,514	657%	2,513
Other Losses		–	3,378,592	3,378,562	234,869	3,219,842	3,378,562	(158,721)	-5%	3,378,562
Total Expenditure		–	80,669,613	81,651,602	8,037,611	86,439,676	81,651,602	4,788,075	6%	81,651,602
Surplus/(Deficit)		–	4,150,688	3,196,671	(1,196,588)	(1,214,925)	3,196,671	(4,411,596)	-138%	3,196,671
Transfers and subsidies - capital (monetary allocations)		–	4,100,420	4,550,032	186,315	2,278,032	4,550,032	(2,272,000)	-50%	4,550,032
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		–	8,251,108	7,746,703	(1,010,274)	1,063,107	7,746,703	(6,683,596)	-86%	7,746,703
Income Tax		–	44,883	44,883	–	–	44,883	(44,883)	-100%	44,883
Surplus/(Deficit) after income tax		–	8,206,225	7,701,820	(1,010,274)	1,063,107	7,701,820	(6,638,713)	-86%	7,701,820
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		–	8,206,225	7,701,820	(1,010,274)	1,063,107	7,701,820	(6,638,713)	-86%	7,701,820
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		–	8,206,225	7,701,820	(1,010,274)	1,063,107	7,701,820	(6,638,713)	-86%	7,701,820

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	Budget Year 2025/26			
		Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1				
ASSETS					
Current assets					
Cash and cash equivalents		4,228,182	1,734,411	2,846,685	1,734,411
Trade and other receivables from exchange transactions		10,024,581	9,960,900	27,780,883	9,960,900
Receivables from non-exchange transactions		1,141,152	4,646,929	17,506,044	4,646,929
Current portion of non-current receivables		–	–	3,443,711	–
Inventory		574,591	571,405	548,142	571,405
VAT		774,651	748,855	37,491,183	748,855
Other current assets		1,410,887	244,156	(321,096)	244,156
Total current assets		18,154,044	17,906,656	89,295,552	17,906,656
Non current assets					
Investments		603,873	595,624	–	595,624
Investment property		1,029,999	1,013,514	3,595	1,013,514
Property, plant and equipment		90,020,983	90,600,320	97,236,147	90,600,320
Biological assets		–	–	(38)	–
Living and non-living resources		31,037	34,965	–	34,965
Heritage assets		619,545	639,603	518,035	639,603
Intangible assets		2,129,497	2,287,276	(6,193,689)	2,287,276
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	49,509	–
Other non-current assets		4,712,388	5,463,847	14,384,575	5,463,847
Total non current assets		99,147,322	100,635,148	105,998,132	100,635,148
TOTAL ASSETS		117,301,366	118,541,804	195,293,684	118,541,804
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	2,216,140	1,085,958	2,216,140
Consumer deposits		21,186	18,265	2,218,919	18,265
Trade and other payables from exchange transactions		12,994,188	17,307,866	29,745,429	17,307,866
Trade and other payables from non-exchange transactions		–	–	1,892,411	–
Provision		725,374	792,311	1,242,499	792,311
VAT		552,006	543,338	35,814,194	543,338
Other current liabilities		333,543	204,365	10,919,187	204,365
Total current liabilities		16,864,150	21,082,285	82,918,597	21,082,285
Non current liabilities					
Financial liabilities		21,376,116	20,136,229	50,229,759	20,136,229
Provision		1,861,431	1,827,387	1,180,139	1,827,387
Long term portion of trade payables		486,971	2,085,111	2,358,657	2,085,111
Other non-current liabilities		6,194,455	6,509,010	657,501	6,509,010
Total non current liabilities		29,918,973	30,557,737	54,426,056	30,557,737
TOTAL LIABILITIES		46,783,123	51,640,022	137,344,654	51,640,022
NET ASSETS	2	70,518,243	66,901,782	57,949,030	66,901,782
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	66,901,782	61,053,848	66,901,782
Reserves and funds		–	–	204,610	–
Other		–	–	920,808	–
TOTAL COMMUNITY WEALTH/EQUITY	2	70,518,243	66,901,782	62,179,267	66,901,782

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Ref	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		16,818,796	16,818,796	1,353,446	15,535,769	16,818,796	(1,283,027)	-8%	16,818,796
Service charges		42,394,867	41,452,992	3,703,321	42,978,252	55,844,409	(12,866,157)	-23%	41,452,992
Other revenue		7,754,994	7,664,899	2,372,508	14,670,293	2,470,052	12,200,240	494%	7,664,899
Transfers and Subsidies - Operational		8,980,278	9,011,475	—	12,256,554	407,228	11,849,326	2910%	9,011,475
Transfers and Subsidies - Capital		4,550,420	4,096,783	—	4,772,306	4,999,831	(227,525)	-5%	4,096,783
Interest		791,839	765,057	18,595	266,042	172,733	93,309	54%	765,057
Dividends		—	—	—	—	—	—	—	—
Payments									
Suppliers and employees		(68,074,018)	(70,988,651)	(4,481,150)	(83,171,786)	(70,988,651)	12,183,135	-17%	(70,988,651)
Finance charges		(2,627,256)	(2,632,282)	(635,462)	(2,949,469)	(2,632,282)	317,187	-12%	(2,632,282)
Transfers and Subsidies		(113,739)	(75,664)	(7,834)	(83,071)	(75,664)	7,407	-10%	(75,664)
NET CASH FROM/(USED) OPERATING ACTIVITIES		10,476,180	6,113,404	2,323,425	4,274,890	7,016,452	2,741,561	39%	6,113,404
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(812)	903,393	—	—	345	(345)	-100%	903,393
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		(593,850)	(374,112)	—	—	(374,112)	374,112	-100%	(374,112)
Payments									
Capital assets		(8,700,420)	(8,424,388)	(274,846)	(3,779,713)	(8,424,388)	(4,644,675)	55%	(8,424,388)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9,295,082)	(7,895,107)	(274,846)	(3,779,713)	(8,798,155)	(5,018,442)	57%	(7,895,107)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		—	—	—	3,000,000	—	3,000,000	—	—
Borrowing long term/refinancing		3,500,000	2,774,557	951,500	(3,451,500)	2,774,557	(6,226,057)	-224%	2,774,557
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—
Payments									
Repayment of borrowing		(3,183,807)	(3,224,103)	(2,176,727)	(7,816,848)	(3,224,103)	4,592,745	-142%	(3,224,103)
NET CASH FROM/(USED) FINANCING ACTIVITIES		316,193	(449,546)	(1,225,227)	(8,268,348)	(449,546)	7,818,802	-1739%	(449,546)
NET INCREASE/ (DECREASE) IN CASH HELD		1,497,291	(2,231,249)	823,352	(7,773,170)	(2,231,249)			(2,231,249)
Cash/cash equivalents at beginning:		2,730,891	3,965,660	2,023,333	2,023,333	3,965,660			3,965,660
Cash/cash equivalents at month/year end:		4,228,182	1,734,411	2,846,685	2,846,685	1,734,411			1,734,411

ADDITIONAL SUPPORTING SCHEDULES:

Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M12 JUNE 2026				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Exchange Revenue			
	Service charges - Water	(1,169,019)	The under recovery is mainly contributable to unfavourable consumption levels, driven by water throttling, economic strain on consumers, intentional conservation practices, and significant Non-Revenue Water losses. The customer base is not growing due to limitation on availability of water which is hampering development.	There is a direct correlation between throttling of water and revenue. The entity is in a process of reviewing its throttling process so it will not have an impact on revenue.
	Sale of Goods and Rendering of Services	540,408	MTC: The over-recovery is mainly as a result of more contracts awarded from various departments namely Integrated Intelligence Operations Centre (IIOC) for Public Safety and GICT facilities management. Furthermore, procurement contracts undertaken from the Transport Department and allied entities. Joburg Water: The over-recovery is due to penalties imposed on illegal connections as part of the Metering & Revenue Enhancement Project as well as investigations and the Revenue Completeness Project led by Johannesburg Water's Credit Control team. This is as a result	

			of the revenue enhancement findings from investigations and the revenue completeness project.	
	Agency services	(56,354)	Public Safety (Head Office): The under recovery is attributable to fees generated from the Gauteng Department of Roads and Transport (GPDRT) relating to the licensing functions that have been outsourced from GPDRT to the department which are customer driven.	The Department should increase the collection efforts to increase the revenue.
	Interest earned from Receivables	111,038	Joburg Water: The over recovery is due to an increased outstanding debt as a result of the historical collection levels which have consistently been below the budget. Human Settlement: The over recovery is mainly as a result of accumulated interest charges levied on outstanding debtor balances. Pikitup: The over recovery is due to delays in the payment of creditors resulting in the sweeping account balance being higher than anticipated.	Joburg Water: The entity and RSSC have been working together to reduce the outstanding balance. Numerous meetings have also been held with the departments in order to speed up the collection process. There is slow progress of pre-termination notices and disconnections on government accounts and that results to low collection levels.

Rental from Fixed Assets	(147,525)	JOSHCO: The under recovery is attributable to a reduction in rental income across various JOSHCO housing projects, as well as student accommodation facilities. Human Settlements: The under-recovery is due to the Department's inability to collect the required percentage of rental revenue from tenants, primarily occupants of hostels.	JOSHCO: The Housing Management will enhance revenue collection systems to ensure that new projects are tenanted timeously. Human Settlement: The Department is working on transferring units to qualifying beneficiaries in order to realised potential revenue growth.
Operational Revenue	313,723	Group Finance: The over performance is mainly as a result of enhanced revenue collection subsequent to the implementation of automated notice systems via e-Joburg and Interfile. This intervention resulted in improved revenue realised on pre-termination charges against debtors.	
Non-Exchange Revenue			
Surcharges and Taxes	73,478	Group Finance: The over-recovery is attributable to a combination of improved billing accuracy and increased revenue collection, supported by enhanced credit management measures implemented during the reporting period. These interventions strengthened debtor recovery processes and resulted in revenue performance exceeding the budgeted expectations.	
Fines, penalties and forfeits	115,723	JMPD: The over-recovery is mainly attributable from favourable revenue collection emanated by traffic fines, poundage and storages.	

Interest	121,867	Group Finance: The over-recovery is mainly due to interest charges on overdue debtor accounts resulting from penalties imposed on non-debtor's payments. This is in line with the municipality's credit control and debt management policies. During the period, customer journal adjustments processed by the Property Branch reduced penalties imposed by R3 million for the month and R15.8 million year to date. This line is jointly impacted with entries and billing adjustments by RSSC and the Property Branch. Reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors.	Group Finance: The penalties imposed is due to non-collection of overdue debt by customers which attract interest. Therefore, Revenue Shared Services Centre (RSSC) as custodian of credit control processes should tighten efforts to collect long outstanding debts.
Expenditure By Type			
Remuneration of councillors	(13,198)	Office of the Speaker: The under expenditure is a result of the Councillors' upper limits for the fiscal year 2025–2026 not yet being implemented.	Office of the Speaker: The expenditure is expected to improve in the upcoming months upon the payment of the approved increases subject to the submission of the required information to the Minister for concurrence. The approved increases will be implemented retrospectively and backdated to July 2025.
Bulk purchases - electricity	3,076,818	The over expenditure is mainly attributable to Eskom bulk electricity purchases exceeding the approved budget by R2.2 billion (15.66%). This variance is driven by higher energy consumption, which resulted in bulk purchase costs being significantly above the budgeted provision.	The following mitigating actions will be implemented: • Reviewing and negotiating power purchase agreements (PPAs) for more favourable terms • Increasing the use of cost-reflective tariffs to recover the true cost of supply • Exploring alternative energy sourcing (e.g., embedded generation, IPPs) to diversify supply

Inventory consumed	454,147	MTC: The over expenditure is mainly due to additional projects and contracts undertaken by the entity Citywide. These include initiatives with the Transport Department, supplying ICT equipment, installation of hardware solutions, advanced technology solutions for City Power, providing comprehensive ICT services in Metrobus. Public Safety for IIOC project as well as GICT facilities management for revenue enhancement services. These contracts and projects contributed to higher revenue recognition. Joburg Water: The over expenditure is attributable to the increased usage of consumables due to scheduled repairs and maintenance.	
Debt impairment	2,015,720	City Power: The over expenditure is due to decreased collection levels. The year-to-date collection level is 91.00% which was used to determine the debt impairment reported based on the actual billing against the target level of 97.50%. Joburg Water: The over budget is due to decreased payment levels. The year-to-date payment level is 70.50% as compared to the budgeted payment level of 73.2% resulting in a higher contribution to Bad Debts. Group Finance: The over expenditure results from the timing and application of the Bad Debt Impairment provision, calculated in arrears and aligned to GRAP 108 requirements. The provision is a non-cash item based on recoverability assessments of statutory receivables.	City Power: Continued implementation of the revenue mitigating actions. Credit control measures must be strictly enforced to ensure that every customer for both prepaid and conventional system honour their bills. Joburg Water: A revised credit control strategy was developed to address the current collection challenges. Group Finance: Revenue Shared Service Centre (RSSC) is the custodian of the Credit Control management process and efforts should be made to collect all billed actual including long outstanding debt.

Depreciation amortisation	and	(903,815)	Community Development & GICT: The under expenditure is due to delays in the capitalization of assets and accounting for depreciation expense due to unresolved projects currently under investigation. MTC: The under expenditure is attributable to reduced depreciation following the revision of asset useful lives in accordance with GRAP requirements. In addition, recently acquired assets have not yet been capitalised, resulting in depreciation not yet being recognised on those assets. JRA: Due to majority of assets being Work in progress. This will however improve as there is an expectation of additional assets to be purchased before the end of the financial year.	GICT: Assets are being capitalised as projects become completed. The depreciation expense will improve once year end processes are complete as there are delays in running the depreciation postings.
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Contracted services	(1,169,202)	Group Finance: The under expenditure is attributable to delays in the processing legal expenses related to ATTCOL due to prior verification and approval processes to be undertaken. Expenditure on Contractors General and Specialised Services is incurred based on the progress of work and contractual milestones, therefore projects such as Specialised Collection Panel and Online e-Joburg Portal are processed only after all reviews and approvals across the value chain have been completed. Transport: The under expenditure is primarily attributable to contracted services, as well as delays in the disbursement of funds to suppliers for related contracted service projects. In addition, the compensation lump sum payable to the Rea Vaya Phase 1C(a) affected taxi operators remains outstanding due to delays in the finalisation of taxi operating licenses and the delayed operationalisation of JTI1 this contributed to slower expenditure performance and service delivery implementation. City Manager: The under expenditure is due to delays caused by probity audits and UIFW investigations, which typically take longer to conclude. additionally, repairs and maintenance activities have not been undertaken due to the closure of the Metro Centre.	
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Transfers and subsidies	(8,735)	Outstanding accruals have not all been processed and accounted for across some entities and departments in the City. Once done, the expenditure will be accurately reflected and is expected to align with the approved budget.	
Operational costs	627,239	The over expenditure is due to the following: City Power: Due to over expenditure incurred on legal expenses, Fleet costs as well as telecommunications. Joburg Water: Due to over spending on insurance premiums as well electricity costs related to actual meter readings, which were backdated in 2024/25 financial year. Pikitup: Due to the hire of ad-hoc fleet to supplement the COJ owned vehicles as a result of capital expenditure on fleet being insufficient. Joshco & Human Settlements: Due to over spending on utility fees.	

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description		NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands															
Debtors Age Analysis By Income Source															
	Trade and Other Receivables from Exchange Transactions - Water	1200	725,097	522,788	512,322	1,429,895					21,706,995	27,559,860	25,799,653		
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,199,023	543,186	539,540	1,339,568					6,961,058	12,256,665	9,974,916		
	Receivables from Non-exchange Transactions - Property Rates	1400	920,461	528,245	563,310	1,409,356					11,941,593	17,914,678	15,902,663		
	Receivables from Exchange Transactions - Waste Water Management	1500	472,905	281,767	284,390	807,405					9,352,356	12,630,678	11,591,616		
	Receivables from Exchange Transactions - Waste Management	1600	206,084	136,820	143,753	376,185					5,882,153	7,454,802	6,968,145		
	Receivables from Exchange Transactions - Property Rental Debtors	1700	405	37,041	36,670	36,244					35,620	181,881	107,765		
	Interest on Arrear Debtor Accounts	1810													
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
	Other	1900	(375,002)	(131,465)	(140,229)	(231,313)					(229,288)	(1,338,631)	(691,936)		
	Total By Income Source	2000	3,148,973	1,918,382	1,939,755	5,167,341					8,834,993	55,650,487	69,652,821		
	2024/25 - totals only		2,831,436	1,736,412	1,809,839	4,024,310					7,995,587	48,461,913	60,481,810		
Debtors Age Analysis By Customer Group															
	Organs of State	2200	57,939	44,250	43,255	138,098					2,143,634	2,669,835	2,524,391		
	Commercial	2300	1,105,818	589,622	640,719	1,579,882					14,825,124	21,114,033	18,777,874		
	Households	2400	1,985,216	1,284,510	1,255,781	3,449,362					38,681,730	52,876,063	48,350,556		
	Other	2500													
	Total By Customer Group	2600	3,148,973	1,918,382	1,939,755	5,167,341					8,834,993	55,650,487	69,652,821		

Table SC4: Aged creditors analysis

Description	NT Code	Budget Year 2025/26								Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		Total
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	860,211
Bulk Water	0200		961,371							961,371	-
PAYE deductions	0300									-	-
VAT (output less input)	0400									-	-
Pensions / Retirement deductions	0500									-	-
Loan repayments	0600									-	-
Trade Creditors	0700	6,680,184	1,663,844	464,829	214,134	279,933	2,242,363	51,693	900,236	12,497,217	18,033,601
Auditor General	0800									-	-
Other	0900	649,586	199,500	262,602	223,129	678,485	73,037	262,970	260,235	2,609,544	809,088
Total By Customer Type	1000	7,329,770	2,824,716	727,431	437,263	958,418	2,315,400	314,663	1,160,471	16,068,132	19,702,899

Table SC 10 : Parent (Core) municipality's Financial performance

JHB City Of Johannesburg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M12 June

Description	Ref	Budget Year 2025/26							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								
Revenue									
Exchange Revenue									
Service charges - Electricity		-	-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-
Service charges - Waste management				1	17		17		-
Sale of Goods and Rendering of Services		439,650	439,750	16,925	185,884	439,750	(253,866)	-58%	439,750
Agency services		407,228	407,228	25,157	328,113	407,228	(79,115)	-19%	407,228
Interest							-		-
Interest earned from Receivables		44,216	44,216	13,338	149,597	44,216	105,381	238%	44,216
Interest earned from Current and Non Current Assets		161,603	161,603	154	134,516	161,603			161,603
Dividends							-		-
Rent on Land							-		-
Rental from Fixed Assets		170,488	170,488	5,477	66,069	170,488	(104,419)	-61%	170,488
Licence and permits							-		-
Special rating levies									-
Operational Revenue		209,041	210,613	46,893	463,378	210,613	252,765	120%	210,613
Non-Exchange Revenue							-		-
Property rates		18,136,267	18,136,267	1,623,604	18,919,912	18,136,267			18,136,267
Surcharges and Taxes		332,047	332,047	34,498	405,525	332,047			332,047
Fines, penalties and forfeits		176,674	176,674	62	288,388	176,674	111,714	63%	176,674
Licences or permits		3,994	3,758	250	2,724	3,758			3,758
Transfer and subsidies - Operational		8,979,745	9,010,942	44,246	8,824,947	9,010,942			9,010,942
Interest		127,429	127,429	15,680	249,296	127,429			127,429
Fuel Levy		4,572,290	4,572,290	381,024	4,572,290	4,572,290			4,572,290
Operational Revenue		-	-	-	-	-			-
Gains on disposal of Assets		-	-	-	-	-			-
Other Gains		-	-	-	-	-			-
Discontinued Operations		-	-	-	-	-			-
Total Revenue (excluding capital transfers and contributions)		33,760,672	33,793,305	2,207,310	34,590,655	33,793,305	797,350	2%	33,793,305
Expenditure By Type									
Employee related costs		12,080,424	12,749,671	1,064,458	13,362,983	12,749,671	613,312	5%	12,749,671
Remuneration of councillors		202,021	202,021	16,379	188,823	202,021	(13,198)	-7%	202,021
Bulk purchases - electricity							-		-
Inventory consumed		68,335	57,267	6,475	18,411	57,267	(38,856)	-68%	57,267
Debt impairment		1,520,066	1,520,066	132,157	2,846,018	1,520,066	1,325,952	87%	1,520,066
Depreciation and amortisation		3,764,538	3,631,590		2,945,409	3,631,590	(686,181)	-19%	3,631,590
Interest		2,611,105	2,611,617	159,657	2,070,506	2,611,617	(541,111)	-21%	2,611,617
Contracted services		2,823,330	2,693,938	299,802	1,498,667	2,693,938	(1,195,271)	-44%	2,693,938
Transfers and subsidies		86,632	48,557	(4,439)	40,188	48,557	(8,369)	-17%	48,557
Irrecoverable debts written off				5,500	6,496		6,496	#DIV/0!	-
Operational costs		3,590,179	3,485,750	295,270	3,452,706	3,485,750	(33,044)	-1%	3,485,750
Losses on disposal of Assets				176	16,408				-
Other Losses									-
Total Expenditure		26,746,630	27,000,477	1,975,436	26,446,614	27,000,477	(553,863)	-2%	27,000,477
Surplus/(Deficit)		7,014,042	6,792,828	231,874	8,144,042	6,792,828	1,351,214	20%	6,792,828
Transfers and subsidies - capital (monetary allocations)		2,457,682	2,522,956	39,002	1,040,792	2,522,956	(1,482,164)	-59%	2,522,956
Transfers and subsidies - capital (in-kind)							-		-
Surplus/(Deficit) after capital transfers & contributions		9,471,724	9,315,784	270,876	9,184,833	9,315,784	(130,950)	-1%	9,315,784
Income Tax							-		-
Surplus/(Deficit) after income tax		9,471,724	9,315,784	270,876	9,184,833	9,315,784	(130,950)	-1%	9,315,784

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M12 June

Description	Ref	Budget Year 2025/26							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Municipal Entity									
Pikitup		3,460,685	3,560,865	293,257	3,424,767	3,560,865	(136,098)	-4%	3,560,865
City Power		26,366,421	26,366,622	2,340,031	26,293,143	26,366,622	(73,479)	0%	26,366,622
Johannesburg Water		21,262,729	21,551,216	1,710,809	19,952,380	21,551,216	(1,598,836)	-7%	21,551,216
Johannesburg Social Housing Company		273,513	273,513	21,438	211,547	273,513	(61,966)	-23%	273,513
Johannesburg Property Company		47,304	47,304	370	28,397	47,304	(18,907)	-40%	47,304
Metropolitan Trading Company		33,791	33,791	296,393	831,655	33,791	797,864	2361%	33,791
Metrobus		112,117	112,117	4,513	67,373	112,117	(44,744)	-40%	112,117
Johannesburg City Parks and Zoo		92,143	82,847	8,225	109,104	82,847	26,257	32%	82,847
JDA		80,953	80,953	13,149	71,590	80,953	(9,363)	-12%	80,953
Johannesburg Roads Agency		180,931	180,931	19,945	84,577	180,931	(96,354)	-53%	180,931
Joburg City Theatres		43,352	43,352	15,742	107,537	43,352	64,185	148%	43,352
Joburg Market		748,428	748,532	57,154	689,266	748,532	(59,266)	-8%	748,532
Joburg Tourism Company		—	—	—	—	—	—	—	—
Total Operating Revenue	1	52,702,368	53,082,043	4,781,026	51,871,336	53,082,043	(1,210,707)	-2%	53,082,043
Expenditure By Municipal Entity									
Pikitup		4,462,115	4,614,551	470,203	4,864,817	4,614,551	250,266	5%	4,614,551
City Power		23,490,028	23,600,241	3,279,897	27,948,867	23,600,241	4,348,625	18%	23,600,241
Johannesburg Water		19,180,125	19,236,538	1,584,817	19,574,841	19,236,538	338,303	2%	19,236,538
Johannesburg Social Housing Company		413,343	425,784	81,687	768,160	425,784	342,376	80%	425,784
Johannesburg Property Company		1,101,897	1,131,357	94,549	1,030,059	1,131,357	(101,298)	-9%	1,131,357
Metropolitan Trading Company		360,189	430,031	126,873	863,321	430,031	433,290	101%	430,031
Metrobus		719,878	739,342	68,930	772,704	739,342	33,362	5%	739,342
Johannesburg City Parks and Zoo		1,385,713	1,545,108	153,535	1,461,657	1,545,108	(83,451)	-5%	1,545,108
JDA		137,461	145,531	14,042	127,672	145,531	(17,859)	-12%	145,531
Johannesburg Roads Agency		1,632,788	1,712,280	73,488	1,585,606	1,712,280	(126,674)	-7%	1,712,280
Joburg City Theatres		332,157	347,511	31,549	312,121	347,511	(35,390)	-10%	347,511
Joburg Market		650,175	667,852	71,246	593,947	667,852	(73,905)	-11%	667,852
Joburg Tourism Company		101,996	99,881	11,358	89,292	99,881	(10,589)	-11%	99,881
Total Operating Expenditure	2	53,967,866	54,696,007	6,062,175	59,993,063	54,696,007	5,297,055	10%	54,696,007

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		130,506		83,590	83,590	130,506	46,916	35.9%	1%
August		165,056		288,017	371,607	295,562	(76,045)	-25.7%	4%
September		357,900		340,894	712,501	653,462	(59,039)	-9.0%	8%
October		720,447		456,821	1,169,322	1,373,909	204,587	14.9%	13%
November		1,255,218		315,947	1,485,269	2,629,128	1,143,859	43.5%	17%
December		1,721,082		736,168	2,221,437	4,350,210	2,128,773	48.9%	26%
January		1,721,082		75,457	2,296,894	6,071,292	3,774,399	62.2%	26%
February		1,255,218	7,094,068	276,836	2,573,729	7,094,068	4,520,339	63.7%	30%
March		720,447	697,590	844,153	3,417,882	7,791,658	4,373,776	56.1%	39%
April		357,900	346,546	416,201	3,834,083	8,138,204	4,304,121	52.9%	44%
May		165,056	159,819	532,983	4,367,066	8,298,023	3,930,957	47.4%	50%
June		130,506	126,366	1,735,838	6,102,904	8,424,388	2,321,485	27.6%	70%
Total Capital expenditure	-	8,700,420	8,424,388	6,102,904					