

CITY OF JOHANNESBURG



GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 MARCH 2026

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CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 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 March 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 March 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 4%, (R2.3 billion) over recovery in comparison to the year-to-date budget, (March 2025: -1%). The actual operating expenditure variance is at 3% (R1.8 billion) overspending against year-to-date budget (March 2025: -1%). The net result is an operating surplus of R1.5 billion against a year-to-date (YTD) budgeted surplus of R1 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 R3.4 billion (41%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of March 2026 were R1.4 billion and R3.9 billion respectively. This shows an increase of R2.5 billion during the month as indicated below.

Mar-26	OPENING R	CLOSING R
Operational Call Deposits	30,659,848	30,734,098
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	393,609,789	2,747,340,401
Absa Primary Account Balance	710,141	14,656,953
TOTAL UNENCUMBERED	424,979,778	2,792,731,452
Contingency Reserve Fund	1,177,076	1,177,076
Unfunded Liability Fund	2,030,000	2,030,000
COID	279,500,000	279,500,000
Capital Grants	-	-
Capital Replacement Reserve	20,573,406	20,692,225
Non-Sweeping Bank Accounts	670,398,924	778,258,543
TOTAL ENCUMBERED	973,679,407	1,081,657,844
TOTAL INVESTMENTS/CASH BALANCE	1,398,659,184	3,874,389,295

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

Mar-26	OPENING R	CLOSING R
Cash and Cash Equivalents	1,111,568,761	1,117,704,255
Interest Rate swaps	246,069,108	194,109,182
Tradable Instruments Portfolio	336,381,845	326,905,045
TOTAL SINKING FUND INVESTMENTS	1,694,019,714	1,638,718,483

Table 1a: Sinking Fund Balance as at 31 March 2026 including Accrued Interest: Source –Sinking Fund AFS

- Total unencumbered balances increased by R2.4 billion during the month, which was primarily driven by the increase in the STD Bank primary bank account. Total encumbered balances increased by R107 million during this same period, with the highest decrease being in the non-sweepings' portfolio.
- The Sinking Fund balances closed R 55.3 million lower at R1.6 billion, with an increase of R 6.1 million in the cash and cash equivalents portfolio. The tradable instruments decreased with an amount of R9.4 million. These movements are attributable to market movements. The interest rate swaps reflect a negative movement of R51.9 million during the month of March.

- 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 March 2026 amounted to R15.4 billion versus outflows of R12.7 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 R2.5 billion as depicted below.

Mar-26	
Description	R
Cash Collections	4,851,928,733
Revenue cash collections paid into Primary and Ordinary bank accounts	77,678,636
Direct Payments into MOE Revenue accounts	12,138,928
Prepaid Collections	253,822,235
Other Income (Interest Received, Vat Refund, Licensing Fees)	582,668,411
Operating Grants and Subsidies	6,816,252,000
Positive Sweepings and Non-Sweeping Movements	2,847,279,456
Total Cash Inflows	15,441,768,398
Outflows	
Description	R
Operational and Capital Expenditure and Treasury Transactions*	-12,918,006,535
Negative Sweepings and Non-Sweeping Movements	-48,031,752
Total Cash Outflows	-12,966,038,287
Net Movement	2,475,730,111

Summary Table 1.1 Cash Movements as at 31 March 2026

Cash outflows were more than the inflows resulting in a negative movement on the overall cash balances. The inflows for the month of February include cash collection: R4.9 billion, receipts paid directly into MOE bank accounts: R12.1 million; cash collection paid into the Ordinary and Primary bank accounts: R77.7 million, Prepaid collections of R254 million, other income: R583 million and grants and subsidies R6.8 billion.

Financial Year 2025/26 Grant funding:

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

Grant Name	YTD Forecast per National Treasury Schedule R	YTD Actual per 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	1,172,942,000	200,000,000
Urban Development Financing Grant	622,932,000	645,319,000	22,387,000
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	4,708,367,000	4,772,306,000	63,939,000
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.

Equitable Share and the Fuel Levy grant was received in the month under review.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 31 March 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	1,154,873,860	1,007,316,140	53%
UDFG	645,319,000	94,276,128	551,042,872	15%
ISDG	7,000,000	4,623,398	2,376,602	66%
ISUPG	772,855,000	406,589,590	366,265,410	53%
PTNG	1,172,942,000	379,165,517	793,776,483	32%
EPWP	4,000,000	2,765,000	1,235,000	69%
EEDSM	7,000,000	1,819,685	5,180,315	26%
FMG	1,000,000	750,033	249,967	75%
Totals	4,772,306,000	2,044,863,210	2,727,442,790	43%

The expenditure of conditional grants has declined from 66% in February to 43% due to the increase in allocations received. This is concerning and highlights a risk of grant funding not being fully spent in the remaining 3 months of the year.

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 31 March 2026 for all MOEs.

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

Entity	End of February Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of March Balance R
City Power	-19,960,386,620	3,404,320,682	-2,643,580,362	760,740,320	-19,199,646,300
Joburg Water	2,700,117,131	2,133,592,442	-1,506,428,207	627,164,235	3,327,281,366
Pikitup	2,282,004,883	234,330,052	-259,655,391	-25,325,339	2,256,679,544
Parks Zoo	781,888,749	265,206,275	-99,379,512	165,826,763	947,715,512
Fresh Produce	524,855,777	12,088,687	-50,386,116	-38,297,429	486,558,347
JDA	-2,085,017,224	151,984,396	-125,609,107	26,375,288	-2,058,641,936
Joshco	-1,997,212,530	56,021,267	-46,874,097	9,147,171	-1,988,065,359
Metro Bus	-673,394,487	172,786,599	-32,382,065	140,404,534	-532,989,953
Propcom	43,754,254	115,921,563	-38,776,995	77,144,568	120,898,821
Propcom Portfolio	-146,918,873	9,841,548	-178,588	9,662,960	-137,255,913
Roads	-260,932,374	511,036,805	-76,237,848	434,798,957	173,866,583
MTC	-893,326,767	80,853,019	-51,665,949	29,187,070	-864,139,697
JTC	110,096,200	20,011,881	-1,836,487	18,175,395	128,271,595
Core	20,973,131,066	13,067,170,625	-12,826,445,006	240,725,619	21,213,856,686
Total Sweepings and Balances	1,398,659,184			2,475,730,111	3,874,389,295

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

Inflows for the month of March versus outflows resulted in a positive net movement of R 2, 475 billion.

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.

YTD Net Movement										
Entity	July 2025 R	Aug 2025 R	Sept 2025 R	Oct 2025 R	Nov 2025 R	Dec 2025 R	Jan 2026 R	Feb 2026 R	Mar 2026 R	YTD R
City Power	-1,398,422,452	305,135,423	-3,510,572,748	-1,549,469,179	-55,149,087	2,224,716,056	-1,621,278,526	1,321,164,896	760,740,320	-3,523,135,297
Joburg Water	-225,427,910	-253,313,543	-156,605,155	360,023,635	-1,732,828,426	700,574,372	1,380,439,292	-1,417,303,434	627,164,235	-717,276,934
Pikitup	-108,490,578	300,191,526	-121,577,669	-119,649,293	103,442,525	321,334,269	-98,595,556	398,096,248	-25,325,339	649,426,134
Parks Zoo	-140,305,714	251,472,216	-136,692,039	21,398,280	-129,856,933	135,790,119	17,030,568	-80,405,411	165,826,763	104,257,850
Fresh Produce	-37,753,632	174,899,001	189,676,027	-49,789,125	223,978,330	-100,050,075	-19,026,109	35,984,489	-38,297,429	379,621,478
JDA	-201,389,379	-172,890,953	-82,680,384	-102,526,583	-86,338,455	147,763,537	16,051,372	-59,179,844	26,375,288	-514,815,400
Joshco	-93,975,019	-120,712,694	-50,239,675	-27,893,101	-49,592,951	-12,854,179	121,726,046	-35,120,339	9,147,171	-259,514,740
Metro Bus	-393,664,119	143,656,822	-30,128,164	39,555,669	-26,579,413	47,253,231	33,285,740	-11,370,964	140,404,534	-57,586,664
Propcom	-50,679,843	-42,783,433	-24,441,878	-78,622,718	-10,460,634	-40,455,442	26,444,104	-103,676,515	77,144,568	-247,531,791
Propcom Portfolio	4,473,343	-1,296,583	4,662,272	-11,174,109	15,099,448	-14,405,202	3,808,546	5,295,081	9,662,960	16,125,756
Roads	-251,868,233	617,033,218	-50,517,920	171,366,166	-48,382,300	-87,571,314	55,611,251	-108,487,879	434,798,957	731,981,944
MTC	30,294,351	-105,074,122	-16,073,740	-24,346,437	-37,446,160	-125,020,360	19,976,634	-41,946,641	29,187,070	-270,449,405
JTC	-12,743,459	7,147,663	-1,407,235	-7,413,663	-6,650,685	8,923,227	-7,307,226	27,952,003	18,175,395	26,676,021

Table 3.1(a): Sweeping movements analysis

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

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 FY2025/26		
Banks	Available Facility R	Utilized Facility R
STD Bank(Overdraft)	675,000,000	-
STD Bank(Short-term facility)	-	-
Total	675,000,000	-

Table 5: External Facilities; Source – COJ Treasury

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

February 2026 Billing & March 2026 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Feb 2026	Mar 2026		YTD: Jun'25 to Feb'26	YTD: Jul'25 to Mar'26	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 615 296	1 550 615	96.0%	14 864 019	13 009 067	87.5%
Electricity	2 299 153	2 511 599	109.2%	21 874 428	20 214 895	92.4%
Water	1 770 513	1 462 873	82.6%	16 259 824	11 993 926	73.8%
Refuse	322 188	271 452	84.3%	2 785 979	2 078 210	74.6%
TOTAL	6 007 150	5 796 539	96.5%	55 784 250	47 296 098	84.8%
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R6 billion in February 2026 with R5.8 billion collected in March 2026 resulting in a monthly collection rate of 96.5%. The year-to-date billing as at 28 February 2026 is R55.8 billion with R47.3 billion collected as at 31 March 2026 resulting in a year-to-date collection rate of 84.8%.

Reconciliation between Treasury banking and RSSC collections

Description	Mar 2026	YTD
	R 000's	R 000's
Balance as reported by Treasury	5 195 569	43 761 542
Deposits reflected by Treasury in previous month	144 095	1 011 619
Refunds, Deposits and Sundry Revenue	-47 843	-433 365
Water: Industrial Effluent and Cross-Boundary Sales	45 414	249 703
Difference in electricity and water prepaid sales	-8 109	-5 825
E-Joburg	113 281	898 638
Non-Cash Items:		
Staff Accounts	9 309	82 212
Departmental Settlements	344 823	1 731 574
Total Revenue as per Revenue Collection Report	5 796 539	47 296 098

March 2026 deposits of approximately R144,1 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		Feb 2026	Mar 2026
Adjusted Budget Billing	R 000	6 135 152	6 414 964
Actual Billing	R 000	6 007 150	6 162 006
Shortfall (-) / Surplus (+) in Billing	R 000	-128 002	-252 958
Adjusted Budget Collection	R 000		5 402 048
Actual Revenue Collection	R 000		5 796 539
Shortfall (-) / Surplus (+) in Collections	R 000		394 491
Actual Billing vs. Adjusted Budgeted Billing	%	97.9%	96.1%
Actual Collection vs. Adjusted Budgeted Collection	%		107.3%
Adj Budget Collection (Mar) vs Adj Budget Billing (Feb)	%		88.1%
Actual Collections (Mar) vs. Actual Billing (Feb)	%		96.5%

The actual billing of R6 billion for February 2026 was R 128 million below the budgeted billing of R6.1 billion. The actual collection of R5.8 billion for March 2026 was R394 million below the budgeted collection of R5.4 billion. Actual collection of 96.5% is 8.4% above the budgeted collection of 88.1%.

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 09 mSCOA data strings was submitted to the National Treasury on the 15th of April 2026.

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

2026-05-
2026-05-
2026-05-
2026-05-

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.

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

2026-05-
2026-05-
2026-05-
2026-05-

It is recommended that.

- 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

SENIOR LEGAL ADVISOR
GROUP LEGAL AND
CONTRACTS

LUFUNO MASHAU
GROUP HEAD: RSSC

DATE

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

DATE

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

DATE

COUNCILLOR LOYISO MASUKU
MMC GROUP FINANCE

DATE

Annexure A

In-Year Report



Budget year: 2025/26
Reporting Period: Month 09
March2026

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 March 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 31 March 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 R2.3 billion, which is over recovery against the YTD budget for the period ended March 2026.

The operating expenditure is 3% above budget compared to a year-to-date expenditure budget of R62.3 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

R3.4 billion (41%) 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 March 2025:

Description	Budget	YTD	%
(R million)	24/25	Exp	Spent
CoJ Loans	2,700	1,000	37%
CRR / Cash	1,220	409	34%
Nat Grant	526	61	12%
Prov Grant	15	-	0%
USDG	1,955	1,077	55%
USIP	740	248	34%
Other	577	407	71%
Total CoJ	7,733	3,204	41%

Capital Expenditure per funding source as at 31 March 2026:

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
CoJ Loans	2,775	1,106	40%
CRR / Cash	650	198	30%
Nat Grant	993	180	18%
Prov Grant	11	0	1%
USDG	2,321	1,031	44%
USIP	773	287	37%
Other	903	617	68%
Total CoJ	8,424	3,418	41%

Most funding sources have spending save for Provincial grants. Current spending is consistent with the previous year's spending patterns

Consolidated Summary - Capital Expenditure as 31 March 2026:

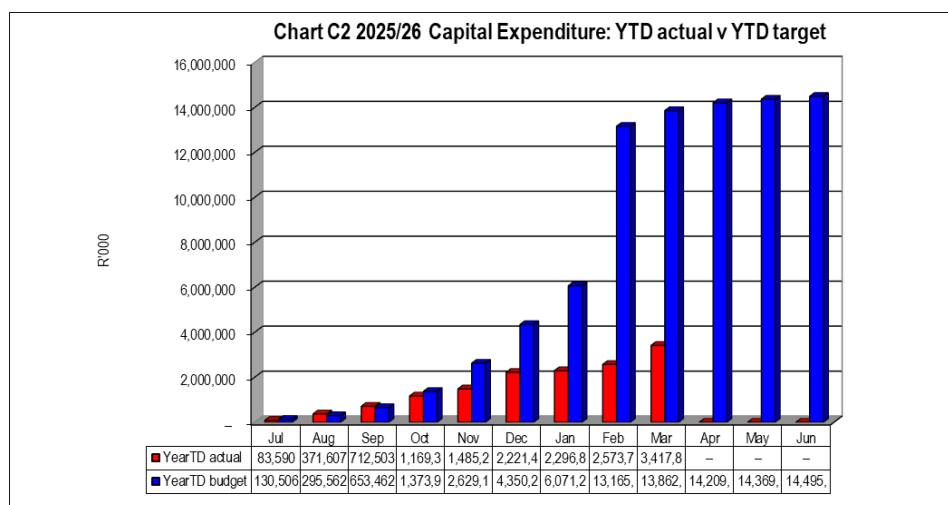
Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
Economic Development	2	-	0%
EISD	201	56	28%
Transportation	573	135	24%
Community Development	99	17	17%
Health	38	8	22%
Social Development	42	0	0%
Forensic	2	-	0%
Ombudsman	0	0	45%
Office of the City Manager	12	0	4%
Speaker	1	-	0%
Group ICT	420	126	30%
Group Finance	8	7	91%
Group Corporate Services	261	137	53%
Human Settlements	1,974	760	38%
Development Planning	80	11	14%
Public Safety	41	19	47%
Total Core Administration	3,753	1,278	34%

Description	Budget	YTD	%
(R million)	25/26	Exp	Spent
City Power	1,098	497	45%
Johannesburg Water	1,704	587	34%
Pikitup	310	33	11%
Jhb Roads Agency	916	552	60%
Metrobus	132	58	44%
Jhb City Parks and Zoo	31	18	58%
Jhb Development Agency	105	89	85%
Jhb Property Company	40	8	21%
Metro Trading Company	27	14	54%
Joburg Market	83	61	74%
JOSHCO	207	206	100%
Joburg City Theatres	19	15	79%
Joburg Tourism	1	1	83%
Total MEs	4,672	2,140	46%

All MOEs have commenced with spending, while Economic Development, Social Development, Forensic, and Speaker 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

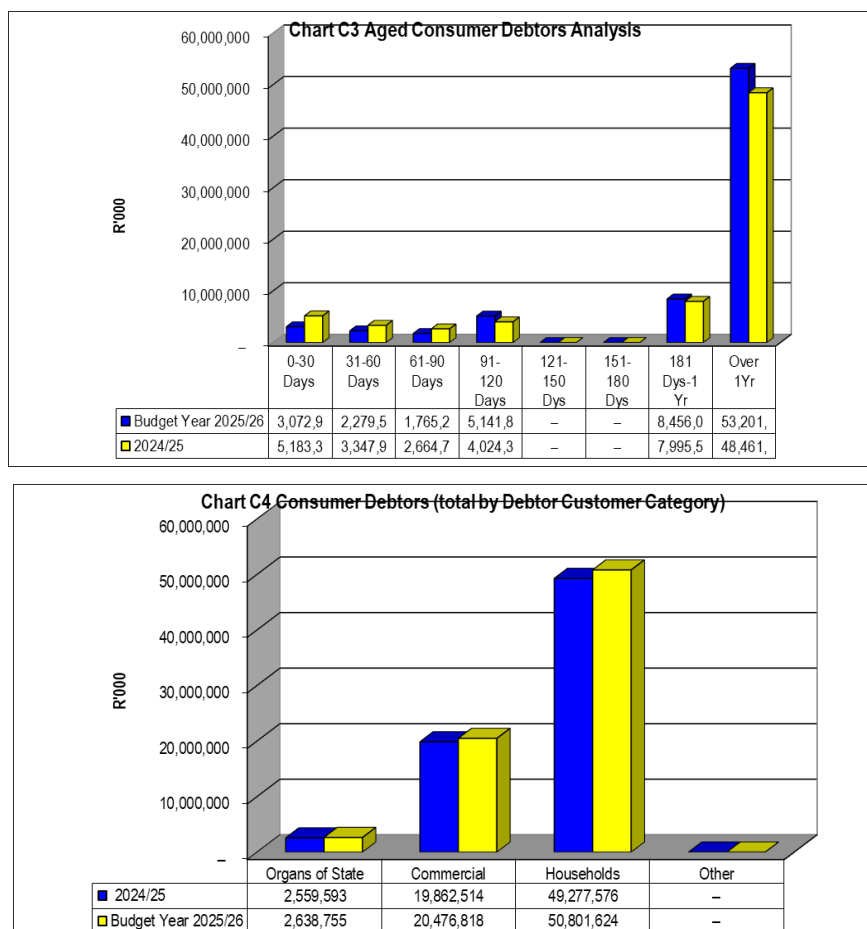
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of March 2026 amount to R3.9 billion.
- The cash flow from operating activities is 3.1 billion.
- The cash flow from investing activities amount to R3 billion, negative.
- The cash flow from financing activities amount to R5 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 R73.9 billion. Chart C3 below illustrates the Consumers debtors age analysis:

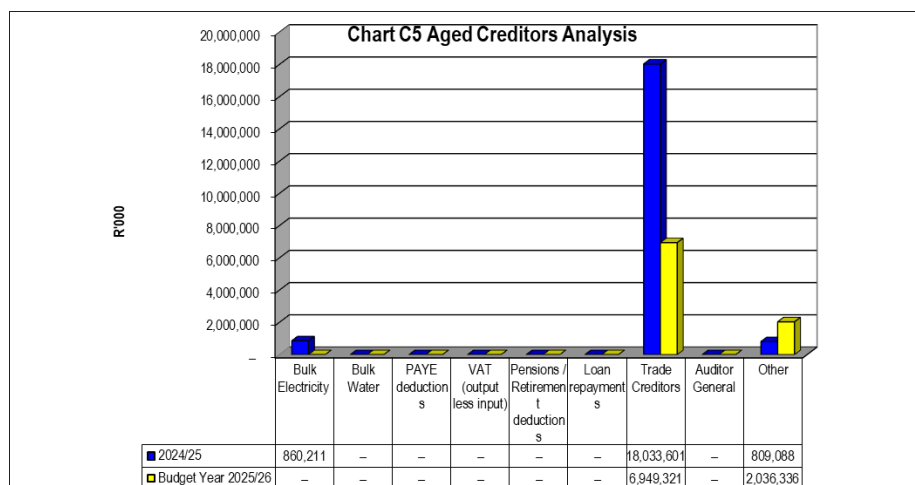


The following interventions / actions were implemented during March 2026 to increase collection levels:

- (i) 14 130 electricity accounts were identified for disconnections, total value R9.8 billion and 3 727 account payments to the value of R190 million were collected from the accounts.
- (ii) 7 295 water accounts were identified for disconnections, total value R5.2 billion and 1 970 account payments to the value of R154 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 March 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 - M09 March

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	1,558,985	14,097,358	13,602,204	495,154	4%	18,136,267
Service charges	–	48,912,644	48,931,875	3,980,239	35,863,258	36,400,259	(537,001)	-1%	48,931,875
Investment revenue	–	199,899	198,326	7,076	114,960	148,752	(33,792)	-23%	198,326
Transfers and subsidies - Operational	–	8,980,278	9,011,475	2,128,284	8,658,167	6,758,604	1,899,563	28%	9,011,475
Other own revenue	–	8,591,214	8,570,330	924,941	6,900,438	6,421,652	478,785	7%	–
Total Revenue (excluding capital transfers and contributions)	–	84,820,301	84,848,273	8,599,525	65,634,182	63,331,471	2,302,711	4%	84,848,273
Employee costs	–	21,654,002	23,008,891	1,982,644	17,583,542	17,061,878	521,664	3%	23,008,891
Remuneration of Councillors	–	202,021	202,021	15,773	140,534	151,515	(10,981)	-7%	202,021
Depreciation and amortisation	–	5,643,271	5,560,480	424,247	3,682,607	4,133,193	(450,587)	-11%	5,560,480
Interest	–	2,627,256	2,632,282	87,492	2,075,619	1,974,231	101,388	5%	2,632,282
Inventory consumed and bulk purchases	–	24,817,816	24,837,138	2,171,430	21,355,751	19,968,820	1,386,930	7%	24,837,138
Transfers and subsidies	–	113,739	75,664	9,048	56,849	56,744	104	0%	75,664
Other expenditure	–	25,611,508	25,335,126	1,981,944	19,229,907	18,946,216	283,691	1%	25,335,126
Total Expenditure	–	80,669,613	81,651,602	6,672,577	64,124,808	62,292,598	1,832,209	3%	81,651,602
Surplus/(Deficit)	–	4,150,688	3,196,671	1,926,948	1,509,374	1,038,873	470,501	45%	3,196,671
Transfers and subsidies - capital (monetary allocations)	–	4,100,420	4,550,032	652,023	1,669,630	3,119,269	(1,449,639)	-46%	4,550,032
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	8,251,108	7,746,703	2,578,971	3,179,005	4,158,142	(979,137)	-24%	7,746,703
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	8,251,108	7,746,703	2,578,971	3,179,005	4,158,142	(979,137)	-24%	7,746,703
Capital expenditure & funds sources									
Capital expenditure	–	8,700,420	8,424,388	844,152	3,417,883	7,791,658	(4,373,775)	-56%	8,424,388
Capital transfers recognised	–	4,550,420	4,999,830	613,792	2,114,348	4,624,309	(2,509,961)	-54%	4,999,831
Borrowing	–	3,500,000	2,774,557	98,428	1,105,642	2,566,169	(1,460,527)	-57%	2,774,557
Internally generated funds	–	650,000	650,000	131,932	197,893	601,180	(403,287)	-67%	650,000
Total sources of capital funds	–	8,700,420	8,424,388	844,152	3,417,883	7,791,658	(4,373,775)	-56%	8,424,388
Financial position									
Total current assets	–	18,154,044	17,906,656		82,131,488				17,906,656
Total non current assets	–	99,147,322	100,635,148		105,911,515				100,635,148
Total current liabilities	–	16,864,150	21,082,285		75,557,278				21,082,285
Total non current liabilities	–	29,918,973	30,557,737		53,572,790				30,557,737
Community wealth/Equity	–	70,518,243	66,901,782		63,751,333				66,901,782
Cash flows									
Net cash from (used) operating	–	10,476,180	6,113,404	6,150,313	3,090,292	13,035,385	(9,945,093)	-76%	6,113,404
Net cash from (used) investing	–	(9,295,082)	(7,895,107)	(585,420)	(2,951,724)	(8,071,983)	5,120,259	-63%	(7,895,107)
Net cash from (used) financing	–	316,193	(449,546)	(3,089,162)	(4,981,034)	(2,418,077)	(2,562,956)	106%	(449,546)
Cash/cash equivalents at the month/year end	–	4,228,182	1,734,411	3,874,389	3,874,389	6,510,985	(2,636,596)	-40%	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	3,072,910	2,279,542	1,765,275	5,141,807	–	–	8,456,024	53,201,642	73,917,198
Creditors Age Analysis									
Total Creditors	5,392,461	537,581	522,069	375,541	568,076	609,437	295,836	684,655	8,985,657

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

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	25,584,204	2,135,963	19,095,484	19,009,981	85,503	0%	25,584,204
Service charges - Water		11,889,649	11,889,649	908,857	8,132,560	8,917,236	(784,676)	-9%	11,889,649
Service charges - Waste Water Management		8,101,381	8,101,381	654,781	6,117,845	6,076,035	41,810	1%	8,101,381
Service charges - Waste management		3,337,410	3,356,641	280,638	2,517,370	2,397,007	120,363	5%	3,356,641
Sale of Goods and Rendering of Services		983,502	975,386	290,888	940,062	729,237	210,825	29%	975,386
Agency services		407,228	407,228	30,521	270,304	305,424	(35,120)	-11%	407,228
Interest		—	—	—	—	—	—	—	—
Interest earned from Receivables		567,356	552,655	50,992	481,620	410,686	70,934	17%	552,655
Interest from Current and Non Current Assets		199,899	198,326	7,076	114,960	148,752	(33,792)	-23%	198,326
Dividends		—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—
Rental from Fixed Assets		469,692	471,647	28,255	240,799	353,725	(112,925)	-32%	471,647
Licence and permits		—	—	313	2,958	—	2,958	—	—
Special rating levies		—	—	—	—	—	—	—	—
Operational Revenue		947,578	948,157	66,809	785,427	711,135	74,292	10%	948,157
Non-Exchange Revenue									
Property rates		18,136,267	18,136,267	1,558,985	14,097,358	13,602,204	495,154	4%	18,136,267
Surcharges and Taxes		332,047	332,047	33,777	306,161	249,039	57,122	23%	332,047
Fines, penalties and forfeits		176,770	176,874	23,125	250,237	132,660	117,577	89%	176,874
Licence and permits		3,994	3,758	210	2,089	2,817	(728)	-26%	3,758
Transfers and subsidies - Operational		8,980,278	9,011,475	2,128,284	8,658,167	6,758,604	1,899,563	28%	9,011,475
Interest		127,429	127,429	18,632	192,153	95,571	96,582	101%	127,429
Fuel Levy		4,572,290	4,572,290	381,024	3,429,218	3,429,216	2	0%	4,572,290
Operational Revenue		—	—	—	—	—	—	—	—
Gains on disposal of Assets		3,328	2,858	(83)	(679)	2,142	(2,821)	-132%	2,858
Other Gains		—	—	479	89	—	89	—	—
Discontinued Operations		—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		84,820,301	84,848,273	8,599,525	65,634,182	63,331,471	2,302,711	4%	84,848,273
Expenditure By Type									
Employee related costs		21,654,002	23,008,891	1,982,644	17,583,542	17,061,878	521,664	3%	23,008,891
Remuneration of councillors		202,021	202,021	15,773	140,534	151,515	(10,981)	-7%	202,021
Bulk purchases - electricity		17,582,825	17,582,825	1,482,915	15,548,406	14,525,026	1,023,380	7%	17,582,825
Inventory consumed		7,234,991	7,254,312	688,515	5,807,344	5,443,794	363,550	7%	7,254,312
Debt impairment		8,076,200	9,132,196	370,978	7,650,146	6,409,798	1,240,348	19%	9,132,196
Depreciation and amortisation		5,643,271	5,560,480	424,247	3,682,607	4,133,193	(450,587)	-11%	5,560,480
Interest		2,627,256	2,632,282	87,492	2,075,619	1,974,231	101,388	5%	2,632,282
Contracted services		7,323,519	6,285,251	519,641	3,752,482	4,984,310	(1,231,828)	-25%	6,285,251
Transfers and subsidies		113,739	75,664	9,048	56,849	56,744	104	0%	75,664
Irrecoverable debts written off		—	—	1,197	7,473	—	7,473	—	—
Operational costs		6,829,056	6,536,603	787,092	5,371,506	5,016,296	355,210	7%	6,536,603
Losses on Disposal of Assets		4,140	2,513	428	14,024	1,890	12,134	642%	2,513
Other Losses		3,378,592	3,378,562	302,608	2,434,276	2,533,923	(99,647)	-4%	3,378,562
Total Expenditure		80,669,613	81,651,602	6,672,577	64,124,808	62,292,598	1,832,209	3%	81,651,602
Surplus/(Deficit)		4,150,688	3,196,671	1,926,948	1,509,374	1,038,873	470,501	45%	3,196,671
Transfers and subsidies - capital (monetary allocations)		4,100,420	4,550,032	652,023	1,669,630	3,119,269	(1,449,639)	-46%	4,550,032
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		8,251,108	7,746,703	2,578,971	3,179,005	4,158,142	(979,137)	-24%	7,746,703
Income Tax		44,883	44,883	—	—	33,660	(33,660)	-100%	44,883
Surplus/(Deficit) after income tax		8,206,225	7,701,820	2,578,971	3,179,005	4,124,482	(945,477)	-23%	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	2,578,971	3,179,005	4,124,482	(945,477)	-23%	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	2,578,971	3,179,005	4,124,482	(945,477)	-23%	7,701,820

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M09 March

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	3,874,389	1,734,411
Trade and other receivables from exchange transactions		10,024,581	9,960,900	20,811,469	9,960,900
Receivables from non-exchange transactions		1,141,152	4,646,929	16,734,841	4,646,929
Current portion of non-current receivables		–	–	3,024,259	–
Inventory		574,591	571,405	626,434	571,405
VAT		774,651	748,855	37,394,501	748,855
Other current assets		1,410,887	244,156	(334,405)	244,156
Total current assets		18,154,044	17,906,656	82,131,488	17,906,656
Non current assets					
Investments		603,873	595,624	–	595,624
Investment property		1,029,999	1,013,514	3,982	1,013,514
Property, plant and equipment		90,020,983	90,600,320	95,410,508	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	(5,740,864)	2,287,276
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	(3,214)	–
Other non-current assets		4,712,388	5,463,847	15,723,107	5,463,847
Total non current assets		99,147,322	100,635,148	105,911,515	100,635,148
TOTAL ASSETS		117,301,366	118,541,804	188,043,003	118,541,804
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	2,216,140	1,165,331	2,216,140
Consumer deposits		21,186	18,265	2,124,016	18,265
Trade and other payables from exchange transactions		12,994,188	17,307,866	21,738,176	17,307,866
Trade and other payables from non-exchange transactions		–	–	3,010,319	–
Provision		725,374	792,311	1,088,214	792,311
VAT		552,006	543,338	35,965,803	543,338
Other current liabilities		333,543	204,365	10,465,419	204,365
Total current liabilities		16,864,150	21,082,285	75,557,278	21,082,285
Non current liabilities					
Financial liabilities		21,376,116	20,136,229	49,424,346	20,136,229
Provision		1,861,431	1,827,387	1,165,282	1,827,387
Long term portion of trade payables		486,971	2,085,111	2,345,980	2,085,111
Other non-current liabilities		6,194,455	6,509,010	637,182	6,509,010
Total non current liabilities		29,918,973	30,557,737	53,572,790	30,557,737
TOTAL LIABILITIES		46,783,123	51,640,022	129,130,069	51,640,022
NET ASSETS	2	70,518,243	66,901,782	58,912,935	66,901,782
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	66,901,782	63,252,271	66,901,782
Reserves and funds		–	–	204,610	–
Other		–	–	294,452	–
TOTAL COMMUNITY WEALTH/EQUITY	2	70,518,243	66,901,782	63,751,333	66,901,782

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	Budget Year 2025/26							Full Year Forecast
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		16,818,796	16,818,796	1,268,209	11,602,092	12,614,100	(1,012,008)	-8%	16,818,796
Service charges		42,394,867	41,452,992	3,927,359	32,159,448	41,715,025	(9,555,577)	-23%	41,452,992
Other revenue		7,754,994	7,664,899	922,953	9,692,215	1,762,216	7,929,999	450%	7,664,899
Transfers and Subsidies - Operational		8,980,278	9,011,475	4,082,861	12,256,554	305,424	11,951,130	3913%	9,011,475
Transfers and Subsidies - Capital		4,550,420	4,096,783	2,733,391	4,772,306	3,749,873	1,022,433	27%	4,096,783
Interest		791,839	765,057	17,603	182,231	129,557	52,674	41%	765,057
Dividends		-	-	-	-	-	-		-
Payments									
Suppliers and employees		(68,074,018)	(70,988,651)	(6,532,619)	(65,484,608)	(45,209,835)	20,274,774	-45%	(70,988,651)
Finance charges		(2,627,256)	(2,632,282)	(251,551)	(2,019,340)	(1,974,231)	45,109	-2%	(2,632,282)
Transfers and Subsidies		(113,739)	(75,664)	(17,894)	(70,605)	(56,744)	13,861	-24%	(75,664)
NET CASH FROM/(USED) OPERATING ACTIVITIES		10,476,180	6,113,404	6,150,313	3,090,292	13,035,385	9,945,093	76%	6,113,404
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(812)	903,393	-	-	259	(259)	-100%	903,393
Decrease (increase) in non-current receivables		-	-	-	-	-	-		-
Decrease (increase) in non-current investments		(593,850)	(374,112)	-	-	(280,584)	280,584	-100%	(374,112)
Payments									
Capital assets		(8,700,420)	(8,424,388)	(585,420)	(2,951,724)	(7,791,658)	(4,839,934)	62%	(8,424,388)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9,295,082)	(7,895,107)	(585,420)	(2,951,724)	(8,071,983)	(5,120,259)	63%	(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	-	(2,500,000)	-	(2,500,000)		2,774,557
Increase (decrease) in consumer deposits		-	-	-	-	-	-		-
Payments									
Repayment of borrowing		(3,183,807)	(3,224,103)	(3,089,162)	(5,481,034)	(2,418,077)	3,062,956	-127%	(3,224,103)
NET CASH FROM/(USED) FINANCING ACTIVITIES		316,193	(449,546)	(3,089,162)	(4,981,034)	(2,418,077)	2,562,956	-106%	(449,546)
NET INCREASE/ (DECREASE) IN CASH HELD		1,497,291	(2,231,249)	2,475,730	(4,842,466)	2,545,325			(2,231,249)
Cash/cash equivalents at beginning:		2,730,891	3,965,660	1,398,659	1,398,659	3,965,660			3,965,660
Cash/cash equivalents at month/year end:		4,228,182	1,734,411	3,874,389	3,874,389	6,510,985			1,734,411

ADDITIONAL SUPPORTING SCHEDULES:

Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M09 MARCH 2026			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue</u>			
Exchange Revenue			
Service charges - Water	(784,676)	The under recovery is mainly a consequence of reduced consumption levels, likely influenced by water throttling, economic strain on consumers, intentional conservation practices, and significant Non-Revenue Water losses. Furthermore, restricted water availability has curtailed customer base expansion, thereby limiting development opportunities.	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	210,825	MTC: The over-recovery is due to the organization being awarded more contracts than anticipated, including 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 revenue generated from illegal connections which is levied	MTC: The entity will continue to actively pursue new business opportunities to enhance revenue generation, thereby supporting long-term financial sustainability and operational self-sufficiency.

		against customers as part of the metering & revenue enhancement project.	
Agency services	(35,120)	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. This is further impacted by the expiry of the Advance Law Enforcement System (IT Solution) contract that monitors the road traffic offenders against whom the revenue is generated.	The department is pending the implementation of the new Advance Law Enforcement System (IT Solution) contract.
Interest earned from Receivables	70,934	Group Finance: The over recovery is due to higher interest rates on sweeping account loans to municipal entities; the dominant entities are City Power and Pikitup. The new loans for the current fiscal year will be issued in the third quarter; however, it is expected that the draw down will be realised in the last quarter of fiscal year. 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 attributable to accumulated interest charges levied on outstanding debtor balances.	Group Finance: Management will monitor the interest generated after the loans are disbursed to entities. 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 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	(33,792)	Group Finance: The under recovery is primarily attributable to low cash balances. In addition, there is lower interest earned on investments resulting from the absence of additional investments made during March.	Interest earnings are expected to improve as cash levels increase, and surplus funds are invested.
Rental from Fixed Assets	(112,925)	JOSHCO: The under recovery is attributable to a decrease in rental income, primarily due to lower tenant allocations across various JOSHCO housing projects, as well as reduced occupancy levels within 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, including occupants of hostels. Collection levels have remained below the budgeted allocation, resulting in lower revenue realised. Joburg Market: The under-performance is driven by higher anticipated billings relative to actual collections from the rental of facilities as well as the implementation of alternative energy sources.	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. Joburg Market: The necessary controls have been implemented to facilitate the continued improvement of collection rates.
Operational Revenue	74,292	Group Finance: The over recovery is attributable to improved revenue collection following the implementation of automated notice systems. The introduction of automated notices via e-Joburg and Interfile has led to an increase in income through the successful raising and recovery of pre-termination charges against debtors, thereby enhancing overall revenue	

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		performance. City Power: The over-recovery is primarily driven by lower insurance claim activity.	
Non-Exchange Revenue			
Surcharges and Taxes	57,122	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	117,577	JMPD: The over-recovery results from the contract expiry of the Advanced Law Enforcement System (IT Solution) which is used to capture the traffic law offenders.	Pending the awarding and implementation of the new contract.
Transfers and subsidies - Operational	1,899,563	Group Finance: The over-recovery is due to equitable share grant income resulted from the receipt of a tranche payment from National Treasury paid in advance.	

Interest	96,582	Group Finance: The over-recovery is primarily driven by penalties imposed on overdue debtor accounts, which exceeded the monthly budget by R8.3 million (82%), with a year-to-date over-performance of R99.9 million. These penalties relate to interest charges levied on overdue accounts, 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 R2.3 million for the month and R10.6 million year to date. Despite these adjustments, penalty revenue remains significantly above budget. This revenue line is jointly impacted by billing and ledger entries processed by the Revenue Shared Services Centre (RSSC), billing and journal adjustments effected by the Property Branch, which collectively influenced the level of penalties recognised during the reporting period.	Group Finance: The penalties imposed is due to non-collection of overdue debt by customers which attract interest. Revenue Shared Services Centre (RSSC) as custodian of credit control processes should tighten efforts to collect long outstanding debts. The reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors.
Gains on disposal of Assets	(2,821)	City Parks and Zoo: The under recovery is due to reduced sales of fixed assets and animals.	
<u>Expenditure By Type</u>			
Remuneration of councillors	(10,981)	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.

Bulk purchases - electricity	1,023,380	The over expenditure is mainly attributable to Eskom bulk electricity purchases exceeding the approved budget by R2.1 billion (17.60%). 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: • 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	363,550	MTC: The over expenditure is attributable to the organisation undertaking additional projects and contracts across the municipal group during the reporting period. These include initiatives with the Transport Department and allied entities, encompassing the supply of ICT equipment, installation of hardware solutions, advanced technology solutions for City Power, and the provision of comprehensive ICT services to Metrobus. The favourable variance is further driven by the organisation being awarded more contracts than initially budgeted, including IIOC projects for Public Safety and GICT facilities management contracts. In addition, new projects secured during the period—such as revenue enhancement services and facilities management performed on behalf of GICT contributed to higher-than-anticipated revenue recognition. Collectively, these factors resulted in Operational	Project managers have been directed to enhance operational efficiency across all project activities in order to improve performance and optimise resource utilisation.

		Revenue Exchange Transactions exceeding the approved budget, giving rise to the reported over-recovery.	
Debt impairment	1,240,348	City Power: The over expenditure is due to decreased collection levels. The year-to-date collection level is 91.72% 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 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. 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	(450,587)	Community Development, GCSS & 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 due to the line item being decreased as a result of the organization re-evaluating the usable life of its assets and being overstated.	Community Development: The accurate figures can only be made available after the verification process is completed. GCSS: This is being managed as required by management. GICT: Assets are being capitalised as projects become completed. MTC: The variance will decrease as capital spending rises.

Contracted services	(1,231,828)	City Power: The under expenditure is attributable to the following key factors: Lower Cut-off fees: Due to delays in the receipt and processing of relevant information from the City of Johannesburg (COJ), which has deferred the recognition and payment of related costs. Reduced commission paid to third party: Due to introduction of a fixed charge on sales. This charge is deducted upfront from sales proceeds whilst commission is calculated only on the remaining balance. Consequently, no commission is currently payable on the fixed charge component. Lower repairs and maintenance expenditure: Due to delays in the processing of invoices for infrastructure and facilities maintenance, as well as postponements in the execution of certain system-related maintenance programmes. In addition, non-payment of contractors in the prior financial year has resulted in some service providers being reluctant to undertake City Power work, contributing to reduced expenditure during the period. Group Finance: The under expenditure is primarily attributable to legal fees relating to ATTCOL, where invoices are processed on an accrual basis and are subject to stringent verification and approval processes prior to payment. This has resulted in delays between invoice recognition and settlement,	City Power: Budget was reviewed during the adjustment budget process. Additionally, management has noted that the Revenue team is engaging with Contracts Management to rectify commission paid to third party by ensuring that future contractual agreements provide for commission on the fixed charge. Group Finance: The expenditure is expected to improve in the coming months. Transport: The department is in the process of following up on outstanding invoices and the finalisation of operational licenses for affected taxi operators to commence with the transaction of compensation payment as this is the bulk expenditure budgeted for the department. Continuous follow ups with Merchant and Civil payments on unpaid invoices.
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		impacting expenditure recognition for the period. In addition, the COMDEV (Community Development) Panel of Contractors was approved by Group Finance for maintenance services, with the Service Level Agreement (SLA) formally signed. Lastly, the pre-termination tender process is currently at the final stage, pending completion of Phase 2 (site inspections). Phase 1, comprising mandatory compliance and functionality evaluations, has 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 JITI.	
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Operational costs	355,210	City Power: The over expenditure is attributable to the following key factors: • Legal expenses - due to the high legal fees incurred regarding the SARS refund matter. • Fleet costs - as a result of an increase in the number of motor vehicles acquired through the fleet contract. • Diesel costs - due to an increase in usage. • Telecommunications - mainly attributable to the rollout of new cell phone devices to employees and the payment of software licenses for the period under review. Joburg Water: The over expenditure is as a result of insurance premiums that are exceeding the approved budget. Electricity costs were also higher than anticipated due to increased consumption levels and the fact that the budgeted adjustments were restricted below the NERSA-approved increases. Pikitup: The over expenditure is due to the hire of ad-hoc fleet to supplement the COJ owned vehicles as a result of capital expenditure on fleet being insufficient.	
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Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	748,063	592,736	429,548	1,482,057			2,545,341	20,873,254	26,670,999	24,900,652		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,096,374	735,495	440,973	1,128,278			1,410,079	6,732,447	11,543,644	9,270,803		
Receivables from Non-exchange Transactions - Property Rates	1400	863,702	602,289	534,140	1,488,177			2,562,317	11,406,908	17,457,533	15,457,402		
Receivables from Exchange Transactions - Waste Water Management	1500	503,915	342,221	281,717	846,337			1,358,401	8,930,851	12,263,442	11,135,589		
Receivables from Exchange Transactions - Waste Management	1600	204,010	142,881	133,023	379,259			696,143	5,654,507	7,209,823	6,729,909		
Receivables from Exchange Transactions - Property Rental Debtors	1700	350	35,992	35,692	35,357			34,973	34,643	177,008	104,974		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	(343,504)	(172,072)	(89,818)	(217,658)			(151,231)	(430,967)	(1,405,251)	(799,856)		
Total By Income Source	2000	3,072,910	2,279,542	1,765,275	5,141,807	-	-	8,456,024	53,201,642	73,917,198	66,799,472	-	-
2024/25 - totals only		5,183,326	3,347,987	2,664,726	4,024,310			7,995,587	48,461,913	71,677,849	60,481,810		
Debtors Age Analysis By Customer Group													
Organs of State	2200	74,643	63,049	40,728	154,618			251,435	2,054,283	2,638,755	2,460,336		
Commercial	2300	1,036,677	850,176	569,906	1,524,718			2,213,181	14,282,160	20,476,818	18,020,059		
Households	2400	1,961,590	1,366,316	1,154,641	3,462,470			5,991,408	36,865,199	50,801,624	46,319,077		
Other	2500									-	-		
Total By Customer Group	2600	3,072,910	2,279,542	1,765,275	5,141,807	-	-	8,456,024	53,201,642	73,917,198	66,799,472	-	-

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

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									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	4,867,612	299,093	169,974	154,865	355,151	565,291	130,869	406,466	6,949,321	18,033,601
Auditor General	0800									-	
Other	0900	524,849	238,488	352,095	220,676	212,925	44,146	164,967	278,189	2,036,336	809,088
Total By Customer Type	1000	5,392,461	537,581	522,069	375,541	568,076	609,437	295,836	684,655	8,985,657	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 - M09 March

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	13		13		-
Sale of Goods and Rendering of Services		439,650	439,750	18,712	136,343	329,814	(193,471)	-59%	439,750
Agency services		407,228	407,228	27,923	254,186	305,424	(51,238)	-17%	407,228
Interest							-		-
Interest earned from Receivables		44,216	44,216	12,861	110,069	33,156	76,913	232%	44,216
Interest earned from Current and Non Current Assets		161,603	161,603	262	66,080	121,203		0%	161,603
Dividends							-		-
Rent on Land							-		-
Rental from Fixed Assets		170,488	170,488	5,801	49,494	127,863	(78,369)	-61%	170,488
Licence and permits							-		-
Special rating levies							-		-
Operational Revenue		209,041	210,613	3,241	215,338	157,968	57,370	36%	210,613
Non-Exchange Revenue							-		-
Property rates		18,136,267	18,136,267	1,558,985	14,097,358	13,602,204		0%	18,136,267
Surcharges and Taxes		332,047	332,047	33,777	306,161	249,039		0%	332,047
Fines, penalties and forfeits		176,674	176,674	23,096	249,760	132,507	117,253	88%	176,674
Licences or permits		3,994	3,758	210	2,089	2,817		0%	3,758
Transfer and subsidies - Operational		8,979,745	9,010,942	2,123,524	8,651,392	6,758,208		0%	9,010,942
Interest		127,429	127,429	18,632	192,153	95,571		0%	127,429
Fuel Levy		4,572,290	4,572,290	381,024	3,429,218	3,429,216		0%	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	4,208,047	27,759,654	25,344,990	2,414,664	10%	33,793,305
Expenditure By Type									
Employee related costs		12,080,424	12,749,671	1,180,730	9,893,528	9,562,341	331,187	3%	12,749,671
Remuneration of councillors		202,021	202,021	15,773	140,534	151,515	(10,981)	-7%	202,021
Bulk purchases - electricity							-		-
Inventory consumed		68,335	57,267	19,049	18,400	42,949	(24,549)	-57%	57,267
Debt impairment		1,520,066	1,520,066	(329,873)	1,864,687	1,140,057	724,630	64%	1,520,066
Depreciation and amortisation		3,764,538	3,631,590	278,423	2,396,472	2,723,679	(327,207)	-12%	3,631,590
Interest		2,611,105	2,611,617	2,611	1,441,488	1,958,724	(517,236)	-26%	2,611,617
Contracted services		2,823,330	2,693,938	147,129	1,009,022	1,984,026	(975,004)	-49%	2,693,938
Transfers and subsidies		86,632	48,557	3,450	36,264	36,414	(150)	0%	48,557
Irrecoverable debts written off				738	735		735		-
Operational costs		3,590,179	3,485,750	404,764	2,695,358	2,614,243	81,115	3%	3,485,750
Losses on disposal of Assets				51	11,713				-
Other Losses									-
Total Expenditure		26,746,630	27,000,477	1,722,845	19,508,201	20,213,948	(705,747)	-3%	27,000,477
Surplus/(Deficit)		7,014,042	6,792,828	2,485,203	8,251,453	5,131,042	3,120,411	61%	6,792,828
Transfers and subsidies - capital (monetary allocations)		2,457,682	2,522,956	486,441	981,062	1,892,214	(911,152)	-48%	2,522,956
Transfers and subsidies - capital (in-kind)							-		-
Surplus/(Deficit) after capital transfers & contributions		9,471,724	9,315,784	2,971,644	9,232,515	7,023,256	2,209,259	31%	9,315,784
Income Tax							-		-
Surplus/(Deficit) after income tax		9,471,724	9,315,784	2,971,644	9,232,515	7,023,256	2,209,259	31%	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 - M09 March

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	285,082	2,559,784	2,544,070	15,714	1%	3,560,865
City Power		26,366,421	26,366,622	2,284,792	19,752,597	19,639,197	113,400	1%	26,366,622
Johannesburg Water		21,262,729	21,551,216	1,676,815	14,774,236	15,827,752	(1,053,516)	-7%	21,551,216
Johannesburg Social Housing Company		273,513	273,513	15,660	159,054	205,137	(46,083)	-22%	273,513
Johannesburg Property Company		47,304	47,304	233	20,648	35,478	(14,830)	-42%	47,304
Metropolitan Trading Company		33,791	33,791	197,207	470,467	25,344	445,123	1756%	33,791
Metrobus		112,117	112,117	5,924	49,848	84,096	(34,248)	-41%	112,117
Johannesburg City Parks and Zoo		92,143	82,847	6,465	86,096	62,136	23,960	39%	82,847
JDA		80,953	80,953	4,935	46,006	60,714	(14,708)	-24%	80,953
Johannesburg Roads Agency		180,931	180,931	2,488	51,962	135,693	(83,731)	-62%	180,931
Joburg City Theatres		43,352	43,352	8,839	74,485	32,517	41,968	129%	43,352
Joburg Market		748,428	748,532	68,619	517,913	561,402	(43,489)	-8%	748,532
Joburg Tourism Company		—	—	—	—	—	—	—	—
Total Operating Revenue	1	52,702,368	53,082,043	4,557,060	38,563,096	39,213,536	(650,440)	-2%	53,082,043
Expenditure By Municipal Entity									
Pikitup		4,462,115	4,614,551	507,963	3,626,788	3,358,202	268,586	8%	4,614,551
City Power		23,490,028	23,600,241	2,080,643	20,853,254	18,893,830	1,959,424	10%	23,600,241
Johannesburg Water		19,180,125	19,236,538	1,692,450	14,558,443	14,427,405	131,038	1%	19,236,538
Johannesburg Social Housing Company		413,343	425,784	57,314	601,360	319,347	282,013	88%	425,784
Johannesburg Property Company		1,101,897	1,131,357	75,119	762,916	848,520	(85,604)	-10%	1,131,357
Metropolitan Trading Company		360,189	430,031	74,562	645,132	322,533	322,599	100%	430,031
Metrobus		719,878	739,342	76,641	566,683	554,517	12,166	2%	739,342
Johannesburg City Parks and Zoo		1,385,713	1,545,108	135,217	1,032,726	1,158,849	(126,123)	-11%	1,545,108
JDA		137,461	145,531	9,638	93,653	109,152	(15,499)	-14%	145,531
Johannesburg Roads Agency		1,632,788	1,712,280	141,334	1,170,102	1,284,201	(114,099)	-9%	1,712,280
Joburg City Theatres		332,157	347,511	28,316	222,516	260,622	(38,106)	-15%	347,511
Joburg Market		650,175	667,852	55,476	418,373	500,895	(82,522)	-16%	667,852
Joburg Tourism Company		101,996	99,881	15,060	64,661	74,237	(9,575)	-13%	99,881
Total Operating Expenditure	2	53,967,866	54,696,007	4,949,733	44,616,607	42,112,310	2,504,297	6%	54,696,007

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

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								
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		340,896	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	7,094,068	276,836	2,573,731	13,165,360	10,591,629	80.5%	30%
March	720,447	697,590	844,153	3,417,884	13,862,950	10,445,066	75.3%	39%
April	357,900	346,546			14,209,496	-		
May	165,056	159,819			14,369,315	-		
June	130,506	126,366			14,495,681	-		
Total Capital expenditure	8,700,420	8,424,388	3,417,884					