

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

2026-03-
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CITY OF JOHANNESBURG



GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 JANUARY 2026

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**CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD
ENDED 31 JANUARY 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 31 January 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 31 January 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 2%, (R1.2 billion) over recovery in comparison to the year-to-date budget, (January 2025: 6%). The actual operating expenditure variance is at 5% (R2.4 billion) overspending against year-to-date budget (January 2025: -1%). The net result is an operating deficit of R79.6 million against a year-to-date (YTD) budgeted surplus of R1.1 billion.

The Capital budget for the 2025/26 financial year amounts to R8.7 billion after the approval of the medium-term budget in Council. The total actual expenditure (excluding commitments) to date amounts to R2.3 billion (26%) of the medium-term budget.

The total opening and closing Investment balances including cash for the month of January 2026 were R2.1 billion and R1.8 billion respectively. This shows a decrease of R339 million during the month as indicated below.

Jan-26	OPENING R	CLOSING R
Operational Call Deposits	30,474,981	30,584,655
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	904,759,207	560,784,918
Absa Primary Account Balance	268,739,898	1,088,909
TOTAL UNENCUMBERED	1,204,974,166	592,438,483
Contingency Reserve Fund	1,177,078	1,177,078
Unfunded Liability Fund	2,030,000	2,030,000
COID	279,500,000	279,500,000
Capital Grants	-	-
Capital Replacement Reserve	20,349,120	20,698,356
Non-Sweeping Bank Accounts	630,011,404	503,126,923
TOTAL ENCUMBERED	833,087,600	1,206,832,356
TOTAL INVESTMENTS/CASH BALANCE	2,138,041,766	1,798,970,838

Table 1: Cash Balances as at 31 January 2026; Source – Bank Statements

Jan-26	OPENING R	CLOSING R
Cash and Cash Equivalents	1,091,188,335	1,097,222,283
Interest Rate swaps	286,345,615	293,306,928
Tradable Instruments Portfolio	341,370,075	345,796,558
TOTAL SINKING FUND INVESTMENTS	1,698,915,225	1,736,326,749

Table 1a: Sinking Fund Balance as at 31 January 2026 Including Accrued Interest; Source –Sinking Fund AFS

- Total unencumbered balances decreased by R612 million during the month, which was primarily driven by the decrease in both STD Bank and Absa Primary accounts. Total encumbered balances increased by R273 million during this same period, with the highest increase being in the non-sweepings' portfolio.
- The Sinking Fund balances closed R 37 million higher at R1.7 billion, with an increase of R6 million in the cash and cash equivalents portfolio. The tradable Instruments increased with an amount of R4.4 million. These movements are attributable to market movements. The interest rate swaps reflect a positive movement of R26.9 million during the month of January.
- 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.

Cash movements analysis:

Inflows for the month of January 2026 amounted to R6.8 billion versus outflows of R7.1 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was a decrease of R339 million as depicted in Table 1.1 below.

Jan-26	
Description	R
Cash Collections	
Revenue cash collections paid into Primary and Ordinary bank accounts	4,126,636,111
Direct Payments into MOE Revenue accounts	81,207,327
Prepaid Collections	10,335,067
Other Income (Interest Received, Vat Refund, Licensing Fees)	213,786,442
Operating Grants and Subsidies	628,896,601
Positive Sweepings and Non-Sweeping Movements	1,000,000
Total Cash Inflows	1,720,484,032
Total Cash Inflows	6,762,355,580
Outflows	
Description	R
Operational and Capital Expenditure and Treasury Transactions*	-5,419,054,818
Negative Sweepings and Non-Sweeping Movements	-1,872,371,882
Total Cash Outflows	-7,091,426,508
Net Movement	-339,070,928

Summary Table 1.1 Cash Movements as at 31 January 2026

Cash outflows were more than the inflows resulting in a negative movement on the overall cash balances. The inflows for the month of January include cash collection: R4.1 billion, receipts paid directly into MOE bank accounts: R10.3 million; cash collection paid into the Ordinary and Primary bank accounts: R51.2 million, Prepaid collections of R214 million, other income: R629 million and grants and subsidies R1 million.

Financial Year 2025/26 Grant funding:

The table below indicates the level of grant funding received year to date up to 31 January 2026.

Grant Name	MTA Local Government Grants	National Treasury Grants	Balance
Operational			
Equitable Share Grant	0,108,110,000	8,126,498,000	-879,811,000
Fuel Levy Grant	2,048,184,000	3,048,184,000	-
Total Operational Grants	9,153,304,000	8,173,693,000	-979,811,000
Conditional			
Urban Settlements Development Grant	1,842,383,000	780,180,000	-882,223,000
Informal Settlements Upgrading Grant	540,000,000	540,000,000	-
Infrastructure Skills Development Grant	7,000,000	7,000,000	-
Public Transport Network Grant	880,888,000	580,588,000	-
Urban Development Financing Grant	119,167,000	119,167,000	-
Energy Efficiency Demand-Side Management Grant	4,800,000	4,800,000	-
Expanded Public Works Programme	2,800,000	2,800,000	-
Financial Management Grant	1,000,000	1,000,000	-
Total Conditional Grants	2,887,438,000	2,035,215,000	-882,223,000
Total Local Government Grants	12,050,742,000	10,208,908,000	-1,841,834,000

Source: National Treasury and Bank Statements

The city received R1 million for ISDG in the month under review. The city is still engaging National Treasury regarding equitable share and USDG, which are grants that were withheld.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 31 January 2026 against Financial Year 2025/26 allocations.

Grant Name	MTA Local Government Grants	Conditional Grants	Year-to-Date Expenditure	Percentage
USDG	780,180,000	840,152,189	100,027,87%	82%
USDPG	119,167,000	84,681,813	84,478,167	71%
ISDG	7,000,000	3,558,229	3,558,229	51%
ISUPG	840,000,000	332,012,000	207,987,913	25%
PTNG	880,888,000	200,474,394	200,474,394	23%
RFVP	2,800,000	1,822,000	1,822,000	65%
ESDM	4,800,000	1,813,600	1,813,600	38%
PMG	1,000,000	84,000	84,000	8%
Totals	2,035,215,000	1,302,214,749	732,970,287	54%

Profit And Cost Centres Movements Analysis:

According to the City's business model, key cash generators are City Power, Joburg Water, PickUp 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 31 January 2026 for all MOEs.

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As depicted in the sweeping statements for the month ended 31 January 2026, City Power, JDA, Joshco, Metrobus, Propcom Portfolio, JHB Roads and MTC remain overdrawn.

Entity	End of December Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of January Balance R
City Power	-18,860,272,800	732,004,174	-2,363,282,700	-1,621,278,526	-21,201,551,516
Joburg Water	2,736,881,273	1,655,433,787	-274,994,495	1,380,439,282	4,117,420,555
Piklup	1,982,504,181	11,669,236	-110,164,792	-98,495,556	1,883,808,835
Parks Zoo	845,263,591	135,895,664	-118,385,128	17,030,568	862,294,160
Fresh Produce	507,897,397	7,500,828	-26,528,937	-19,028,109	488,871,288
JDA	-2,041,059,762	60,346,895	-14,265,524	16,081,372	-2,025,937,381
Joshco	-2,083,818,237	146,263,096	-24,542,050	121,726,046	-1,962,092,191
Metro Bus	-695,309,283	59,344,141	-26,058,401	33,285,740	-662,023,523
Propcom	120,886,885	40,704,497	-14,260,393	26,444,104	147,430,789
Propcom Portfolio	-189,022,800	5,100,521	-2,291,875	3,808,646	-185,213,954
Roads	-208,055,745	180,981,117	-125,349,863	55,611,261	-152,444,484
MTC	-871,358,780	42,751,033	-22,774,400	19,976,634	-851,382,128
JTC	89,451,423	481,577	-7,768,809	-7,307,228	82,144,197
Cora	21,571,681,473	5,069,729,125	-5,338,966,190	-267,237,085	21,304,444,408
Total Sweepings and Balances	2,138,041,766			-338,070,828	1,799,970,938

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

Inflows for the month of January versus outflows resulted in a negative net movement of R339 million.

The table below indicates that revenue generated by these entities were slightly lower than the expenditure cash outflows. This led to the negative movement for the month.

Entity	YTD Net Movement							
	July 2025 R	Aug 2025 R	Sept 2025 R	Oct 2025 R	Nov 2025 R	Dec 2025 R	Jan 2026 R	YTD R
City Power	-1,358,422,462	306,135,423	-3,510,572,748	-1,549,459,179	-55,149,087	2,224,716,058	-1,621,278,526	-5,605,040,513
Joburg Water	-225,427,910	-253,513,643	-168,505,166	380,023,635	-1,732,028,485	700,574,372	1,380,439,282	72,862,265
Piklup	-108,480,578	303,191,628	-121,577,899	-119,543,293	183,442,526	321,334,289	-96,595,556	276,665,215
Parks Zoo	-140,366,714	261,472,218	-138,662,039	21,398,280	-129,856,933	138,790,118	17,030,568	13,835,498
Fresh Produce	-37,763,632	174,989,001	189,676,827	-40,709,125	223,378,330	-100,060,075	-19,028,109	361,934,419
JDA	-261,388,370	-172,880,853	-82,680,384	-102,823,883	-98,338,486	147,763,537	16,081,372	-482,010,945
Joshco	-33,876,019	-128,712,694	-50,239,076	-27,893,101	-49,682,861	-12,654,179	121,726,046	-233,541,672
Metro Bus	-383,864,118	143,858,322	-30,126,161	33,555,889	-26,579,413	47,253,231	33,285,740	-185,826,294
Propcom	-50,579,843	-42,783,493	-24,441,878	-78,822,718	-10,480,434	-40,466,442	26,444,104	-220,989,843
Propcom Portfolio	4,473,343	-1,286,503	4,862,372	-11,174,109	15,088,448	-14,405,202	3,808,646	1,167,716
Roads	-251,868,233	817,033,218	-50,517,320	171,305,160	-48,382,300	-87,571,314	56,511,261	405,870,867
MTC	38,254,351	-168,074,122	-18,073,740	-24,346,437	-37,446,180	-125,020,360	19,976,634	-257,689,834
JTC	-12,749,469	7,147,681	-1,407,235	-7,413,663	-8,650,686	8,923,227	-7,307,226	-19,451,377

Table 3.1(a): Sweeping movements analysis.

The above table reflects the ME net movements for July 2025-January 2026.

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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		
Banks	Available Facility R	Utilized Facility R
STD Bank(Overdraft)	675,000,000	-
STD Bank(Short-term facility)	3,000,000,000	3,000,000,000
Total	3,675,000,000	3,000,000,000

Table 5: External Facilities; Source – COJ Treasury

December 2025 Billing & January 2026 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Dec 2025	Jan 2026		YTD: Jun'25 to Dec'25	YTD: Jul'25 to Jan'26	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 725 319	1 339 773	77.7%	11 575 224	10 092 082	87.2%
Electricity	2 502 398	2 004 650	77.3%	17 179 825	15 548 053	91.1%
Water	1 849 052	1 095 706	59.3%	12 792 505	9 234 040	72.2%
Refuse	307 435	210 125	68.3%	2 152 386	1 589 075	73.8%
TOTAL	6 474 204	4 650 345	71.8%	43 659 740	36 551 235	83.7%

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

The city billed R6.5 billion in December 2025 with R4.7 billion collected in January 2026 resulting in a monthly collection rate of 71.8%. The year-to-date billing as at 31 December 2025 is R43.7 billion with R36.7 billion collected as at 31 January 2026 resulting in a year-to-date collection rate of 83.7%.

Reconciliation between Treasury banking and RSSC collections

Description	Jan 2026	YTD
	R 000's	R 000's
Balance as reported by Treasury	4 401 975	34 114 078
Deposits reflected by Treasury in previous month	32 357	724 468
Refunds, Deposits and Sundry Revenue	-29 497	-332 130

Water: Industrial Effluent and Cross-Boundary Sales	4 308	158 908
Difference in electricity and water prepaid sales	7 684	-7 168
E-Joburg	88 057	889 436
Non-Cash Items:		
Staff Accounts	7 977	63 340
Departmental Settlements	137 506	1 152 303
Total Revenue as per Revenue Collection Report	4 650 345	36 551 235

January 2026 deposits of approximately R32.4 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

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

Description		Dec 2025	Jan 2026
Budget Billing	R 000	6 258 672	6 147 386
Actual Billing	R 000	6 474 204	6 037 380
Shortfall (-) / Surplus (+) in Billing	R 000	215 532	-60 006
Budget Collection	R 000		5 418 696
Actual Revenue Collection	R 000		4 650 345
Shortfall (-) / Surplus (+) in Collections	R 000		-768 351
Actual Billing vs. Budgeted Billing	%	103.4%	99.0%
Actual Collection vs. Budgeted Collection	%		85.8%
Budget Collection (Jan) vs Budget Billing (Dec)	%		86.6%
Actual Collections (Jan) vs. Actual Billing (Dec)	%		71.8%

The actual billing of R6.5 billion for December 2025 was R 215 million above the budgeted billing of R6.3 billion. The actual collection of R4.7 billion for January 2026 was R768 million below the budgeted collection of R5.4 billion. Actual collection of 71.8% is 14.8% below the budgeted collection of 86.6%.

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 01 August 2017.

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 06 mSCOA data strings was submitted to the National Treasury on the 13th of February 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):

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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.

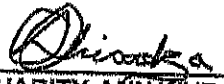
COJ: GOVERNANCE TECHNICAL CLUSTER
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It is recommended that.

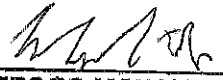
- That the contents of this report with the attached Annexure A be noted.

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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

19/03/2026
DATE

07/05/2026
DATE

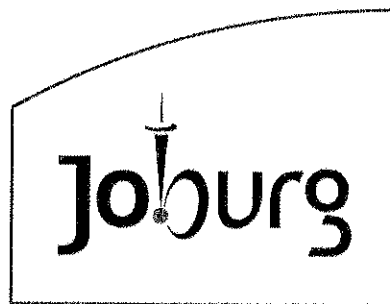
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Annexure A

Annexure A

In-Year Report



Budget year: 2025/26
Reporting Period: Month 07
January 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. 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 31 January 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 R1.2 billion, which is over recovery against the YTD budget for the period ended January 2026.

The operating expenditure is 5% above budget against year-to-date expenditure budget of R2.4 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R8.7 billion. The actual year to date expenditure (excluding commitments) amounts to R2.3 billion (26%) of the budget.

Less than R500K expenditure indicates zero-spending due to rounding off to the nearest R1 million.

Capital Expenditure per funding source as at 31 January 2025:

Description	Budget	YTD	%
(R million)	24/25	Exp	Spent
CoJ Loans	2,500	664	27%
CRR / Cash	1,220	300	25%
Nat Grant	526	24	4%
Prov Grant	12	-	0%
USDG	1,954	796	41%
USIP	740	152	20%
Other	463	238	51%
Total CoJ	7,415	2,173	29%

Capital Expenditure per funding source as at 31 January 2026:

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
CoJ Loans	3,500	892	25%
CRR / Cash	650	57	9%
Nat Grant	543	24	4%
Prov Grant	11	-	0%
USDG	2,321	640	28%
USIP	773	211	27%
Other	903	473	52%
Total CoJ	8,700	2,297	26%

Most funding sources have spending save for Provincial grants. Current spending is 3% below the expenditure when compared to the previous year.

Consolidated Summary - Capital Expenditure as 31 January 2026:

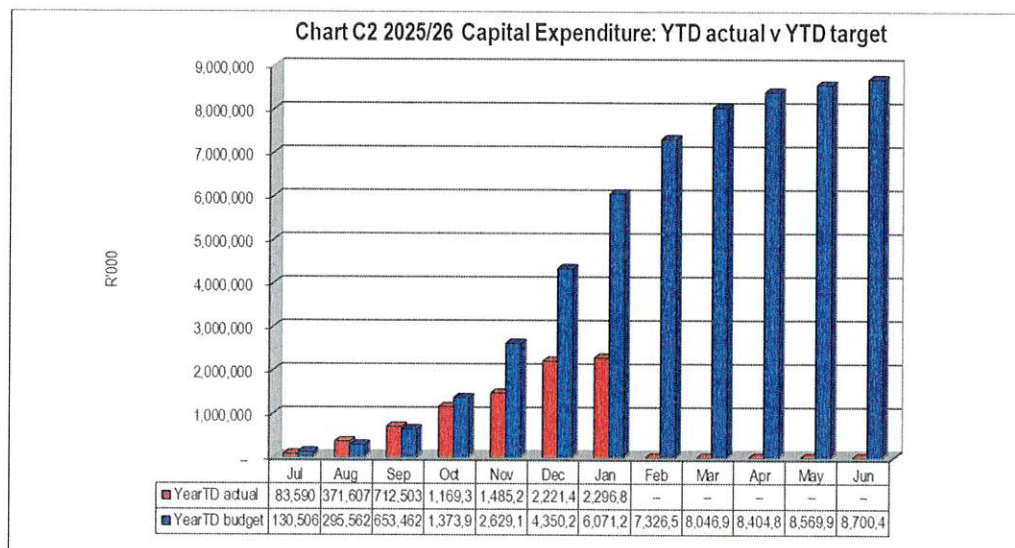
Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
City Power	1,361	402	30%
Johannesburg Water	1,704	357	21%
Pikitup	310	48	16%
Jhb Roads Agency	916	425	46%
Metrobus	157	48	31%
Jhb City Parks and Zoo	31	11	36%
Jhb Development Agency	105	77	74%
Jhb Property Company	40	8	21%
Metro Trading Company	27	9	34%
Joburg Market	67	45	67%
JOSHCO	207	168	82%
Joburg City Theatres	19	8	40%
Joburg Tourism	1	0	0%
Total MES	4,943	1,608	33%

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
Economic Development	6	-	0%
EISD	201	16	8%
Transportation	573	24	4%
Community Development	99	17	17%
Health	38	0	1%
Social Development	42	-	0%
Forensic	2	-	0%
Ombudsman	2	-	0%
Office of the City Manager	11	0	4%
Speaker	1	-	0%
Group ICT	420	31	7%
Group Finance	8	6	70%
Group Corporate Services	261	121	47%
Human Settlements	1,974	463	23%
Development Planning	80	1	1%
Public Safety	41	10	25%
Total Core Administration	3,757	689	18%

Less than R500K expenditure indicates a zero due to rounding off to the nearest R1 million.

JTC remains the only MOE that has not commenced with spending, while Economic Development, Social Development, Forensic, Speaker and Ombudsman are the only departments that have not commenced with 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

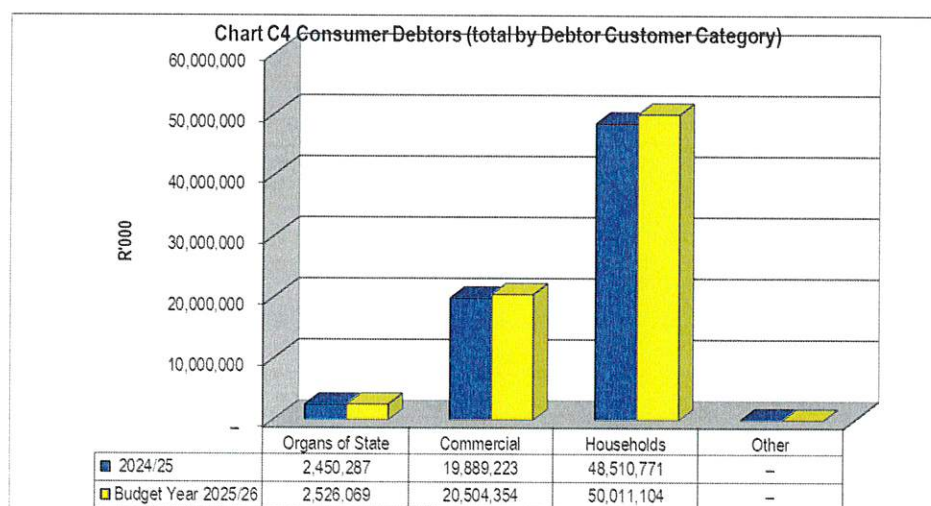
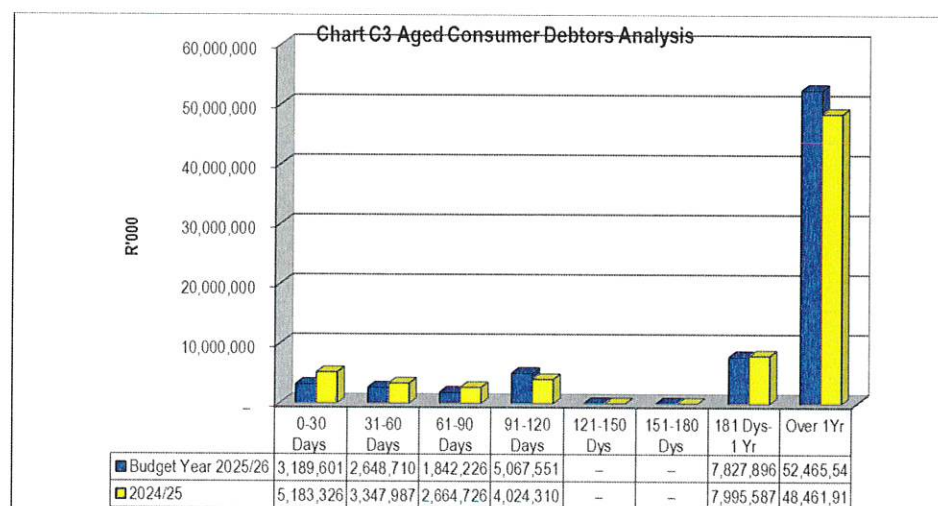
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of January 2026 amount to R1.8 billion.
- The cash flow from operating activities is 2.9 billion, negative.
- The cash flow from investing activities amount to R2.2 billion, negative.
- The cash flow from financing activities amount to R3.1 billion.

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 R73 billion. Chart C3 below illustrates the Consumers debtors age analysis:

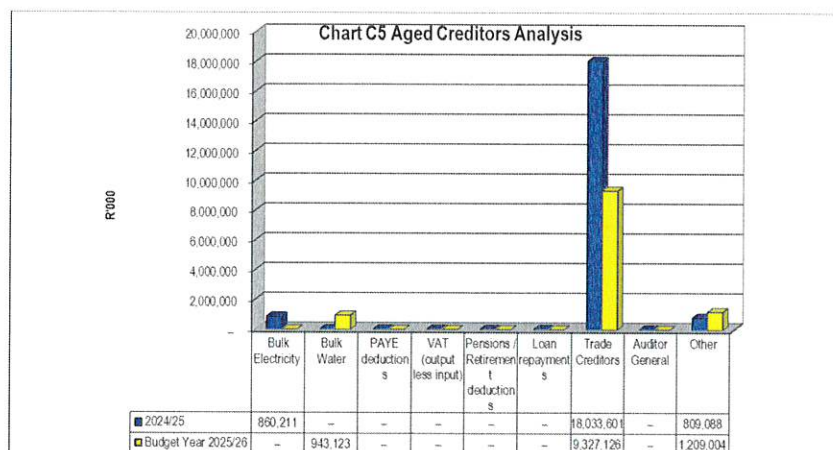


The following interventions / actions were implemented during January 2026 to increase collection levels:

- 4 146 electricity accounts were identified for disconnections, total value R2.7 billion and 2 070 account payments to the value of R99.3 million were collected from the accounts.
- 5 478 water accounts were identified for disconnections, total value R1.8 billion and 1 096 account payments to the value of R40.6 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 31 January 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 - M07 January

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	-	1,594,481	11,003,278	10,579,492	423,786	4%	18,136,267
Service charges	-	48,912,644	-	3,742,920	28,086,867	28,434,441	(347,575)	-1%	48,912,644
Investment revenue	-	199,899	-	61,384	103,240	116,613	(13,373)	-11%	199,899
Transfers and subsidies - Operational	-	8,980,278	-	76,805	6,490,805	5,238,492	1,252,313	24%	8,980,278
Other own revenue	-	8,591,214	-	1,458,483	5,262,009	5,390,769	(128,760)	-2%	-
Total Revenue (excluding capital transfers and contributions)	-	84,820,301	-	6,934,074	50,945,198	49,758,807	1,186,391	2%	84,820,301
Employee costs	-	21,654,002	-	1,710,159	13,741,162	12,626,915	1,114,267	9%	21,654,002
Remuneration of Councillors	-	202,021	-	16,123	108,986	117,845	(8,859)	-8%	202,021
Depreciation and amortisation	-	5,643,271	-	405,226	2,868,585	3,289,223	(420,638)	-13%	5,643,271
Interest	-	2,627,256	-	253,896	1,820,486	1,532,580	287,906	19%	2,627,256
Inventory consumed and bulk purchases	-	24,817,816	-	1,947,331	17,300,376	16,149,327	1,151,048	7%	24,817,816
Transfers and subsidies	-	113,739	-	5,130	45,123	66,345	(21,223)	-32%	113,739
Other expenditure	-	25,611,508	-	2,882,867	15,141,096	14,883,427	257,669	2%	25,611,508
Total Expenditure	-	80,669,613	-	7,220,732	51,025,834	48,665,662	2,360,172	5%	80,669,613
Surplus/(Deficit)	-	4,150,688	-	(286,658)	(78,635)	1,094,145	(1,173,781)	-107%	4,150,688
Transfers and subsidies - capital (monetary allocations)	-	4,100,420	-	(54)	966,837	2,311,538	(1,344,701)	-58%	4,100,420
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	8,251,108	-	(286,712)	887,202	3,405,683	(2,518,481)	-74%	8,251,108
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	8,251,108	-	(286,712)	887,202	3,405,683	(2,518,481)	-74%	8,251,108
Capital expenditure & funds sources									
Capital expenditure	-	8,700,420	-	75,457	2,296,895	6,071,292	(3,774,397)	-62%	8,700,420
Capital transfers recognised	-	4,550,420	-	9,221	1,348,066	3,175,356	(1,827,300)	-58%	4,550,420
Borrowing	-	3,500,000	-	64,601	891,506	2,442,356	(1,550,850)	-63%	3,500,000
Internally generated funds	-	650,000	-	1,635	57,333	453,580	(396,247)	-87%	650,000
Total sources of capital funds	-	8,700,420	-	75,457	2,296,895	6,071,292	(3,774,397)	-62%	8,700,420
Financial position									
Total current assets	-	18,154,044	-	-	76,519,550	-	-	-	18,154,044
Total non current assets	-	99,147,322	-	-	105,488,323	-	-	-	99,147,322
Total current liabilities	-	16,864,150	-	-	72,710,789	-	-	-	16,864,150
Total non current liabilities	-	29,918,973	-	-	55,890,865	-	-	-	29,918,973
Community wealth/Equity	-	70,518,243	-	-	61,737,926	-	-	-	70,518,243
Cash flows									
Net cash from (used) operating	-	8,437,172	-	(208,592)	(2,868,984)	9,032,812	(11,901,796)	-132%	8,437,172
Net cash from (used) investing	-	(6,628,739)	-	(105,465)	(2,187,529)	(4,715,634)	2,528,104	-54%	(6,628,739)
Net cash from (used) financing	-	978,795	-	(24,973)	3,138,628	(837,369)	4,025,998	-454%	978,795
Cash/cash equivalents at the month/year end	-	3,665,298	-	1,798,971	1,798,971	4,307,879	(2,508,908)	-58%	3,665,298
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	3,189,601	2,648,710	1,842,226	5,067,551	-	-	7,827,896	52,465,543	73,041,528
Creditors Age Analysis									
Total Creditors	4,576,431	508,191	1,054,187	1,560,288	1,448,333	1,578,825	407,297	345,701	11,479,252

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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									
Exchange Revenue									
Service charges - Electricity		25,584,204	–	2,049,774	14,972,591	14,833,776	138,815	1%	25,584,204
Service charges - Water		11,889,649	–	740,163	6,350,804	6,935,628	(584,824)	-8%	11,889,649
Service charges - Waste Water Management		8,101,381	–	673,567	4,807,422	4,725,805	81,617	2%	8,101,381
Service charges - Waste management		3,337,410	–	279,415	1,956,049	1,939,232	16,817	1%	3,337,410
Sale of Goods and Rendering of Services		983,502	–	51,685	574,660	571,902	2,758	0%	983,502
Agency services		407,228	–	30,018	212,592	237,552	(24,960)	-11%	407,228
Interest		–	–	–	–	–	–	–	–
Interest earned from Receivables		567,356	–	65,968	371,668	330,964	40,704	12%	567,356
Interest from Current and Non Current Assets		199,899	–	61,384	103,240	116,613	(13,373)	-11%	199,899
Dividends		–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–
Rental from Fixed Assets		469,692	–	24,592	185,230	273,978	(88,748)	-32%	469,692
Licence and permits		–	–	329	2,256	–	2,256	–	–
Special rating levies		–	–	–	–	–	–	–	–
Operational Revenue		947,578	–	63,561	639,259	552,762	86,497	16%	947,578
Non-Exchange Revenue									
Property rates		18,136,267	–	1,594,481	11,003,278	10,579,492	423,786	4%	18,136,267
Surcharges and Taxes		332,047	–	32,958	240,856	193,697	47,159	24%	332,047
Fines, penalties and forfeits		176,770	–	19,429	215,138	103,117	112,021	109%	176,770
Licence and permits		3,994	–	96	1,510	2,331	(821)	-35%	3,994
Transfers and subsidies - Operational		8,980,278	–	76,805	6,490,805	5,238,492	1,252,313	24%	8,980,278
Interest		127,429	–	26,288	152,010	74,333	77,677	104%	127,429
Fuel Levy		4,572,290	–	1,143,073	2,667,170	3,048,194	(381,024)	-13%	4,572,290
Operational Revenue		–	–	–	–	–	–	–	–
Gains on disposal of Assets		3,328	–	341	(122)	1,939	(2,061)	-106%	3,328
Other Gains		–	–	146	(218)	–	(218)	–	–
Discontinued Operations		–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		84,820,301	–	6,934,074	50,946,198	49,759,807	1,186,391	2%	84,820,301
Expenditure By Type									
Employee related costs		21,654,002	–	1,710,159	13,741,182	12,626,915	1,114,267	9%	21,654,002
Remuneration of councillors		202,021	–	16,123	108,986	117,845	(8,859)	-8%	202,021
Bulk purchases - electricity		17,582,825	–	1,329,870	12,753,643	11,930,476	823,167	7%	17,582,825
Inventory consumed		7,234,991	–	617,461	4,546,732	4,218,851	327,881	8%	7,234,991
Debt impairment		8,076,200	–	1,677,770	6,247,731	4,707,850	1,539,881	33%	8,076,200
Depreciation and amortisation		5,643,271	–	405,226	2,868,585	3,289,223	(420,638)	-13%	5,643,271
Interest		2,627,256	–	253,896	1,820,486	1,532,580	287,906	19%	2,627,256
Contracted services		7,323,519	–	403,350	2,932,102	4,223,505	(1,291,403)	-31%	7,323,519
Transfers and subsidies		113,739	–	5,130	45,123	66,345	(21,223)	-32%	113,739
Irrecoverable debts written off		–	–	458	6,053	–	6,053	–	–
Operational costs		6,829,056	–	521,389	4,052,223	3,978,799	73,424	2%	6,829,056
Losses on Disposal of Assets		4,140	–	491	12,096	2,422	9,674	399%	4,140
Other Losses		3,378,592	–	279,409	1,890,891	1,970,850	(79,959)	-4%	3,378,592
Total Expenditure		80,669,613	–	7,220,732	51,025,834	48,665,662	2,360,172	5%	80,669,613
Surplus/(Deficit)		4,150,688	–	(286,658)	(79,635)	1,094,145	(1,173,781)	-107%	4,150,688
Transfers and subsidies - capital (monetary allocations)		4,100,420	–	(54)	966,837	2,311,538	(1,344,701)	-58%	4,100,420
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		8,251,108	–	(286,712)	887,202	3,405,683	(2,518,481)	-74%	8,251,108
Income Tax		44,883	–	–	–	26,180	(26,180)	-100%	44,883
Surplus/(Deficit) after income tax		8,206,225	–	(286,712)	887,202	3,379,503	(2,492,301)	-74%	8,206,225
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		8,206,225	–	(286,712)	887,202	3,379,503	(2,492,301)	-74%	8,206,225
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		8,206,225	–	(286,712)	887,202	3,379,503	(2,492,301)	-74%	8,206,225

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M07 January

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	–	1,798,971	4,228,182
Trade and other receivables from exchange transactions		10,024,581	–	20,008,251	10,024,581
Receivables from non-exchange transactions		1,141,152	–	17,273,192	1,141,152
Current portion of non-current receivables		–	–	2,461,387	–
Inventory		574,591	–	664,905	574,591
VAT		774,651	–	36,725,787	774,651
Other current assets		1,410,887	–	(312,943)	1,410,887
Total current assets		18,154,044	–	78,619,550	18,154,044
Non current assets					
Investments		603,873	–	–	603,873
Investment property		1,029,999	–	4,233	1,029,999
Property, plant and equipment		90,020,983	–	94,665,890	90,020,983
Biological assets		–	–	(38)	–
Living and non-living resources		31,037	–	–	31,037
Heritage assets		619,545	–	518,035	619,545
Intangible assets		2,129,497	–	(5,412,894)	2,129,497
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	815	–
Other non-current assets		4,712,388	–	15,712,284	4,712,388
Total non current assets		99,147,322	–	105,488,323	99,147,322
TOTAL ASSETS		117,301,366	–	184,107,873	117,301,366
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	–	1,212,323	2,237,853
Consumer deposits		21,186	–	2,122,327	21,186
Trade and other payables from exchange transactions		12,994,188	–	23,143,721	12,994,188
Trade and other payables from non-exchange transactions		–	–	(848,681)	–
Provision		725,374	–	1,035,564	725,374
VAT		552,006	–	35,230,182	552,006
Other current liabilities		333,543	–	10,815,353	333,543
Total current liabilities		16,864,150	–	72,710,789	16,864,150
Non current liabilities					
Financial liabilities		21,376,116	–	51,736,669	21,376,116
Provision		1,861,431	–	1,151,693	1,861,431
Long term portion of trade payables		486,971	–	2,345,980	486,971
Other non-current liabilities		6,194,455	–	656,523	6,194,455
Total non current liabilities		29,918,973	–	55,890,865	29,918,973
TOTAL LIABILITIES		46,783,123	–	128,601,654	46,783,123
NET ASSETS	2	70,518,243	–	55,506,219	70,518,243
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	–	61,238,864	70,518,243
Reserves and funds		–	–	204,610	–
Other		–	–	294,452	–
TOTAL COMMUNITY WEALTH/EQUITY	2	70,518,243	–	61,737,926	70,518,243

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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		15,378,664		1,243,942	9,186,828	8,970,888	215,940	2%	15,378,664
Service charges		35,596,433		3,158,033	24,927,249	20,732,887	4,194,362	20%	35,596,433
Other revenue		7,585,819		960,713	8,182,221	4,423,924	3,758,296	85%	7,585,819
Transfers and Subsidies - Operational		8,593,891		–	8,173,693	5,013,113	3,160,580	63%	8,593,891
Transfers and Subsidies - Capital		3,694,726		1,000	2,035,215	2,155,257	(120,042)	-6%	3,694,726
Interest		527,481		23,097	149,838	307,701	(157,863)	-51%	527,481
Dividends							–		–
Payments									
Suppliers and employees		(60,292,618)		(5,505,538)	(53,741,657)	(31,028,314)	22,713,342	-73%	(60,292,618)
Finance charges		(2,511,836)		(79,835)	(1,732,456)	(1,465,246)	267,210	-18%	(2,511,836)
Transfers and Subsidies		(135,387)		(10,005)	(49,914)	(77,396)	(27,483)	36%	(135,387)
NET CASH FROM/(USED) OPERATING ACTIVITIES		8,437,172	–	(208,592)	(2,868,984)	9,032,812	11,901,796	132%	8,437,172
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(123)		–	–	(72)	72	-100%	(123)
Decrease (increase) in non-current receivables		–	–	–	–	–	–		–
Decrease (increase) in non-current investments		786,210		–	–	458,622	(458,622)	-100%	786,210
Payments									
Capital assets		(7,414,826)		(105,465)	(2,187,529)	(5,174,184)	(2,986,655)	58%	(7,414,826)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(6,628,739)	–	(105,465)	(2,187,529)	(4,715,634)	(2,528,104)	54%	(6,628,739)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–		–	3,000,000	–	3,000,000		–
Borrowing long term/refinancing		2,500,000		–	(2,500,000)	–	(2,500,000)		2,500,000
Increase (decrease) in consumer deposits		–		–	–	–	–		–
Payments									
Repayment of borrowing		(1,521,205)		(24,973)	(2,361,372)	(887,369)	1,474,002	-166%	(1,521,205)
NET CASH FROM/(USED) FINANCING ACTIVITIES		978,795	–	(24,973)	(1,861,372)	(887,369)	974,002	-110%	978,795
NET INCREASE/ (DECREASE) IN CASH HELD		2,787,229	–	(339,031)	(339,031)	3,429,810			2,787,229
Cash/cash equivalents at beginning:		878,069		2,138,002	2,138,002	878,069			878,069
Cash/cash equivalents at month/year end:		3,665,298		1,798,971	1,798,971	4,307,879			3,665,298

ADDITIONAL SUPPORTING SCHEDULES:

Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M07 JANUARY 2026			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue			
Exchange Revenue			
Service charges - Water	(584,824)	The under-recovery is primarily attributable to reduced water consumption, likely resulting from water throttling, prevailing economic pressures, increased conservation behaviour, and persistently high levels of non-revenue water. In addition, growth in the customer base remains constrained by limited water availability, which continues to impede new developments.	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
Agency services	(24,960)	Public Safety (Head Office): The under-recovery is due to the fees made from the GPDRT (Gauteng Department of Roads and Transport) for the licensing business. It is often impacted by the fines billed to the motor vehicles drivers via the South African Post Office.	An approval was granted by the South African Post Office for an increased over-draft to ensure that an ascending number of offence fines are sent to the motorists.
Interest earned from Receivables	40,704	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	Joburg Water: Joburg Water 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

		Settlement: The over-recovery is due to accumulated interest charged on outstanding debtors.	the collection process. There is slow progress of pre-termination notices and disconnections on government accounts and that results to low collection levels.
Interest from Current and Non-Current Assets	(13,373)	Group Finance: The under-recovery is mainly attributable to lower interest earned, resulting from decreased investment activity and reduced cash balances during the current month under review.	Management is actively monitoring cash flow trends and investment performance to prevent future effects and sustain liquidity.
Rental from Fixed Assets	(88,748)	JOSHCO: The under-recovery is attributable to fewer tenant allocations across various JOSHCO projects, coupled with a decline in student accommodation income. Human Settlements: The under-recovery is primarily due to lower rental income collections from tenants occupying hostels	JOSHCO: The Housing Management will work to ensure that new projects are tenanted timeously. Human Settlement: The Department is working on transferring units to qualifying beneficiaries.
Operational Revenue	86,497	Group Finance: The over-recovery is due to the implementation of automated notices, which has resulted in favourable income. This improvement stems mainly from the successful increase of pre-termination charges against debtors facilitated through notices issued via e-Joburg and Interfile. City Power: The over-recovery is primarily driven by lower insurance claim activity.	
Non-Exchange Revenue			

Surcharges and Taxes	47,159	Group Finance: The over recovery reflects the impact of billing adjustments and strengthened revenue collection, driven by improved credit management controls over the period	
Fines, penalties and forfeits	112,021	JMPD: Over-recovery resulted from the expiry of the Syntell contract, which affected the timing and accuracy of revenue collection.	
License and permits	(821)	Health & EISD: The under recovery is due to a decrease in applications received for business licenses and permits.	The budget will need to be adjusted to re-align as license applications cannot be pre-determined or estimated.
Transfers and subsidies - Operational	1,252,313	Group Finance: The over-recovery is due to equitable share grant income resulted from the receipt of a tranche payment from National Treasury during the period.	
Interest	77,677	Group Finance: The over-recovery is driven by revenue generated from penalties imposed, together with customer journal adjustments processed by the Property Branch, reflecting improved collections on overdue debts. This revenue line is jointly impacted by billing and journal entries processed by both RSSC and the Property Branch. In addition, penalty reversals are frequently utilised as a negotiation mechanism in settlement agreements with debtors.	Group Finance: The penalties imposed is due to non-collection of overdue debt by customers which attract interest. RSSC as custodian of credit control processes should tighten efforts to collect long outstanding debts.
Fuel Levy	(381,024)	Group Finance: The under recovery in fuel levy income is attributable to the non-receipt of a tranche payment from	

		National Treasury during the reporting period, resulting in a temporary timing difference in cash flow.	
Gains on disposal of Assets	(2,061)	City Parks and Zoo: The under recovery is due to reduced sales of fixed assets and animals.	This will be monitored as the months progresses. There is a possible sale of assets later in the financial year through an auction.
Expenditure By Type			
Employee related costs	1,114,267	The over-expenditure is primarily driven by public safety VIP salaries and overtime payments made to employees across the city. Additional over-expenditure was also incurred within Public Safety due to elevated overtime allowances during the period.	
Remuneration of councillors	(8,859)	Office of the Speaker: The under-expenditure is due to the non-implementation of the 2024/25 increases, which will only be applied once all requirements set by the MEC for CoGTA have been fulfilled. In addition, remuneration adjustments for public office bearers have not yet been announced by the President and will only be implemented after the recommendations are published in the Government Gazette.	Office of the Speaker: The expenditure is expected to improve in the coming months and also the salary adjustments will be implemented when the letter of concurrence for increase is signed by MEC and once the promulgation of public office bearers is announced by the GOGTA MEC and the President for 2025/26 fiscal year.
Bulk purchases - electricity	823,167	The over expenditure arises from Eskom bulk purchase costs exceeding the budget, primarily as a result of energy consumption levels being higher than anticipated during the period.	The following mitigating actions will be implemented: Review and Negotiate power purchase agreements (PPAs) for more favourable terms

			- increased use of cost-reflective tariffs to recover the true cost of supply - Explore alternative energy sourcing (e.g. embedded generation, IPPs) to diversify supply
Inventory consumed	327,881	MTC: The over expenditure resulted from the organisation undertaking additional projects, including initiatives from the Transport Department and related entities. These projects involved the delivery of ICT equipment and the installation of hardware solutions. The variance is further attributable to the organisation being awarded more contracts than anticipated, including IIOC for Public Safety and GICT facilities management. In addition, new projects were secured during the period, comprising revenue enhancement and facilities management services delivered on behalf of GICT.	The budget will be evaluated during the budget adjustment process and as revenue affects direct expenditure.
Debt impairment	1,539,881	City Power: The over expenditure is as a result to decreased collection levels. The year-to-date collection level is 90,43% which was used to determine the debt impairment reported based on the actual billing against the target level of 97,50%. Group Finance: The over expenditure is as a result of the Bad Debt Provision being calculated in arrears monthly. This impairment provision is done to ensure that the assets are not overvalued in the financial statements.	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. Group Finance: Revenue Shared Service Centre (RSSC) is the custodian of the Credit Control management process and efforts should be

			made to collect all amounts billed including long outstanding debt.
Depreciation and amortisation	(420,638)	Community Development: The under-expenditure is due to delays in the capitalization of assets due to unresolved projects currently under investigation. Transport: The under-expenditure is due to assets that have reached the end of their useful lives. The department is currently in the process of reviewing the fixed asset register. MTC: The under expenditure is due to a decrease in the line item following the organization's re-evaluation of the useful life of its assets.	Community Development: The accurate figures can only be made available after the verification process is completed. Transport: The non-cash general ledger account will be adjusted during budget adjustment. MTC: The budget will be evaluated during the budget adjustment process.
Interest	287,906	JOSCHO: The over expenditure is due to interest charged by the Shareholder on the negative sweeping bank account. JDA: The over expenditure is due to non-payment by COJ departments which resulted in a higher finance charge. City Power: The over budget is mainly as a result of the following: • Finance costs - due to the increase on late-payments interest relating to Eskom purchases; • Interest paid bank - due to the high bank overdraft. The bank overdraft is an internal loan from the City and represents the current account balance between both parties; and	JOSCHO: Regular engagements have resumed with COJ departments to follow up on outstanding invoices. The Finance department is working with the office of the COO to ensure timeous submission of invoices to departments we are executing projects on their behalf. JDA: The expenditure will normalise at the end of the financial year as the interest will be written off. City Power: The bank overdraft is an internal loan from the City and represents the current

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

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		engagements continue with the City regarding the interest on the bank overdraft being frozen and the shareholders loan being converted to equity.	account balance between both parties. Engagements continue with the city regarding the interest on the bank overdraft being frozen and the shareholders loan being converted to equity.
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Contracted services	(1,291,403)	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 JITI. City Power: The under-expenditure is attributable to the following factors: • Consultant fees - due to reduced utilisation of consultants, as fewer programmes were undertaken during the period under review. • Cut-off fee expenses were lower than budget as a result of delays in the processing of information received from the City of Johannesburg • Commission paid was below budget. Prior to the introduction of the fixed charge on sales, commission was paid to third-party vendors based on units sold. With the introduction of the fixed charge, this amount is now deducted upfront from sales, and commission is calculated on the remaining balance. Consequently, no commission is paid on the fixed charge component. The Revenue team, in collaboration with Contracts Management, are engaging to rectify this matter by ensuring that future contractual agreements include commission on the	Transport: The department is in the process of following up on outstanding invoices and finalisation of operational licenses for affected taxi operators to commence with the transaction of compensation payment as this is the bulk expenditure budgeted for by the department. Continuous follow ups with Merchant and Civil payment on unpaid invoices. Group Finance: The expenditure is expected to improve in the coming months. City Power: Budget to be reviewed during the adjustment budget process.
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		fixed charge.	• Repairs and maintenance - due to delays in the processing of invoices for infrastructure maintenance, delays in the execution of facilities maintenance, and other system-related maintenance programmes. In addition, non-payment of contractors in the prior year resulted in some contractors being reluctant to undertake City Power work, further contributing to lower expenditure. Group Finance: The under expenditure is primarily contributed to underspending on legal fees mainly related to ATTCOL, which are caused by invoices that are processed on an accrual basis and undergo rigorous scrutiny before payments are issued. Contract General spending is projected to increase now that a Service Level Agreement with MTC has been signed for Revenue Enhancement, Credit Control, and Advisory Service. The variance is additionally due to valuation court fees, which will be spent in the fourth quarter. Additionally, due to pre-termination legal fees, the tender process is currently in the Bid Evaluation stage, with the evaluation committee expected to finalize the functionality assessment in February.	
Transfers and subsidies	(21,223)		Group Finance: The underspending is related to the fact that subsidies are paid in instalments, either monthly or quarterly, and payments are based on invoices received from MOEs.	Group Finance: The expenditure is expected to be aligned in the upcoming months.

COJ: GOVERNANCE TECHNICAL CLUSTER
COJ: GOVERNANCE SUB-MAYORAL
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GROUP ACCOUNTING

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Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2025/26									Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to 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			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	654,092	642,079	515,453	1,476,437			2,456,199	20,321,939	26,066,199	24,254,574		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,250,795	873,192	395,635	1,072,617			1,185,370	7,356,367	12,133,976	9,614,354		
Receivables from Non-exchange Transactions - Property Rates	1400	844,058	654,124	574,858	1,520,334			2,381,127	11,118,127	17,092,629	15,019,588		
Receivables from Exchange Transactions - Waste Water Management	1500	469,128	376,287	292,733	862,649			1,277,082	8,743,784	12,021,663	10,883,515		
Receivables from Exchange Transactions - Waste Management	1600	184,841	154,741	138,214	390,110			672,788	5,515,196	7,055,889	6,576,094		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(141)	35,424	35,023	34,683			34,367	34,064	173,420	103,114		
Interest on Arrear Debtor Accounts	1810												
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820												
Other	1900	(213,173)	(87,137)	(109,690)	(289,279)			(179,037)	(623,934)	(1,502,249)	(1,092,250)		
Total By Income Source	2000	3,189,601	2,648,710	1,842,226	5,067,551			7,827,896	52,465,543	73,041,528	65,360,990		
2024/25 - totals only		5,183,326	3,347,987	2,654,726	4,024,310			7,995,587	48,461,913	68,859,497	60,481,810		
Debtors Age Analysis By Customer Group													
Organs of State	2200	36,849	65,018	54,904	152,662			208,825	2,007,810	2,526,089	2,369,298		
Commercial	2300	1,381,240	979,185	522,133	1,452,115			2,009,515	14,160,167	20,504,364	17,621,797		
Households	2400	1,771,512	1,604,507	1,265,190	3,462,773			5,609,556	36,297,566	50,011,104	45,369,896		
Other	2500												
Total By Customer Group	2600	3,189,601	2,648,710	1,842,226	5,067,551			7,827,896	52,465,543	73,041,528	65,360,990		

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

R thousands	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	
Creditors Age Analysis By Customer Type													
	Bulk Electricity	0100										860,211	
	Bulk Water	0200	943,123								943,123		
	PAYE deductions	0300											
	VAT (output less input)	0400											
	Pensions / Retirement deductions	0500											
	Loan repayments	0600											
	Trade Creditors	0700	3,092,307	261,376	978,207	1,377,766	1,334,479	1,564,990	403,368	314,633	9,327,126	18,033,601	
	Auditor General	0800											
	Other	0900	541,001	246,814	75,980	182,521	113,854	13,836	3,929	31,069	1,209,004	809,088	
Total By Customer Type			1000	4,576,431	508,191	1,054,187	1,560,288	1,448,333	1,578,825	407,297	345,701	11,479,252	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 - M07 January

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		-	-	-	-	-	-		-
Sale of Goods and Rendering of Services		-	-	1	10	-	10	#DIV/0!	-
Agency services		-	-	-	-	-	-		-
Interest		407,228	-	30,018	199,542	237,552	(38,010)	-16%	407,228
Interest earned from Receivables		-	-	-	-	-	-		-
Interest earned from Current and Non Current Assets		1,905,990	-	114,323	1,490,427	1,111,824			1,905,990
Dividends		161,603	-	52,968	65,117	94,269	(29,152)	-31%	161,603
Rent on Land		-	-	-	-	-	-		-
Rental from Fixed Assets		-	-	-	-	-	-		-
Licence and permits		170,488	-	5,543	38,310	99,449	(61,139)	-61%	170,488
Special rating levies		-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-		-
Non-Exchange Revenue		209,041	-	14,978	193,119	121,947	71,172	58%	209,041
Property rates		-	-	-	-	-	-		-
Surcharges and Taxes		(176,674)	-	(19,411)	(214,717)	(103,061)			(176,674)
Fines, penalties and forfeits		(3,994)	-	(96)	(1,510)	(2,331)	821	-35%	(3,994)
Licences or permits		(8,979,745)	-	(76,805)	(6,488,790)	(5,238,184)			(8,979,745)
Transfer and subsidies - Operational		(127,429)	-	(26,288)	(152,010)	(74,333)			(127,429)
Interest		(4,572,290)	-	(1,143,073)	(2,667,170)	(3,048,194)			(4,572,290)
Fuel Levy		-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-		-
Other Gains		-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		(11,214,823)	-	(1,062,820)	(7,730,791)	(6,923,009)	(807,782)	12%	(11,214,823)
Expenditure By Type									
Employee related costs		(176,674)	-	(19,411)	(214,717)	(103,061)	(111,656)	108%	(176,674)
Remuneration of councillors		(3,994)	-	(96)	(1,510)	(2,331)	821	-35%	(3,994)
Bulk purchases - electricity		(8,979,745)	-	(76,805)	(6,488,790)	(5,238,184)	(1,250,606)	24%	(8,979,745)
Inventory consumed		(127,429)	-	(26,288)	(152,010)	(74,333)	(77,677)	104%	(127,429)
Debt impairment		(4,572,290)	-	(1,143,073)	(2,667,170)	(3,048,194)	381,024	-13%	(4,572,290)
Depreciation and amortisation		-	-	-	-	-	-		-
Interest		-	-	-	-	-	-		-
Contracted services		-	-	-	-	-	-		-
Transfers and subsidies		-	-	-	-	-	-		-
Irrecoverable debts written off		-	-	-	-	-	-		-
Operational costs		-	-	-	-	-	-		-
Losses on disposal of Assets		-	-	-	-	-	-		-
Other Losses		(68,335)	-	(1,047)	4,859	(39,869)			(68,335)
Total Expenditure		(13,928,467)	-	(1,266,721)	(9,519,338)	(8,505,972)	(1,013,367)	12%	(13,928,467)
Surplus/(Deficit)		2,713,644	-	203,901	1,788,547	1,582,963	205,584	13%	2,713,644
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-		(68,335)
Transfers and subsidies - capital (in-kind)		(68,335)	-	(1,047)	4,859	(39,869)	44,728	-112%	(1,520,066)
Surplus/(Deficit) after capital transfers & contributions		2,645,309	-	202,853	1,793,406	1,543,094	250,312	16%	1,125,243
Income Tax		5,674,538	-	261,999	2,789,199	3,309,901	(520,702)	-16%	5,674,538
Surplus/(Deficit) after income tax		(3,029,229)	-	(59,146)	(995,793)	(1,766,807)	771,014	-44%	(4,549,295)

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 - M07 January

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	–	284,899	1,989,139	2,009,337	(20,198)	-1%	3,460,685
City Power		26,366,421	–	2,098,117	15,443,535	15,245,833	197,702	1%	26,366,421
Johannesburg Water		21,262,729	–	1,464,320	11,530,344	12,367,124	(836,780)	-7%	21,262,729
Johannesburg Social Housing Company		273,513	–	16,470	125,750	159,551	(33,801)	-21%	273,513
Johannesburg Property Company		47,304	–	233	14,075	27,594	(13,519)	-49%	47,304
Metropolitan Trading Company		33,791	–	19,943	252,370	19,712	232,658	1180%	33,791
Metrobus		112,117	–	6,178	38,922	65,408	(26,486)	-40%	112,117
Johannesburg City Parks and Zoo		92,143	–	7,508	75,091	53,746	21,345	40%	92,143
JDA		80,953	–	4,152	40,251	47,222	(6,971)	-15%	80,953
Johannesburg Roads Agency		180,931	–	7,958	31,628	105,539	(73,911)	-70%	180,931
Joburg City Theatres		43,352	–	1,364	59,705	25,291	34,414	136%	43,352
Joburg Market		748,428	–	53,345	393,652	436,583	(42,931)	-10%	748,428
Joburg Tourism Company		–	–	–	–	–	–	–	–
Total Operating Revenue	1	52,702,368	–	3,964,487	29,994,463	30,562,940	(568,477)	-2%	52,702,368
Expenditure By Municipal Entity									
Pikitup		4,462,115	–	354,930	2,728,275	2,582,733	145,542	6%	4,462,115
City Power		23,490,028	–	1,823,768	16,896,582	15,373,021	1,523,561	10%	23,490,028
Johannesburg Water		19,180,125	–	1,600,091	11,319,742	11,188,407	131,335	1%	19,180,125
Johannesburg Social Housing Company		413,343	–	68,493	482,529	241,122	241,407	100%	413,343
Johannesburg Property Company		1,101,897	–	87,219	606,411	642,775	(36,364)	-6%	1,101,897
Metropolitan Trading Company		360,189	–	38,931	501,525	210,112	291,413	139%	360,189
Metrobus		719,878	–	59,194	428,262	419,930	8,332	2%	719,878
Johannesburg City Parks and Zoo		1,385,713	–	107,345	785,253	766,862	18,391	2%	1,385,713
JDA		137,461	–	12,728	74,808	80,185	(5,377)	-7%	137,461
Johannesburg Roads Agency		1,632,788	–	134,801	941,774	952,455	(10,681)	-1%	1,632,788
Joburg City Theatres		332,157	–	20,015	172,154	193,760	(21,606)	-11%	332,157
Joburg Market		650,175	–	35,747	320,966	379,274	(58,308)	-15%	650,175
Joburg Tourism Company		101,996	–	4,417	43,818	59,500	(15,682)	-26%	101,996
Total Operating Expenditure	2	53,967,866	–	4,347,679	35,302,100	33,090,136	2,211,963	7%	53,967,866

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	Budget Year 2025/26							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
<u>Monthly expenditure performance trend</u>								
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		340,896	712,503	653,462	(59,041)	-9.0%	8%
October	720,447		456,821	1,169,324	1,373,909	204,585	14.9%	13%
November	1,255,218		315,947	1,485,271	2,629,128	1,143,857	43.5%	17%
December	1,721,082		736,168	2,221,439	4,350,210	2,128,771	48.9%	26%
January	1,721,082		75,457	2,296,896	6,071,292	3,774,397	62.2%	26%
February	1,255,218				7,326,511	-		
March	720,447				8,046,958	-		
April	357,900				8,404,858	-		
May	165,056				8,569,914	-		
June	130,506				8,700,420	-		
Total Capital expenditure	8,700,420	-	2,296,895					