COJ: GOVERNANCE TECHNICAL CLUSTER	2024-06-
COJ: GOVERNANCE SUB-MAYORAL	2024-06-
COJ: EMT	2024-06-
COJ: MAYORAL COMMITTEE	2024-06-
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 30 APRIL 2024

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 30 APRIL 2024

1. STRATEGIC THRUST

Good Governance

Financial Sustainability

2. OBJECTIVE

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

This report sets out the progress on the financial performance of the City of Johannesburg against the budget for the period ended 30 April 2024, 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 April 2024 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 3%, R1.6 billion over performance [April 2023: - 4%]. The actual operating expenditure is over budget by 3%, R1.6 billion [April 2023: -3%]. The net result is an operating surplus of R503 million against a year-to-date (YTD) budgeted surplus of R564 million.

The Capital budget for the 2023/24 financial year amounts to R6.9 billion after the approval of the adjusted budget in Council. The total actual expenditure to date amounts to R3.5 billion (50%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of April 2024 were R5.8 billion and R4.3 billion respectively. This shows a decrease of R1.5 billion during the month as indicated in Table 1 below.

Apr 24	OPENING R	CLOSING R
Operational Call Deposits	1 927 057 362,24	681 427 196,78
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	697 860 516,27	521 178 658,81
Absa Primary Account Balance	105 174 907,14	7 031 955,82
TOTAL UNENCUMBERED	**2 730 092 785,65**	**1 209 637 811,41**
Contingency Reserve Fund	1 177 076,28	1 177 076,28
Unfunded Liability Fund	2 030 000,00	2 030 000,00
COID	279 500 000,00	279 500 000,00
Capital Grants	-	-
Capital Replacement Reserve	1 453 121 888,88	1 462 887 868,66
Non-Sweeping Bank Accounts	1 285 465 060,31	1 338 055 451,71
TOTAL ENCUMBERED	**3 021 294 025,47**	**3 083 650 396,65**
TOTAL INVESTMENTS	**5 751 386 811,13**	**4 293 288 208,06**

Table 1: Cash Balances as at 30 April 2024; Source – Bank Statements

Apr 24	OPENING R	CLOSING R
Cash and Cash Equivalents	1 697 778 136,57	1 774 124 364,60
Interest Rate swaps	-233 284 727,98	-213 961 559,57
Tradable Instruments Portfolio	350 703 105,50	354 930 071,00
TOTAL SINKING FUND INVESTMENTS	**1 815 196 514,09**	**1 915 092 876,03**

Table 1a: Sinking Fund Balance as at 30 April 2024 including Accrued Interest: Source –Sinking Fund AFS and Bank Statements

- Total unencumbered balances decreased by R1.5 billion during the month, which was primarily driven by the decrease in the primary bank accounts and operational call deposits portfolio.

- Total encumbered balances increased by R62.3 million during this same period, with the highest increase being in the non-sweeping portfolio. The combined movement resulted in the overall total balance decrease of R1.5 billion.

- The Sinking Fund balances closed R99.8 million higher at R1.9 billion, with an increase in both the cash and cash equivalents portfolio and the tradable instruments portfolio with the amounts of R76.3 million and R 4.2 million, respectively. These movements are in respect of interest received, deposits and market movements. The interest rate swaps reflect a positive movement of R19.3 million during the month of April.

- A contribution of R500 million was injected into the Fund during July 2023. An additional contribution of R260 million has been injected into the Fund by the end of April 2024.

Cash movements analysis:

Inflows for the month of April amounted to R6.0 billion versus outflows of R7.5 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 R1.5 billion as depicted in Table 1.1 below.

Apr 24	
Description	**R**
Cash Collections	3 844 442 331,55
Revenue cash collections paid into Primary and Ordinary bank accounts	131 971 461,66
Direct Payments into MOE Revenue accounts	9 378 108,31
Prepaid Collections	184 088 351,16
Other Income (Interest Received, Vat Refund, Licensing Fees)	332 114 579,43
Positive Sweepings and Non-Sweeping Movements	1 529 362 036,14
Total Cash Inflows	6 031 356 868,25
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-7 282 214 745,26
Negative Sweepings and Non-Sweeping Movements	-207 240 726,06
Total Cash Outflows	-7 489 455 471,32
Net Movement	-1 458 098 603,07

Summary Table 1.1 Cash Movements as at 30 April 2024

Cash outflows were less than the inflows resulting in a positive movement on the overall cash balances. The inflows for the month of April include cash collection (R3.8 billion), receipts paid directly into MOE bank accounts (R9.4 million); service charges related receipts paid into the Ordinary and Primary bank accounts (R132 million), Prepaid collections of R184 million, and other income (R332 million).

The table below indicates the level of grant funding received year to date up to 30 April 2024.

Table 4.1 indicates the level of grant funding received as at April 2024.

Grant Name	YTD Forecast per National Treasury Schedule R	YTD Actual per Adjusted National Treasury Schedule R	Variance R
Operational			
Equitable Share Grant	7 053 154 000	6 931 853 000	-121 301 000
Fuel Levy Grant	3 838 725 000	3 838 724 000	-1 000
Total Operational Grants	**10 891 879 000**	**10 770 577 000**	**-121 302 000**
Conditional			
Urban Settlements Development Grant	1 535 158 000	1 535 158 000	-
Informal Settlements Upgrading Partnership Grant	620 962 000	620 962 000	-
Public Transport Network Grant	737 523 000	737 523 000	-
Neighbourhood Development Partnership Grant	97 099 000	97 099 000	-
Infrastructure Skills Develoment Grant	5 569 000	5 569 000	-
Programme and Project Preparation Support Grant	35 000 000	35 000 000	-
Expanded Public Works Programme	13 197 000	13 197 000	-
Financial Management Grant	1 000 000	1 000 000	-
Municipal Emergency Housing Grant	-	6 500 000	6 500 000
Total Conditional Grants	**3 045 508 000**	**3 052 008 000**	**6 500 000**
Total Local Government Grants	**13 937 387 000**	**13 822 585 000**	**-114 802 000**

Table 4.1 – Source: National Treasury and Bank Statements

The Equitable Share was reduced with the unspent amount of R121.3 million in respect of the ISDG (R1.6 million), PPPSG (R30.3 million), NDPG (R73.6 million), MEHG (R13.5 million) and EPWP (R2.3 million) as indicated in the Grant Rollover outcome. As at the end of April 2024, all outstanding grants have been received.

FY2023/24 Conditional Grants Performance

Table 4.2 depicts the year-to-date expenditure as at 30 April 2024 against FY2023/24 allocations.

FY2023/24				
Conditional Grant Name	YTD Allocations received R	Expenditure R	Unspent R	% Expenditure against YTD Allocations received
USDG	1 535 158 000,00	730 410 373,40	804 747 626,60	48%
ISUPG	620 962 000,00	460 795 057,00	160 166 943,00	74%
PTNG	737 523 000,00	210 093 006	527 429 994,15	28%
NDPG	97 099 000,00	78 714 950,00	18 384 050,00	81%
ISDG	5 569 000,00	3 319 107	2 249 893,34	60%
EPWP	13 197 000,00	11 166 066	2 030 934,00	85%
FMG	1 000 000,00	750 121	249 879,00	75%
PPPSG	35 000 000,00	23 383 964	11 616 036,39	67%
MEHG	6 500 000,00	-	6 500 000,00	0%
Totals	**3 052 008 000,00**	**1 518 632 643,52**	**1 526 875 356,48**	**50%**

Table 4.2: Local Government Grants in R'000; Source – Monthly Reporting by Grant Owners

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 City cost centres like the Community Development Department. Table 3 below depicts movements and balances on sweeping and non-sweeping bank accounts for the month ended 30 April 2024 for all MOEs.

As depicted in the sweeping statements for the month ended 30 April 2024, City Power, JDA, Joshco, Metrobus, Propcom Portfolio, and MTC remain overdrawn.

Entity	End of March Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of April Balance R
City Power	**-13 489 846 966,68**	1 882 122 561,21	-1 607 654 931,68	274 467 629,53	**-13 215 379 337,15**
Joburg Water	1 677 456 216,03	1 810 655 286,48	-1 093 243 107,06	717 412 179,42	2 394 868 395,45
Pikitup	1 056 409 273,30	249 621 333,05	-218 072 363,82	31 548 969,23	1 087 958 242,53
Parks Zoo	1 057 362 271,74	119 488 065,64	-107 940 344,63	11 547 721,01	1 068 909 992,75
Fresh Produce	152 861 568,69	5 128 276,34	-30 647 397,23	-25 519 120,89	127 342 447,80
JDA	**-973 106 032,17**	80 403 220,29	-75 230 446,40	5 172 773,89	**-967 933 258,28**
Joshco	**-1 315 476 329,28**	29 916 150,16	-61 865 718,29	-31 949 568,13	**-1 347 425 897,41**
Metro Bus	**-550 106 984,49**	6 386 849,31	-13 425 744,71	-7 038 895,40	**-557 145 879,89**
Propcom	305 682 529,87	19 998 996,15	-39 773 200,70	-19 774 204,55	285 908 325,32
Propcom Portfolio	**-129 324 868,10**	19 332 672,58	-	19 332 672,58	**-109 992 195,52**
Roads	323 247 679,25	157 568 358,00	-51 625 788,09	105 942 569,91	429 190 249,16
MTC	**-287 780 401,56**	**50 737 390,64**	**-185 912 214,06**	**-135 174 823,42**	**-422 955 224,98**
JTC	78 797 715,44	13 672 025,05	-4 718 730,83	8 953 294,22	87 751 009,66
Core	17 845 211 139,08	4 793 273 635,57	-7 206 293 436,04	-2 413 019 800,47	15 432 191 338,61
Total Sweepings and Balances	**5 751 386 811,11**			**-1 458 098 603,07**	**4 293 288 208,04**

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

Inflows for the month of April versus outflows resulted in a negative net movement of R1.5 billion.

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.

	YTD Net Movement										
Entity	July 2023 R	Aug 2023 R	Sept 2023 R	Oct 2023 R	Nov 2023 R	Dec 2023 R	Jan 2024 R	Feb 2024 R	Mar 2024 R	Apr 2024 R	YTD R
City Power	-1 898 105 048,47	-383 779 617,72	-1 693 591 140,55	-115 715 956,43	38 593 754,26	-699 966 220,56	1 297 644 282,12	1 127 449 822,27	-1 124 864 583,98	274 487 829,53	-3 157 867 077,63
Joburg Water	-1 011 174 164,28	330 082 873,19	-416 417 098,85	-222 871 469,73	-80 476 731,50	-958 361 068,12	1 699 549 409,17	604 731 012,21	264 429 079,67	717 412 179,42	827 903 841,20
Pikitup	75 274 289,80	319 299 087,48	109 666 121,07	-74 632 325,20	177 448 192,26	113 925 987,77	135 221 962,41	-387 346 621,32	8 985 606,44	31 548 969,23	509 390 159,92
Parks Zoo	-158 462 269,13	170 168 804,78	73 654 856,83	-79 667 135,32	-52 895 849,08	-33 499 731,81	138 307 027,04	-132 648 930,78	138 990 257,77	11 647 721,01	75 494 751,31
Fresh Produce	200 096 562,92	-27 837 299,04	-31 192 135,39	-88 243 090,98	-47 338 061,79	32 864 265,80	-6 664 471,84	-77 131 106,81	-22 240 324,23	-25 519 120,89	-93 204 782,25
JDA	-199 670 992,55	35 752 997,20	117 811 277,45	-24 996 157,46	-27 851 627,52	-154 548 639,97	-664 222,61	-66 662 115,28	18 336 520,50	6 172 773,89	-297 321 186,25
Joshco	-151 168 753,20	-172 384 466,61	-3 234 476,87	-72 776 626,35	100 009 521,30	88 175 154,88	34 784 172,20	2 730 441,12	-28 658 812,66	-31 949 568,13	-234 473 416,32
Metro Bus	14 187 893,55	-51 378 206,30	24 333 266,69	23 341 235,98	-124 873 764,63	-30 471 747,85	94 406 704,77	-29 018 063,36	71 694 426,97	-7 038 895,40	-14 817 149,57
Propcom	23 881 468,71	63 229 695,65	-9 329 352,34	-51 730 795,60	38 812 060,29	-23 538 725,68	-9 902 344,96	-5 324 512,36	29 080 840,60	-19 774 204,55	35 404 129,77
Propcom Portfolio	2 353 937,03	-17 054 276,01	28 463 316,51	3 698 131,18	10 151 263,59	8 334 162,81	6 067 507,47	4 630 769,65	5 241 050,43	19 332 672,58	69 118 525,24
Roads	-285 084 156,34	-33 718 503,03	7 633 093,75	62 369 464,19	413 749 354,96	-103 221 636,10	208 026 142,02	-146 371 660,10	-6 712 164,66	106 942 569,91	222 612 514,60
MTC	-170 764 168,62	17 966 131,80	-103 381 454,09	-5 317 197,34	-75 037 377,71	-40 390 823,34	66 947 729,51	-119 456 489,35	22 128 624,84	-135 174 823,42	-542 478 847,72
JTC	-6 760 405,30	11 456 188,65	5 544 530,04	-6 909 313,87	-6 428 046,94	7 426 401,11	2 801 354,34	4 653 894,16	5 704 694,25	8 953 294,22	26 442 590,65

Table 3.1(a): Sweeping movements analysis

The above table reflects the ME net movements for the months July 2023 to April 2024.

March 2024 Billing & April 2024 Collections; YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Mar 2024	**Apr 2024**		**YTD: Jun'23 to Mar'24**	**YTD: Jul'23 to Apr'24**	
	R 000's	**R 000's**		**R 000's**	**R 000's**	
Rates	1 460 157	1 256 649	86.1%	14 165 034	12 653 815	89.3%
Electricity	1 713 199	1 683 181	98.2%	17 665 771	16 819 295	95.2%
Water	1 517 666	1 443 235	95.1%	16 713 462	12 540 278	75.0%
Refuse	287 611	221 579	77.0%	2 741 684	2 068 592	75.4%
TOTAL	**4 978 633**	**4 604 644**	**92.5%**	**51 285 951**	**44 081 980**	**86.0%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R5 billion in March 2024 with R4.6 billion collected in April 2024 resulting in a monthly collection rate of 92.5%. The year-to-date billing as at 31 March 2024 is R51.3 billion with R44.1 billion collected as at 30 April 2024 resulting in a year-to-date collection rate of 86% which is below the budgeted collection rate of 87.3%. The City's inability to meet the budgeted collection will result in a risk of inadequate cash to fund operational commitments. Therefore, interventions to improve collections need to be intensified.

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

Reconciliation between Treasury banking and RSSC collections

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

Table 2: Reconciliation between Treasury banking and RSSC collections

Description	April 2024	YTD
	R 000's	R 000's
Balance as reported by Treasury	4 169 880	41 946 171
Deposits reflected by Treasury in previous month	311 778	1 289 476
Refunds, Deposits and Sundry Revenue	-55 601	-874 224
Water: Industrial Effluent and Cross-Boundary Sales	23 489	291 230
Difference in electricity and water prepaid sales	-13 709	-14 176
Non-Cash Items:		
Staff Accounts	8 920	79 195
Departmental Settlements	159 887	1 364 308
Total Revenue as per Revenue Collection Report	**4 604 644**	**44 081 980**

The April 2024 deposits of R312 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 RSSC Revenue Collections Report.

Revenue Performance: Actual vs. Budget

Description		**Mar 2024**	**Apr 2024**
Budget Billing	R 000	4 928 349	4 099 884
Actual Billing	R 000	4 978 633	5 161 504
Shortfall (-) / Surplus (+) in Billing	R 000	50 284	1 061 620
Budget Collection	R 000		3 538 837
Actual Revenue Collection	R 000		4 604 644
Shortfall (-) / Surplus (+) in Collections	R 000		1 065 807
Actual Billing vs. Budgeted Billing	%	101.0%	125.9%
Actual Collection vs. Budgeted Collection	%		130.1%
Budgeted Collection (Apr) vs Budgeted Billing (Mar)	%		71.8%
Actual Collections (Apr) vs. Actual Billing (Mar)	%		92.5%

The actual billing of R4.9 billion for March 2024 was R50 million below the budgeted billing of R5 billion. The actual collection of R4.6 billion for April 2024 was R1.1 billion above the budgeted collection of R3.5 billion. Despite this improvement in collection in the month of April, there still remains a risk to the funding of the budget due to the cumulative under performance from the earlier part of the year which has not been recovered and remains below the budgeted targets. There is still under performance on the annual collection rate target of 87.3%.

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 July 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 10 mSCOA data strings was submitted to the National Treasury on the 15th April 2024.

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)	Not submitted in time	Not submitted in time
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

COJ: GOVERNANCE TECHNICAL CLUSTER	2024-06-
COJ: GOVERNANCE SUB-MAYORAL	2024-06-
COJ: EMT	2024-06-
COJ: MAYORAL COMMITTEE	2024-06-
GROUP ACCOUNTING	

10. KEY PERFORMANCE INDICATOR

In-year budget monitoring in compliance with the MFMA.

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

10 July 2024
DATE

MALOPE RAMAGAGA
ACTING GROUP HEAD: RSSC

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

DATE

T.R.

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

10 JULY 2024
DATE

COUNCILLOR SELLO ENOCK MORERO
MMC GROUP FINANCE

10/07/2024
DATE

Annexure A

In-Year Report

Budget year: 2023/24

Reporting Period: Month 10

April 2024

PART 1: IN-YEAR REPORT

1.1 Mayor's Report

On 14 June 2023, Council approved the 2023/24 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 30 April 2024 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 a positive variance of R1.6 billion against the YTD budget for the period ended 30 April 2024.

The operating expenditure is overspent by R1.6 billion, against year-to-date expenditure budget of R59.6 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R6.9 billion. The actual year to date expenditure (excluding commitments) amounts to R3.5 billion (50%) of the adjustment budget.

Capital Expenditure per funding source as at 30 April 2023:

Description (R million)	Budget 22/23	YTD Exp	% Spent
CoJ Loans	1 830	905	49%
CRR / Cash	1 791	1 119	62%
Nat Grant	315	33	10%
Prov Grant	5	-	0%
USDG	1 205	638	53%
USIP	685	257	37%
Other	545	326	60%
Total CoJ	6 375	3 277	51%

Capital Expenditure per funding source as at 30 April 2024:

Description (R million)	Budget 23/24	YTD Exp	% Spent
CoJ Loans	2,500	1,569	63%
CRR / Cash	1,200	609	51%
Nat Grant	588	83	14%
Prov Grant	15	-	0%
USDG	1,535	730	48%
USIP	737	207	28%
Other	338	256	76%
Total CoJ	6,903	3,454	50%

COJ Loans, Cash, National Grant, USDG funding and USIP funding as well as other funding sources have the spending in the current month under review. When compared to the previous year overall spending (excluding commitments) is at 50%, which is a 1% slight increase from the previous year.

Consolidated Summary - Capital Expenditure as 30 April 2024:

Description (R million)	Budget 23/24	YTD Exp	% Spent
Economic Development	1	1	86%
EISD	9	2	21%
Transportation	526	37	7%
Community Development	41	1	1%
Health	98	4	4%
Social Development	102	29	28%
Forensic	1	0	31%
Ombudsman	1	0	14%
Office of the City Manager	17	1	6%
Speaker	3	-	0%
Group ICT	337	11	3%
Group Finance	30	13	43%
Group Corporate Services	33	0	1%
Human Settlements	1,429	392	27%
Development Planning	48	3	6%
Public Safety	60	22	37%
Total Core Administration	2,736	515	19%

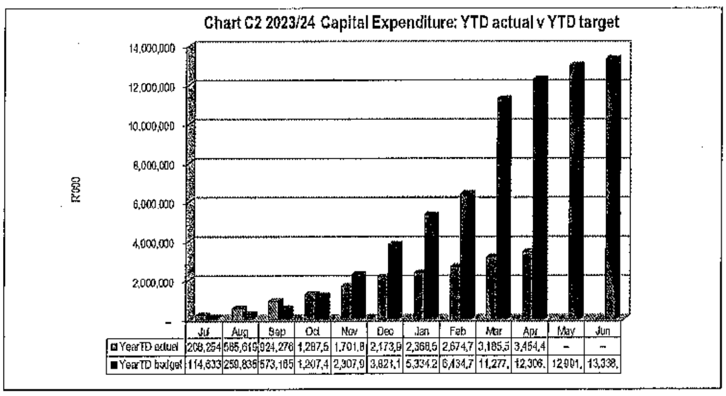
Less than a R500K expenditure indicates a zero-spending due to rounding off to the nearest R1 million.

Description (R million)	Budget 23/24	YTD Exp	% Spent
City Power	1,358	976	72%
Johannesburg Water	1,072	793	74%
Pikitup	92	64	69%
Jhb Roads Agency	809	485	60%
Metrobus	73	50	69%
Jhb City Parks and Zoo	51	21	41%
Jhb Development Agency	198	138	70%
Jhb Property Company	25	11	44%
Metro Trading Company	4	7	185%
Joburg Market	122	106	87%
JOSHCO	337	266	79%
Joburg City Theatres	22	19	88%
Joburg Tourism	5	5	98%
Total MEs	4,167	2,940	71%

Core departments' spending is significantly lower than the municipal entities' spending at 19% versus 71% respectively. The departments with the least expenditure are Transport, Community Development, Health, GICT, Office of the City Manager, and Development Planning. In addition, Speaker, has not started spending. Group Corporate Services expenditure is less than a R1 million.

Additionally, the office of City Manager and COO have requested recovery plans for specific projects and data on 24/25 budget to assess readiness a Portfolio Review Committee (PRC) meeting in June will deal with the outcome of the plans and data.

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

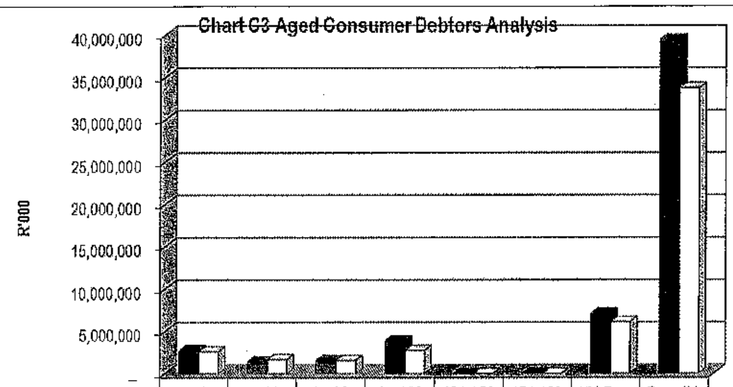
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of April 2024 amount to 4.3 billion.
- The cash flow from operating activities is R2.1 billion.
- The cash flow from investing activities amount to R3.4 billion, negative.
- The cash flow from financing activities amount to R1.6 billion.

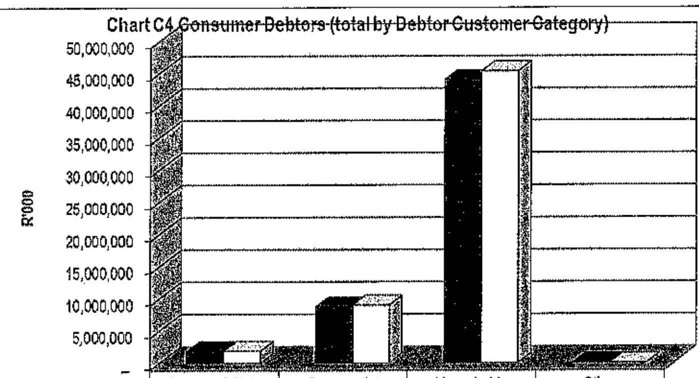
Debtor Age Analysis

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 R56.2 billion. Chart C3 below illustrates the Consumers debtors age 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
Budget Year 2023/24	2,764,273	1,449,037	1,548,276	3,903,538	–	–	7,092,311	39,407,14
2022/23	2,601,756	1,676,497	1,568,473	2,739,591	–	–	6,107,457	33,694,72



	Organs of State	Commercial	Households	Other
2022/23	1,846,297	8,718,000	43,915,344	-
Budget Year 2023/24	1,903,399	8,987,628	45,273,551	-

The following interventions / actions were implemented during April 2024 to increase collection levels:

- 7 795 electricity accounts were identified for disconnections, total value R3.8 billion of which R840 million were collected from 2 433 accounts.
- 24 443 water accounts were identified for disconnections, total value R9.6 billion of which R1.6 billion were collected from 4 671 accounts.

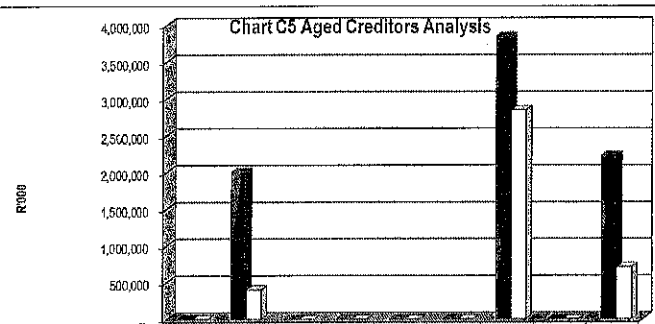
In addition, a Revenue Enhancement Steering committee has been set with the following objectives:

- Black Portfolio - 9700 Accounts with biggest debt: Collection of High end-debt by Executives for improved Revenue Collection.
- Government Debt: Collection on all Government debt and disconnection on all accounts that Government is disputing.
- Platinum Residential Properties: Collection on accounts above 3million - 5million and 6million and more by Assistant Directors according as per their Regions
- Sectional Titles (Business and Residential): Collection of accounts in Sectional Title portfolio by allocated group at RSSC.
- System Reports Assessment of current reports on SAP system: Use reports to support decisions in war rooms. Revise reports that are currently available to suit business requirements.
- Collection on staff Accounts - Include collaboration with major metros: Conduct aggressive collection on municipal employee accounts. Attain assistance with collection of COJ debt from major metros. Collection and allocation of debt to partnering municipalities.

The progress of the above objectives/interventions is monitored by City Manager's Revenue Enhancement bi-weekly meetings.

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.



	Bulk Electricity	Bulk Water	PAYE deductions	VAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Auditor General	Other
2022/23	–	1,997,071	–	–	–	–	3,839,585	–	2,221,265
Budget Year 2023/24	–	404,518	–	–	–	–	2,842,624	–	711,717

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

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

1.3 In-year budget statement tables

The financial results for the period ended 30 April 2024 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 - M10 April

Description	Budget Year 2023/24							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance								
Property rates	16,372,765	16,372,765	1,375,377	14,160,926	13,643,970	516,956	4%	16,372,765
Service charges	42,048,461	38,954,508	3,468,398	32,204,786	33,326,095	(1,121,309)	-3%	38,954,508
Investment revenue	–	–	–	–	–	–		–
Transfers and subsidies - Operational	174,350	185,576	82,539	282,237	154,650	127,587	83%	185,576
Other own revenue	16,798,294	15,692,804	834,459	15,116,473	13,053,389	2,063,084	16%	–
Total Revenue (excluding capital transfers and contributions)	**75,393,870**	**71,205,653**	**5,760,773**	**61,764,422**	**60,178,104**	**1,586,318**	**3%**	**71,205,653**
Employee costs	19,007,361	19,063,085	1,626,675	16,425,173	15,782,195	642,978	4%	19,063,085
Remuneration of Councillors	184,542	182,642	14,932	148,623	152,200	(3,577)	-2%	182,642
Depreciation and amortisation	4,784,336	4,867,246	353,500	3,564,416	4,063,368	(498,952)	-12%	4,867,246
Interest	2,171,098	2,396,800	394,455	2,131,315	1,997,349	133,966	7%	2,396,800
Inventory consumed and bulk purchases	22,762,169	19,627,427	1,453,640	19,037,080	17,864,491	1,172,589	7%	19,627,427
Transfers and subsidies	138,835	84,424	7,308	40,179	70,340	(30,161)	-43%	84,424
Other expenditure	24,251,177	23,860,994	1,832,394	19,914,459	19,683,766	230,693	1%	23,860,994
Total Expenditure	**73,299,518**	**70,082,618**	**5,682,904**	**61,261,245**	**59,613,709**	**1,647,536**	**3%**	**70,082,618**
Surplus/(Deficit)	**2,094,352**	**1,123,035**	**77,869**	**503,177**	**564,395**	**(61,219)**	**-11%**	**1,123,035**
Transfers and subsidies - capital (monetary allocations)	3,208,307	3,392,438	232,103	1,362,413	2,792,384	(1,429,970)	-51%	3,392,438
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**5,302,659**	**4,515,473**	**309,972**	**1,865,590**	**3,356,779**	**(1,491,189)**	**-44%**	**4,515,473**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**5,302,659**	**4,515,473**	**309,972**	**1,865,590**	**3,356,779**	**(1,491,189)**	**-44%**	**4,515,473**
Capital expenditure & funds sources								
Capital expenditure	**7,642,206**	**6,903,334**	**268,984**	**3,454,497**	**5,871,602**	**(2,417,105)**	**-41%**	**6,903,334**
Capital transfers recognised	3,142,206	3,203,334	63,088	1,276,139	2,663,087	(1,386,948)	-52%	3,203,334
Borrowing	2,500,000	2,500,000	159,818	1,568,955	2,185,906	(616,951)	-28%	2,500,000
Internally generated funds	2,000,000	1,200,000	46,079	609,403	1,022,609	(413,206)	-40%	1,200,000
Total sources of capital funds	**7,642,206**	**6,903,334**	**268,984**	**3,454,497**	**5,871,602**	**(2,417,105)**	**-41%**	**6,903,334**
Financial position								
Total current assets	20,494,077	13,408,136		62,190,248				13,408,136
Total non current assets	92,317,514	91,453,303		97,940,791				91,453,303
Total current liabilities	16,092,009	13,972,829		55,541,745				13,972,829
Total non current liabilities	27,521,244	27,441,172		44,595,245				27,441,172
Community wealth/Equity	**69,198,337**	**63,447,439**		**63,799,124**				**63,447,439**
Cash flows								
Net cash from (used) operating	10,661,829	4,128,460	(504,846)	2,130,294	6,808,644	4,678,350	69%	4,128,460
Net cash from (used) investing	(7,880,233)	(7,003,428)	(243,382)	(3,419,901)	(4,207,098)	(787,197)	19%	(7,003,428)
Net cash from (used) financing	(300,820)	(302,273)	(645,670)	1,620,690	(1,194,756)	(2,815,446)	236%	(302,273)
Cash/cash equivalents at the month/year end	**6,930,714**	**878,069**	**4,293,288**	**4,293,288**	**5,462,100**	**1,168,811**	**21%**	**878,069**
Debtors & creditors analysis	**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	1,449,037	1,548,276	3,903,538	–	–	7,092,311	######	56,164,578
Creditors Age Analysis								
Total Creditors	228,774	92,464	18,087	90,272	49,022	99,037	311,145	3,958,858

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	Budget Year 2023/24							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue									
Exchange Revenue									
Service charges - Electricity		23,097,508	19,155,633	1,672,218	15,551,356	17,177,427	(1,626,071)	-9%	19,155,633
Service charges - Water		9,486,608	9,986,396	887,581	8,358,697	8,322,000	36,697	0%	9,986,396
Service charges - Waste Water Management		6,893,182	6,893,546	654,942	5,852,026	5,744,620	107,406	2%	6,893,546
Service charges - Waste management		2,571,163	2,918,933	253,656	2,442,707	2,082,048	360,659	17%	2,918,933
Sale of Goods and Rendering of Services		870,667	595,562	66,574	1,246,605	494,604	752,001	152%	595,562
Agency services		366,492	371,492	25,060	304,722	309,580	(4,857)	-2%	371,492
Interest		–	–	–	–	–	–		–
Interest earned from Receivables		332,416	486,829	57,849	492,818	383,414	109,404	29%	486,829
Interest from Current and Non Current Assets		174,350	185,576	82,539	282,237	154,650	127,587	83%	185,576
Dividends		–	–	–	550	–	550		–
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		535,867	588,210	24,916	252,256	490,190	(237,934)	-49%	588,210
Licence and permits		–	–	294	2,274	–	2,274		–
Operational Revenue		1,046,832	886,946	203,397	990,607	739,112	251,495	34%	886,946
Non-Exchange Revenue									
Property rates		16,372,765	16,372,765	1,375,377	14,160,926	13,643,970	516,956	4%	16,372,765
Surcharges and Taxes		302,905	302,905	26,086	258,637	252,420	6,217	2%	302,905
Fines, penalties and forfeits		951,574	161,256	19,284	143,597	134,380	9,217	7%	161,256
Licence and permits		10,870	3,433	240	2,107	2,859	(752)	-26%	3,433
Transfers and subsidies - Operational		8,281,453	8,334,444	91,539	8,044,306	6,945,390	1,098,916	16%	8,334,444
Interest		116,245	116,245	(997)	175,273	96,870	78,403	81%	116,245
Fuel Levy		3,838,724	3,838,724	319,894	3,198,937	3,198,940	(3)	-0%	3,838,724
Operational Revenue		118,335	–	–	–	–	–		–
Gains on disposal of Assets		5,914	6,758	(5)	598	5,630	(5,032)	-89%	6,758
Other Gains		–	–	329	3,184	–	3,184		–
Discontinued Operations		–	–	–	0	–	0		–
Total Revenue (excluding capital transfers and contributions)		**75,393,870**	**71,205,653**	**5,760,773**	**61,764,422**	**60,178,104**	**1,586,318**	**3%**	**71,205,653**
Expenditure By Type									
Employee related costs		19,007,361	19,063,085	1,626,675	16,425,173	15,782,195	642,978	4%	19,063,085
Remuneration of councillors		184,542	182,642	14,932	148,623	152,200	(3,577)	-2%	182,642
Bulk purchases - electricity		16,403,226	13,639,856	1,184,289	13,306,765	12,866,562	440,203	3%	13,639,856
Inventory consumed		6,356,943	5,987,571	269,352	5,730,315	4,997,929	732,387	15%	5,987,571
Debt impairment		7,983,550	7,212,505	625,262	7,689,383	5,805,149	1,884,234	32%	7,212,505
Depreciation and amortisation		4,784,336	4,867,246	353,500	3,564,416	4,063,368	(498,952)	-12%	4,867,246
Interest		2,171,098	2,396,800	394,455	2,131,315	1,997,349	133,966	7%	2,396,800
Contracted services		7,575,012	7,407,514	513,146	4,641,690	6,211,867	(1,570,177)	-25%	7,407,514
Transfers and subsidies		138,835	84,424	7,308	40,179	70,340	(30,161)	-43%	84,424
Irrecoverable debts written off		–	–	8,695	91,796	–	91,796		–
Operational costs		6,772,269	6,614,616	428,892	5,100,555	5,478,113	(377,558)	-7%	6,614,616
Losses on Disposal of Assets		302	6,847	545	5,343	5,707	(364)	-6%	6,847
Other Losses		1,920,044	2,619,512	255,854	2,385,692	2,182,930	202,762	9%	2,619,512
Total Expenditure		**73,299,518**	**70,082,618**	**5,682,904**	**61,261,245**	**59,613,709**	**1,647,536**	**3%**	**70,082,618**
Surplus/(Deficit)		**2,094,352**	**1,123,035**	**77,869**	**503,177**	**564,395**	**(61,219)**	**-11%**	**1,123,035**
Transfers and subsidies - capital (monetary allocations)		3,208,307	3,392,438	232,103	1,362,413	2,792,384	(1,429,970)	-51%	3,392,438
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**5,302,659**	**4,515,473**	**309,972**	**1,865,590**	**3,356,779**			**4,515,473**
Income Tax		80,168	68,977	–	–	57,490		–	68,977
Surplus/(Deficit) after income tax		**5,222,491**	**4,446,496**	**309,972**	**1,865,590**	**3,299,289**			**4,446,496**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**5,222,491**	**4,446,496**	**309,972**	**1,865,590**	**3,299,289**			**4,446,496**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–			–
Surplus/ (Deficit) for the year		**5,222,491**	**4,446,496**	**309,972**	**1,865,590**	**3,299,289**			**4,446,496**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2022/23	Budget Year 2023/24			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		5,893,137	6,930,714	878,069	4,293,288	878,069
Trade and other receivables from exchange transactions		13,927,642	13,014,236	9,541,141	10,856,077	9,541,141
Receivables from non-exchange transactions		(3,582,539)	–	1,560,932	13,089,143	1,560,932
Current portion of non-current receivables		1,242,434	–	–	1,296,245	–
Inventory		564,198	549,127	541,733	700,037	541,733
VAT		27,252,124	–	684,330	30,342,512	684,330
Other current assets		45,597	–	201,931	(21,697)	201,931
Total current assets		**45,342,594**	**20,494,077**	**13,408,136**	**60,555,605**	**13,408,136**
Non current assets						
Investments		–	787,795	796,771	–	796,771
Investment property		6,811	1,036,836	1,033,310	5,164	1,033,310
Property, plant and equipment		90,829,770	85,737,194	84,399,614	90,673,352	84,399,614
Biological assets		(174)	29,386	–	(174)	–
Living and non-living resources		–	–	32,081	–	32,081
Heritage assets		518,035	–	633,422	519,637	633,422
Intangible assets		(6,962,696)	1,069,416	1,151,803	(6,408,818)	1,151,803
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		52,791	64,463	–	55,006	–
Other non-current assets		13,356,365	3,592,423	3,406,301	13,096,624	3,406,301
Total non current assets		**97,800,901**	**92,317,514**	**91,453,303**	**97,940,791**	**91,453,303**
TOTAL ASSETS		**143,143,495**	**112,811,590**	**104,861,439**	**158,496,396**	**104,861,439**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1,395,699	1,543,567	1,315,634	1,135,868	1,315,634
Consumer deposits		1,399,836	21,556	23,139	1,946,106	23,139
Trade and other payables from exchange transactions		35,642,641	13,751,867	11,187,257	12,865,396	11,187,257
Trade and other payables from non-exchange transactions		2,048,773	–	147,399	4,458,062	147,399
Provision		1,112,522	775,019	690,650	1,282,197	690,650
VAT		27,274,357	–	432,951	29,215,613	432,951
Other current liabilities		3,844,115	–	175,799	4,638,504	175,799
Total current liabilities		**72,717,944**	**16,092,009**	**13,972,829**	**55,541,745**	**13,972,829**
Non current liabilities						
Financial liabilities		40,873,881	20,121,909	20,609,424	42,759,010	20,609,424
Provision		983,223	7,399,335	1,801,446	1,025,178	1,801,446
Long term portion of trade payables		–	–	451,603	33,820	451,603
Other non-current liabilities		953,412	–	4,578,699	777,237	4,578,699
Total non current liabilities		**42,810,515**	**27,521,244**	**27,441,172**	**44,595,245**	**27,441,172**
TOTAL LIABILITIES		**115,528,459**	**43,613,254**	**41,414,001**	**100,136,991**	**41,414,001**
NET ASSETS	2	**27,615,036**	**69,198,337**	**63,447,439**	**58,359,406**	**63,447,439**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		65,098,956	69,198,337	63,447,439	60,943,484	63,447,439
Reserves and funds		206,171	–	–	205,538	–
Other		816,567	–	–	784,512	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**66,121,695**	**69,198,337**	**63,447,439**	**61,933,534**	**63,447,439**

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	Budget Year 2023/24							
R thousands	1	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		14,889,119	14,889,119	1,131,276	11,720,077	10,752,913	967,165	9%	14,889,119
Service charges		36,255,075	33,441,267	3,038,605	30,576,409	37,616,853	(7,040,443)	-19%	33,441,267
Other revenue		7,964,524	6,630,899	760,909	8,608,745	2,549,780	6,058,965	238%	6,630,899
Transfers and Subsidies - Operational		8,281,453	8,334,444	–	10,770,577	305,870	10,464,707	3421%	8,334,444
Transfers and Subsidies - Capital		2,803,834	2,864,962	–	3,052,008	2,374,080	677,928	29%	2,864,962
Interest		566,695	690,661	55,483	310,352	131,879	178,473	135%	690,661
Dividends		–	–	–	–	–	–		–
Payments									
Suppliers and employees		(57,788,937)	(60,241,667)	(5,219,065)	(61,184,580)	(44,586,867)	16,597,713	-37%	(60,241,667)
Finance charges		(2,171,098)	(2,396,800)	(263,978)	(1,639,681)	(2,227,606)	(587,925)	26%	(2,396,800)
Transfers and Subsidies		(138,835)	(84,424)	(8,075)	(83,614)	(108,258)	(24,644)	23%	(84,424)
NET CASH FROM/(USED) OPERATING ACTIVITIES		10,661,829	4,128,460	(504,846)	2,130,294	6,808,644	4,678,350	69%	4,128,460
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		410,055	338,283			4,652	(4,652)	-100%	338,283
Decrease (increase) in non-current receivables							–		–
Decrease (increase) in non-current investments		(648,081)	(438,377)			187,185	(187,185)	-100%	(438,377)
Payments									
Capital assets		(7,642,206)	(6,903,334)	(243,382)	(3,419,901)	(4,398,935)	(979,034)	22%	(6,903,334)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7,880,233)	(7,003,428)	(243,382)	(3,419,901)	(4,207,098)	(787,197)	19%	(7,003,428)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	3,670,000	–	3,670,000		–
Borrowing long term/refinancing		2,500,000	2,500,000	–	–	1,830,000	(1,830,000)	-100%	2,500,000
Increase (decrease) in consumer deposits		(213)	–	–	–	–	–		–
Payments									
Repayment of borrowing		(2,800,606)	(2,802,273)	(645,670)	(2,049,310)	(3,024,756)	(975,446)	32%	(2,802,273)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(300,820)	(302,273)	(645,670)	1,620,690	(1,194,756)	(2,815,446)	236%	(302,273)
NET INCREASE/ (DECREASE) IN CASH HELD		2,481,204	(3,177,241)	(1,393,898)	(1,393,898)	1,406,790			(3,177,241)
Cash/cash equivalents at beginning:		4,449,510	4,055,310	5,687,186	5,687,186	4,055,310			4,055,310
Cash/cash equivalents at month/year end:		6,930,714	878,069	4,293,288	4,293,288	5,462,100			878,069

ADDITIONAL SUPPORTING SCHEDULES: Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M10 APRIL 2024				
Ref	**Description**	**Variance**	**Reasons for material deviations**	**Remedial or corrective steps/remarks**
1	**Revenue**			
	Exchange Revenue			
	Service charges - Electricity	(1,626,071)	The underperformance is mainly because of decreased consumption for all Industrial and Commercial customers. This can be attributed to customers changing from conventional meters to prepaid. Additionally, the units purchased from Eskom have dropped by 11% due to load shedding and customers using alternative sources of energy.	Stand by stand audit to ensure all customers are billed on a correct tariff. • Technical audit for all LPU and Business meters to ensure they are still calibrated and programmed correctly. • Review tariffs to ensure that the tariffs are 50% network charge and 50% consumption. • Ensuring that invoices are processed in time and working on the revenue variance reductions. • TID (Token Identifier) roll out to normalize prepaid meters.
	Service charges - Waste management	360,659	The over performance is due to positive billing trend for Domestic Clients as property prices were adjusted by the revaluation of the property roll.	No remedial action as income is over budget.

	Sale of Goods and Rendering of Services	752,001	**Metro Trading Company:** The over recovery is attributable to revenue deriving from related party projects. These projects included a revenue enhancement project for BRT and Metrobus project. **City Parks & Zoo:** The over performance is due to Admission fees, Parking and other miscellaneous revenue at the zoo that exceeded budget due to various promotional endeavours undertaken. Discounted tickets that were sold at R20 during the Zoo's 120-year celebration generated a huge response from the public. **Johannesburg Civic Theatre:** The favourable revenue is attributable to income generated from the hiring of LED screen, ballets mats , projectors, the 3rd world express as well as Hospitality and Catering due to a number of service level agreements (SLA) signed and executed, most notably an SLA framework order with COJ's Sports & Recreation department.	
	Interest earned from Receivables	109,404	**City Power & Joburg Water:** The over performance is due to an increase in the number of long overdue debtors. **Group Finance:** Due to interest charged on unfavourable sweeping bank balances of the entities.	JWater and RSSC have been working together to reduce the number of outstanding debtors. **Group Finance:** The Cash Flow is closely monitored at MOE's level to try and address these outcomes.

	Interest from Current and Non-Current Assets	127,587	The over performance is due to the slightly increasing cash balances. The over recovery is due to the real rate that was higher than expected as a result of the interest on fixed deposits that matured in the first week of April. The fixed deposit undertaken was for a period of 12 months commencing in April 2023.	No remedial action.
	Rental from Fixed Assets	(237,934)	The under recovery is due to the delays in the approval of reports by EAC that has resulted in the lease renewal period being longer than the average 3 months it takes for a lease to be renewed. Furthermore, the delays in council approvals for potential new leases has also stifled income received from the rental of facilities and equipment.	Need for greater speed and improved turnaround times for EAC approvals. To improve the revenue generation, JPC is currently performing a lease and land audit to ensure optimal utilisation of the City's properties.
	Operational Revenue	251,495	**Joburg Water:** The over recovery is due to Bulk Contributions fees received for the period under review for Water and Sewer related services. **Metro Bus:** The positive variance is due to collection of revenue from scrap metals and used oil.	
	Non-Exchange Revenue			
	Property rates	516,956	The year to actual is in line with the year-to-date budget. This line item is inclusive of revenue foregone. The YTD is over-budget by R 516 million (4%). Property Rates revenue for the month of April 2024 amounts to	

			R1.4 billion after rebates. During the month of April, Journal adjustments amounting to R 29 million were processed in customer accounts. The journal adjustments are due to changes in market value because of objections and valuation appeal board decisions.	
	Fines, penalties, and forfeits	9,217	The under recovery is due to the unsigned Service Level Agreement between JMPD and SAPO, no infringement can be posted without a signed SLA. Additionally, the budget was decreased from R949 million to R159 million during the adjustment budget process due to the challenges faced in the delivery of traffic fines through the South African Post Office after it was put under business rescue.	
	Licence and permits	(752)	The under recovery is due low number of applications for business licences and permits received.	
	Transfers and subsidies - Operational	1,098,916	The over performance is attributable to grants of equitable share received as the final payment of grant tranches from the National Treasury. The grant is paid in three tranches within the financial year which is in (JULY, DECEMBER, and MARCH).	

	Interest	78,403	**Group Finance:** Relates to penalties imposed. This line item is jointly impacted with entries and billing adjustments. Reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors. Customer Overall movement is informed by debtors ageing.	
<u>Expenditure By Type</u>				
	Employee related costs	642,978	The year-to-date actual is in line with the year-to-date budget, however a slight over expenditure occurred on the following: **Health:** The over budget is due to unavoidable rebasing on salaries and allowances, which affected the expenditure of permanent employees within Health department. The rebasing also affected the provision of locomotive allowance adjustments. **City Power**: The over budget is as a result to overtime more than the budget due to more employees working overtime to restore power in the affected areas, leave provision is more than the budget due to fewer employees taking their annual leave and acting allowance is more than the budget due to critical vacancies not yet filled.	

	Inventory consumed	732,387	**JMPD:** The over expenditure is due to acquisition of additional stationary under the category of stores and material. **MTC:** The over expenditure is attributable to higher installation and IT Support service expenses incurred in delivering on projects conducted on behalf of other departments and entities.	**MTC:** The expenditure will be offset by increased income as projects near completion.
	Debt impairment	1,884,234	**Joburg Water:** The over expenditure is due to a decrease on collection levels. The year-to-date collection level is 77.45% as compared to the budgeted payment level of 80.4% resulting in a higher contribution to Bad Debts. **City Power:** The over expenditure is due to a reduction on collection levels. The year-to-date collection level is 91.96% as compared to the budgeted payment level of 96.5%.	**Joburg Water:** A revised credit control strategy was developed (by Joburg Water and RSSC) to address the current collection challenges. **City Power:** Continued implementation of the Revenue Enhancement Strategy and respective initiatives aimed at reducing non-technical losses and increasing revenue in the next financial years.
	Depreciation and amortisation	(498,952)	The under expenditure is as a result of capital projects that are still at the procurement stage as well as work in progress that will be capitalized once completed. The other contributor is due to assets not yet capitalized due to projects that are still pending completion.	Expenditure will improve during the financial year when assets are capitalised.
	Interest	133,966	**MTC**: The entity's interest expenditure exceeds the budget owing to capital repayment that are in arrears. **JDA:** The over expenditure is due to increases in	

			Interest on Sweeping Account arising from less collection from debtors which result in high increase in finance charges.	
	Contracted services	(1,570,177)	**Transport Department:** Delays in paying compensation lump sum payable to the Rea Vaya Phase 1C (a) affected taxi operators due to delays is finalisation of the taxi operating licenses, reduction in Phase1 (a) buses due to mechanical issues and delays in operationalisation of JITI. **City Manager**: The under expenditure is primarily due to ongoing investigations and audits related to UIFW and probity that have yet to be completed. Additionally, under spending on repairs and maintenance as a result of Head office (Metro Centre) not being operational. **GICT:** The under expenditure is due to current liquidity issues, payments are being processed late. The budget is however committed.	**Transport:** The department is in the process of following up on outstanding invoices and finalisation operational licenses for affected taxi operators to commence with the transaction of compensation payment as this is the bulk of expenditure budgeted for by the department. **City Manager:** The department will ensure funds are spent at the end of fiscal year.
	Transfers and subsidies	(30,161)	**Economic Development:** The under expenditure is due to delays in processing the **reallocation** of funds to the implementing agents.	The expenditure is expected to improve once reallocation of funds has been processed.

	Operational costs	(377,558)	**Group Finance:** Due to under spending on interdepartmental costs which is attributable to less spending relating to JHB Water's Equitable Share Funding. This line item will improve during year end process as intercompany transactions are processed and concluded. There is also additional savings on Electronic Portal System (e-Joburg) statement distribution, viewing, and download as this item is paid quarterly and in arrears the related payment is scheduled for May 2024.	This line item will improve during year end process as intercompany transactions are processed and concluded.

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2023/24											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	781,579	448,469	526,145	1,312,741			2,526,989	14,210,403	19,806,326	18,050,132		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	720,415	324,599	248,705	687,026			1,274,309	5,724,673	8,979,728	7,686,009		
Receivables from Non-exchange Transactions - Property Rates	1400	806,231	442,626	467,367	1,128,268			1,766,015	8,198,947	12,809,454	11,093,229		
Receivables from Exchange Transactions - Waste Water Management	1500	501,167	227,368	270,196	609,406			1,167,303	6,521,343	9,296,783	8,298,052		
Receivables from Exchange Transactions - Waste Management	1600	205,042	121,075	123,516	324,567			564,831	4,114,024	5,453,055	5,003,422		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(1,712)	14,421	10,830	21,592			21,277	1,105,373	1,171,781	1,148,242		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(248,450)	(129,522)	(98,484)	(180,062)			(228,413)	(467,619)	(1,352,549)	(876,094)		
Total By Income Source	**2000**	**2,764,273**	**1,449,037**	**1,548,276**	**3,903,538**	–	–	**7,092,311**	**39,407,144**	**56,164,578**	**50,402,993**	–	–
2022/23 - totals only		2,601,756	1,676,497	1,568,473	2,739,591			6,107,457	33,694,729	**48,388,503**	**42,541,777**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	47,222	35,181	37,650	88,431			183,716	1,511,201	1,903,399	1,783,347		
Commercial	2300	701,623	270,431	285,746	698,864			1,224,609	5,806,356	8,987,628	7,729,829		
Households	2400	2,015,429	1,143,425	1,224,881	3,116,243			5,683,986	32,089,587	45,273,551	40,889,817		
Other	2500									–	–		
Total By Customer Group	**2600**	**2,764,273**	**1,449,037**	**1,548,276**	**3,903,538**	–	–	**7,092,311**	**39,407,144**	**56,164,578**	**50,402,993**	–	–

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT	Budget Year 2023/24									Prior year totals
R thousands	Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	
Bulk Water	0200	404,518								404,518	1,997,071
PAYE deductions	0300									–	–
VAT (output less input)	0400									–	–
Pensions / Retirement deductions	0500									–	–
Loan repayments	0600									–	–
Trade Creditors	0700	2,292,534	185,269	54,206	13,165	46,732	32,824	98,155	119,740	2,842,624	3,839,585
Auditor General	0800									–	–
Other	0900	373,005	43,506	38,259	4,922	43,539	16,198	882	191,406	711,717	2,221,265
Total By Customer Type	**1000**	**3,070,057**	**228,774**	**92,464**	**18,087**	**90,272**	**49,022**	**99,037**	**311,145**	**3,958,858**	**8,057,920**

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 - M10 April

Description	Ref	Budget Year 2023/24							
R thousands	1	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
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	(7)	–	(7)	#DIV/0!	–
Agency services		–	–	–	–	–	–		–
Interest		386,492	371,492	23,245	270,666	309,580	(38,914)	-13%	371,492
Interest earned from Receivables		–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		1,462,814	1,386,844	207,553	1,838,741	1,155,700			1,386,844
Dividends		147,420	147,420	75,939	224,887	122,850	102,037	83%	147,420
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–		–
Licence and permits		146,267	331,745	4,868	50,403	276,450	(226,047)	-82%	331,745
Operational Revenue		–	–	–	–	–	–		–
Non-Exchange Revenue		395,271	196,878	144,135	301,125	164,060	137,065	84%	196,878
Property rates		–	–	–	–	–			–
Surcharges and Taxes		(951,486)	(161,168)	(19,265)	(143,455)	(134,310)			(161,168)
Fines, penalties and forfeits		(10,870)	(3,433)	(240)	(2,107)	(2,859)	752	-26%	(3,433)
Licences or permits		(8,280,856)	(8,328,982)	(42,212)	(7,522,995)	(6,940,840)			(8,328,982)
Transfer and subsidies - Operational		(116,245)	(116,245)	997	(175,273)	(96,870)			(116,245)
Interest		(3,838,724)	(3,838,724)	(319,894)	(3,198,937)	(3,198,940)			(3,838,724)
Fuel Levy		–	–	–	–	–			–
Operational Revenue		(5,000)	–	–	–	–			(5,000)
Gains on disposal of Assets		–	–	–	–	–			–
Other Gains		–	–	–	–	–			–
Discontinued Operations		–	–	–	–	–			–
Total Revenue (excluding capital transfers and contributions)		**(11,060,188)**	**(10,211,050)**	**(69,008)**	**(8,658,077)**	**(8,509,239)**	**(148,838)**	**2%**	**(10,216,050)**
Expenditure By Type									
Employee related costs		(951,486)	(161,168)	(19,265)	(143,455)	(134,310)	(9,145)	7%	(161,168)
Remuneration of councillors		(10,870)	(3,433)	(240)	(2,107)	(2,859)	752	-26%	(3,433)
Bulk purchases - electricity		(8,280,856)	(8,328,982)	(42,212)	(7,522,995)	(6,940,840)	(582,155)	8%	(8,328,982)
Inventory consumed		(116,245)	(116,245)	997	(175,273)	(96,870)	(78,403)	81%	(116,245)
Debt impairment		(3,838,724)	(3,838,724)	(319,894)	(3,198,937)	(3,198,940)	3	0%	(3,838,724)
Depreciation and amortisation		–	–	–	–	–	–		–
Interest		(5,000)	–	–	–	–	–		(5,000)
Contracted services		–	–	–	–	–	–		–
Transfers and subsidies		–	–	–	–	–	–		–
Irrecoverable debts written off		–	–	–	–	–	–		–
Operational costs		–	–	–	–	–	–		–
Losses on disposal of Assets		–	–	–	–	–			–
Other Losses		(69,144)	(72,292)	271,952	(22,862)	(60,244)			(72,292)
Total Expenditure		**(13,272,325)**	**(12,520,844)**	**(108,662)**	**(11,065,629)**	**(10,434,063)**	**(631,566)**	**6%**	**(12,525,844)**
Surplus/(Deficit)		2,212,138	2,309,794	39,664	2,407,552	1,924,824	482,728	25%	2,309,794
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–		(72,292)
Transfers and subsidies - capital (in-kind)		(69,144)	(72,292)	271,952	(22,862)	(60,244)	37,382	-62%	(1,668,461)
Surplus/(Deficit) after capital transfers & contributions		2,142,993	2,237,502	311,606	2,384,690	1,864,580	520,110	28%	569,040
Income Tax		4,849,009	4,781,416	186,621	2,760,723	3,998,201	(1,237,477)	-31%	4,781,416
Surplus/(Deficit) after income tax		**(2,706,016)**	**(2,543,914)**	**124,985**	**(376,033)**	**(2,133,621)**	**1,757,588**	**-82%**	**(4,212,376)**

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 - M10 April

Description	Ref	Budget Year 2023/24							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity									
Pikitup		2,606,997	2,968,767	258,644	2,487,370	2,111,474	375,896	18%	2,968,767
City Power		23,707,579	19,941,538	1,961,802	16,586,170	17,763,921	(1,177,750)	-7%	19,941,538
Johannesburg Water		16,997,017	17,448,408	1,625,476	15,283,990	14,562,214	721,775	5%	17,448,408
Johannesburg Social Housing Company		303,597	233,954	19,796	186,219	194,970	(8,751)	-4%	233,954
Johannesburg Property Company		81,459	43,192	4,141	32,063	36,000	(3,937)	-11%	43,192
Metropolitan Trading Company		59,618	12,578	27,089	300,807	10,490	290,317	2768%	12,578
Metrobus		63,682	117,823	7,814	63,055	98,180	(35,125)	-36%	117,823
Johannesburg City Parks and Zoo		87,586	93,927	577	78,329	78,280	49	0%	93,927
JDA		75,926	60,790	2,708	41,364	50,660	(9,296)	-18%	60,790
Johannesburg Roads Agency		128,962	113,400	5,052	536,794	94,500	442,294	468%	113,400
Joburg City Theatres		67,394	40,013	6,599	66,068	33,350	32,718	98%	40,013
Joburg Market		646,656	671,071	59,742	581,002	559,230	21,772	4%	671,071
Joburg Tourism Company		3,463	3,699	544	12,089	3,080	9,009	292%	3,699
Total Operating Revenue	1	**44,829,956**	**41,749,160**	**3,979,985**	**36,255,320**	**35,596,349**	**658,971**	**2%**	**41,749,160**
Expenditure By Municipal Entity									
Pikitup		3,764,315	4,082,547	372,228	3,424,215	2,959,286	464,929	16%	4,082,547
City Power		22,722,431	19,443,819	1,616,691	17,803,054	17,852,805	(49,752)	0%	19,443,819
Johannesburg Water		14,964,254	15,706,833	1,457,535	14,315,510	13,089,039	1,226,471	9%	15,706,833
Johannesburg Social Housing Company		355,355	367,590	63,029	696,011	301,566	394,445	131%	367,590
Johannesburg Property Company		964,641	914,367	66,930	672,559	761,970	(89,411)	-12%	914,367
Metropolitan Trading Company		423,773	376,733	64,042	811,450	313,947	497,503	158%	376,733
Metrobus		601,623	641,511	72,160	604,076	534,590	69,486	13%	641,511
Johannesburg City Parks and Zoo		1,257,264	1,206,545	92,684	975,109	1,005,450	(30,341)	-3%	1,206,545
JDA		108,145	121,542	8,896	80,091	101,290	(21,199)	-21%	121,542
Johannesburg Roads Agency		1,438,437	1,411,418	117,458	1,111,251	1,176,180	(64,929)	-6%	1,411,418
Joburg City Theatres		262,776	252,593	21,430	217,402	210,510	6,892	3%	252,593
Joburg Market		558,591	584,998	41,846	413,623	487,510	(73,887)	-15%	584,998
Joburg Tourism Company		69,503	89,719	4,742	45,856	74,770	(28,914)	-39%	89,719
Total Operating Expenditure	2	**47,491,108**	**45,200,216**	**3,999,672**	**41,170,206**	**38,868,914**	**2,301,293**	**6%**	**45,200,216**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M10 April

	2022/23	Budget Year 2023/24							
Month R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		114,633		208,254	208,254	114,633	(93,621)	-81.7%	3%
August		145,202		357,365	565,619	259,835	(305,784)	-117.7%	7%
September		313,330		358,657	924,276	573,165	(351,111)	-61.3%	12%
October		634,303		363,278	1,287,554	1,207,468	(80,086)	-6.6%	17%
November		1,100,478		414,255	1,701,809	2,307,946	606,137	26.3%	22%
December		1,513,157		472,162	2,173,971	3,821,103	1,647,132	43.1%	28%
January		1,513,157		194,581	2,368,552	5,334,260	2,965,708	55.6%	31%
February		1,100,478		306,227	2,674,779	6,434,738	3,759,959	58.4%	35%
March		634,303	4,842,991	510,734	3,185,513	11,277,729	8,092,216	71.8%	42%
April		313,330	1,028,610	268,984	3,454,497	12,306,339	8,851,842	71.9%	45%
May		145,202	685,407			12,991,746	–		
June		114,633	346,326			13,338,072	–		
Total Capital expenditure	–	7,642,206	6,903,334	3,454,497					