COJ: GOVERNANCE TECHNICAL CLUSTER	**2025-10-**
COJ: GOVERNANCE SUB-MAYORAL	**2025-10-**
COJ: EMT	**2025-10-**
COJ: MAYORAL COMMITTEE	**2025-10-**
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 AUGUST 2025

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 August 2025

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 August 2025, 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 August 2025 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%, R627 million over performance [August 2024: 14%]. The actual operating expenditure is under budget by 3%, R501 million [August 2024: -3%]. The net result is an operating surplus of R908 million against a year-to-date (YTD) budgeted deficit of R220 million.

The Capital budget for the 2025/26 financial year amounts to R8.7 billion after the approval of the medium-term budget in Council. The total actual expenditure (excluding commitments) to date amounts to R372 million (4%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of August 2025 were R3.9 billion and R5.4 billion respectively. This shows an increase of R1.4 billion during the month as indicated in the table below.

Aug-25	OPENING R	CLOSING R
Operational Call Deposits	814,173,615	509,282,843
Operational Term Deposits		-
Standard Bank Primary Account Balance	659,213,506	1,854,172,120
Absa Primary Account Balance	91,127	609,710
TOTAL UNENCUMBERED	**1,473,478,248**	**2,364,064,673**
Contingency Reserve Fund	316,603,744	1,177,076
Unfunded Liability Fund	2,079,539	2,030,000
COID	279,500,000	279,500,000
Capital Grants	-	-
Capital Replacement Reserve	2,103,400	316,603,744
Non-Sweeping Bank Accounts	1,873,376,726	2,389,867,043
TOTAL ENCUMBERED	**2,473,663,409**	**2,989,177,863**
TOTAL INVESTMENTS	**3,947,141,658**	**5,353,242,536**

Table 1: Cash Balances as at 31 August 2025; Source – Bank Statements

Aug-25	OPENING R	CLOSING R
Cash and Cash Equivalents	982,275,507	996,781,771
Interest Rate swaps	109,572,904	111,874,022
Tradable Instruments Portfolio	326,535,070	320,346,820
TOTAL SINKING FUND INVESTMENTS	**1,418,383,481**	**1,429,002,613**

Table 1a: Sinking Fund Balance as at 31 August 2025 including Accrued Interest: Source –Sinking Fund AFS and Bank Statements

- Total unencumbered balances increased by R891 million during the month, which was primarily driven by the increase in the STD Bank Primary account. Total encumbered balances increased by R516 million during this same period, with the highest increase being in the non-sweepings' portfolio.

- The Sinking Fund balances closed R11 million higher at R1.4 billion, with an increase of R14.5 million in the cash and cash equivalents portfolio. The tradable instruments decreased with an amount of R6.2 million. These movements are attributable to market movements. The interest rate swaps reflect a positive movement of R2.3 million during the month of August.

- 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).

Cash movements analysis:

Inflows for the month of August 2025 amounted to R10 billion versus outflows of R8.6 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 R1.4 million as depicted below.

Aug-25	
Description	**R**
Cash Collections	4,810,195,040
Revenue cash collections paid into Primary and Ordinary bank accounts	49,159,111
Direct Payments into MOE Revenue accounts	12,192,682
Prepaid Collections	268,750,345
Other Income (Interest Received, Vat Refund, Licensing Fees)	374,592,221
Operating Grants and Subsidies	2,563,257,000
Positive Sweepings and Non-Sweeping Movements	1,922,374,335
Total Cash Inflows	10,000,520,733
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-7,702,345,996
Negative Sweepings and Non-Sweeping Movements	-892,073,859
Total Cash Outflows	-8,594,419,854
Net Movement	1,406,100,878

Summary Table 1.1 Cash Movements as at 31 August 2025

Cash outflows were more than the inflows resulting in a positive movement on the overall cash balances. The inflows for the month of August include cash collection: R4.8 billion, receipts paid directly into MOE bank accounts: R12 million; cash collection paid into the Ordinary and Primary bank accounts: R49 million, Prepaid collections of R269 million, other income: R374 million and grants and subsidies R2.6 billion.

Financial Year 2025/26 Grant funding:

The table below indicates the level of grant funding received year to date up to 31 August 2025.

Grant Name	YTD Adjusted Forecast per National Treasury Schedule R	YTD Actual per Adjusted National Treasury Schedule R	Variance R
Operational			
Equitable Share Grant	3,391,728,000	3,391,728,000	-
Fuel Levy Grant	1,524,097,000	1,524,097,000	-
Total Operational Grants	**4,915,825,000**	**4,915,825,000**	**-**
Conditional			
Urban Settlements Devlopment Grant	780,160,000	780,160,000	-
Informal Settlements Upgrading Grant	255,000,000	255,000,000	-
Infrastructure Skills Develoment Grant	6,000,000	6,000,000	-
Public Transport Network Grant	200,588,000	200,588,000	-
Urban Development Financing Grant	72,801,000	72,801,000	-
Energy Efficiency Demand-Side Management Grant	3,000,000	3,000,000	-
Expanded Public Works Programme	1,000,000	-	-1,000,000
Financial Management Grant	1,000,000	1,000,000	-
Total Conditional Grants	**1,319,549,000**	**1,318,549,000**	**-1,000,000**
Total Local Government Grants	**6,235,374,000**	**6,234,374,000**	**-1,000,000**

Source: National Treasury and Bank Statements

The EPWP grant was transferred during the month of September 2025.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 31 August 2025 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	780,160,000	115,757,477	664,402,523	15%
UDFG	72,801,000	1,450,800	71,350,200	2%
ISDG	6,000,000	973,905	5,026,095	16%
ISUPG	255,000,000	38,442,700	216,557,300	15%
PTNG	200,588,000	17,688,000	182,900,000	9%
EEDSM	3,000,000	-	3,000,000	0%
FMG	1,000,000	83,337	916,663	8%
Totals	**1,318,549,000**	**174,396,219**	**1,144,152,781**	**13%**

Funding Activities:

Short-term funding facilities are utilised to assist with liquidity management within the financial year. The city has not utilised short-term facilities in the year under review.

EXTERNAL FUNDING FY2024/25		
Banks	Available Facility R	Utilized Facility R
STD Bank	-	-
DBSA	-	-
Total	-	-

External Facilities; Source – CoJ Treasury

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 August 2025 for all MOEs.

As depicted in the sweeping statements for the month ended 31 August 2025, City Power, JDA, Joshco, Metrobus, Propcom Portfolio, JHB Roads and MTC remain overdrawn.

Entity	End of July Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of August Balance R
City Power	**-17,074,933,455**	1,901,708,816	-1,596,573,394	305,135,423	**-16,769,798,032**
Joburg Water	3,819,130,389	1,077,870,998	-1,331,184,541	-253,313,543	3,565,816,847
Pikitup	1,498,762,832	504,843,501	-204,651,975	300,191,526	1,798,954,358
Parks Zoo	703,151,948	357,387,152	-105,914,936	251,472,216	954,624,164
Fresh Produce	69,183,238	212,675,609	-37,776,608	174,899,001	244,082,239
JDA	**-1,745,215,915**	23,743,021	-196,633,973	-172,890,953	**-1,918,106,868**
Joshco	**-1,822,525,638**	15,834,322	-136,547,015	-120,712,694	**-1,943,238,331**
Metro Bus	**-869,067,408**	220,383,827	-76,727,004	143,656,822	**-725,410,586**
Propcom	317,750,770	25,917,492	-68,700,925	-42,783,433	274,967,337
Propcom Portfolio	**-148,908,325**	7,655,078	-8,951,661	-1,296,583	**-150,204,908**
Roads	**-809,983,594**	**841,471,315**	**-224,438,097**	**617,033,218**	**-192,950,376**
MTC	**-563,395,941**	43,469,928	-148,544,050	-105,074,122	**-668,470,063**
JTC	88,852,115	17,652,478	-10,504,816	7,147,663	95,999,778
Core	20,484,340,641	8,128,740,639	-7,826,104,302	302,636,337	20,786,976,978
Total Sweepings and Balances	**3,947,141,658**			**1,406,100,878**	**5,353,242,536**

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

Inflows for the month of August versus outflows resulted in a positive net movement of R1.4 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**	**YTD R**
City Power	-1,398,422,452	305,135,423	-1,093,287,030
Joburg Water	-225,427,910	-253,313,543	-478,741,453
Pikitup	-108,490,578	300,191,526	191,700,949
Parks Zoo	-140,305,714	251,472,216	111,166,502
Fresh Produce	-37,753,632	174,899,001	137,145,370
JDA	-201,389,379	-172,890,953	-374,280,332
Joshco	-93,975,019	-120,712,694	-214,687,712
Metro Bus	-393,664,119	143,656,822	-250,007,297
Propcom	-50,679,843	-42,783,433	-93,463,275
Propcom Portfolio	4,473,343	-1,296,583	3,176,760
Roads	-251,868,233	617,033,218	365,164,984
MTC	30,294,351	-105,074,122	-74,779,772
JTC	-12,743,459	7,147,663	-5,595,796

Sweeping movements analysis

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

YTD Net Movement		
Entity	**July 2025 R**	**YTD R**
City Power	-1,398,422,452	-1,398,422,452
Joburg Water	-225,427,910	-225,427,910
Pikitup	-108,490,578	-108,490,578
Parks Zoo	-140,305,714	-140,305,714
Fresh Produce	-37,753,632	-37,753,632
JDA	-201,389,379	-201,389,379
Joshco	-93,975,019	-93,975,019
Metro Bus	-393,664,119	-393,664,119
Propcom	-50,679,843	-50,679,843
Propcom Portfolio	4,473,343	4,473,343
Roads	-251,868,233	-251,868,233
MTC	30,294,351	30,294,351
JTC	-12,743,459	-12,743,459

Sweeping movements analysis

The above table reflects the ME net movements for August 2025.

July 2025 Billing & August 2025 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Jul 2025	Aug 2025		YTD: Jun'25 to Jul'25	YTD: Jul'25 to Aug'25	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 679 725	1 594 422	94.9%	3 337 025	3 202 286	96.0%
Electricity	2 455 738	2 404 443	97.9%	4 485 353	4 549 290	101.4%
Water	1 745 539	1 343 040	76.9%	3 378 005	2 594 708	76.8%
Refuse	319 737	230 324	72.0%	622 623	465 761	74.8%
TOTAL	**6 200 739**	**5 572 229**	**89.9%**	**11 823 006**	**10 812 045**	**91.4%**

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

The city billed R6.2 billion in July 2025 with R5.6 billion collected in August 2025 resulting in a monthly collection rate of 89.9%. The year-to-date billing as at 31 July 2025 is R11.8 billion with R10.8 billion collected as at 31 August 2025 resulting in a year-to-date collection rate of 91.4%.

Reconciliation between Treasury banking and RSSC collections

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

Description	Aug 2025	YTD
	R 000's	R 000's
Balance as reported by Treasury	5 140 297	9 963 838
Deposits reflected by Treasury in previous month	122 888	296 380
Refunds, Deposits and Sundry Revenue	-28 651	-66 788
Water: Industrial Effluent and Cross-Boundary Sales	34 209	60 248
Difference in electricity and water prepaid sales	9 569	-2 222
E-Joburg	111 576	203 163
Non-Cash Items:		
Staff Accounts	8 577	17 390
Departmental Settlements	173 764	340 036
Total Revenue as per Revenue Collection Report	**5 572 229**	**10 812 045**

August 2025 deposits of approximately R122,9 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		Jul 2025	Aug 2025
Budget Billing	R 000	6 479 023	6 645 576
Actual Billing	R 000	6 200 739	6 211 860
Shortfall (-) / Surplus (+) in Billing	R 000	-278 284	-433 716
Budget Collection	R 000		5 902 403
Actual Revenue Collection	R 000		5 572 229
Shortfall (-) / Surplus (+) in Collections	R 000		-330 174
Actual Billing vs. Budgeted Billing	%	95.7%	93.5%
Actual Collection vs. Budgeted Collection	%		94.4%
Budget Collection (Aug) vs Budget Billing (Jul)	%		91.1%
Actual Collections (Aug) vs. Actual Billing (Jul)	%		89.9%

The actual billing of R6.2 billion for July 2025 was R 278 million below the budgeted billing of R6.5 billion. The actual collection of R5.6 billion for August 2025 was R330 million below the budgeted collection of R5.9 billion. Actual collection of 89.9% is 1.2% below the budgeted collection of 91.1%.

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 02 mSCOA data strings was submitted to the National Treasury on the 12th of September 2025.

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	No	No
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.

It is recommended that.

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

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Assistant Director: Financial Analysis
011 021 3350

CHARITY-ANN WURAYAYI
GROUP HEAD GROUP ACCOUNTING

SENIOR LEGAL ADVISOR
GROUP LEGAL AND CONTRACTS

MALOPE RAMAGAGA
ACTING GROUP HEAD: RSSC

DATE

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

DATE

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

07/10/2025
DATE

COUNCILLOR LOYISO MASUKU
MMC GROUP FINANCE

08 October 2025
DATE

Annexure A

In-Year Report

Budget year: 2025/26

Reporting Period: Month 02

August 2025

PART 1: IN-YEAR REPORT

1.1 Mayor's Report

On 22 May 2024, Council approved the 2024/25 Medium-term Revenue and Expenditure Framework (MTREF) for the City of Johannesburg. This gives effect to the financial plan of the City of Johannesburg, which includes its entities.

1.2 Executive Summary

The financial results of the City of Johannesburg for period ended 31 August 2025 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 R627 million against the YTD budget for the period ended August 2025

The operating expenditure is underspent by R501 million, against year-to-date expenditure budget of R15.6 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R8.7 billion. The actual year to date expenditure (excluding commitments) amounts to R372 million (4%) of the budget.

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

Capital Expenditure per funding source as at 31August 2024:

Description (R million)	Budget 24/25	YTD Exp	% Spent
CoJ Loans	2,500	159	6%
CRR / Cash	1,220	26	2%
Nat Grant	526	0	0%
Prov Grant	12	-	0%
USDG	1,954	118	6%
USIP	740	3	0%
Other	463	46	10%
Total CoJ	7,415	353	5%

Capital Expenditure per funding source as at 31 August 2025:

Description (R million)	Budget 25/26	YTD Exp	% Spent
CoJ Loans	3,500	171	5%
CRR / Cash	650	7	1%
Nat Grant	543	-	0%
Prov Grant	11	-	0%
USDG	2,321	116	5%
USIP	773	-	0%
Other	903	78	9%
Total CoJ	8,700	372	4%

Most funding sources have spending save for, National grants, provincial grants and UISP. Current spending is 1% below the expenditure when compared to the previous year.

Consolidated Summary - Capital Expenditure as 31 August 2025:

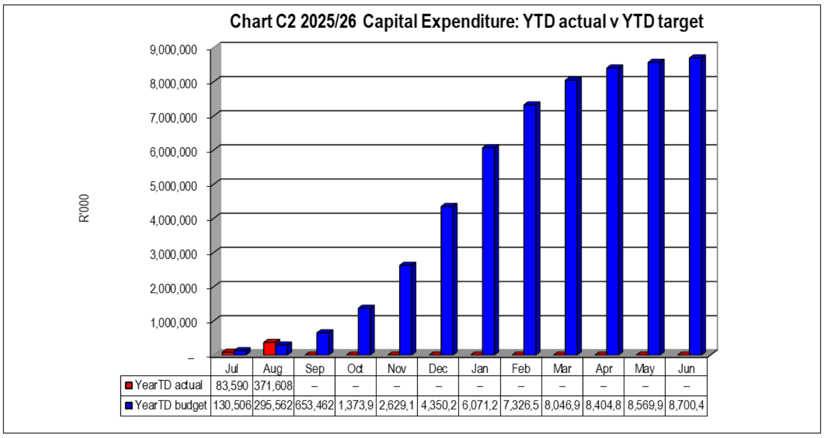
Description (R million)	Budget 25/26	YTD Exp	% Spent
City Power	1,361	131	10%
Johannesburg Water	1,704	75	4%
Pikitup	310	6	2%
Jhb Roads Agency	916	80	9%
Metrobus	157	0	0%
Jhb City Parks and Zoo	31	0	1%
Jhb Development Agency	105	25	24%
Jhb Property Company	40	-	0%
Metro Trading Company	27	-	0%
Joburg Market	67	1	1%
JOSHCO	207	19	9%
Joburg City Theatres	19	3	16%
Joburg Tourism	1	-	0%
Total MEs	4,943	341	7%

Description (R million)	Budget 25/26	YTD Exp	% Spent
Economic Development	6	-	0%
EISD	201	-	0%
Transportation	573	-	0%
Community Development	99	-	0%
Health	38	-	0%
Social Development	42	-	0%
Forensic	2	-	0%
Ombudsman	2	-	0%
Office of the City Manager	11	-	0%
Speaker	1	-	0%
Group ICT	420	-	0%
Group Finance	8	-	0%
Group Corporate Services	261	24	9%
Human Settlements	1,974	-	0%
Development Planning	80	-	0%
Public Safety	41	7	16%
Total Core Administration	3,757	31	1%

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

JPC, MTC and JTC are the only MOEs that have not commenced with spending, while Public Safety and Corporate Shared Services are the only departments that have commenced 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:

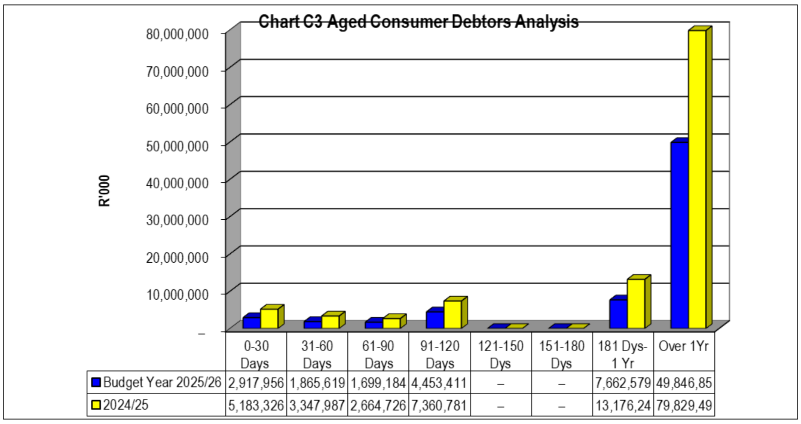
- Cash and Cash equivalents as at the end of August 2025 amount to R5.4 billion.

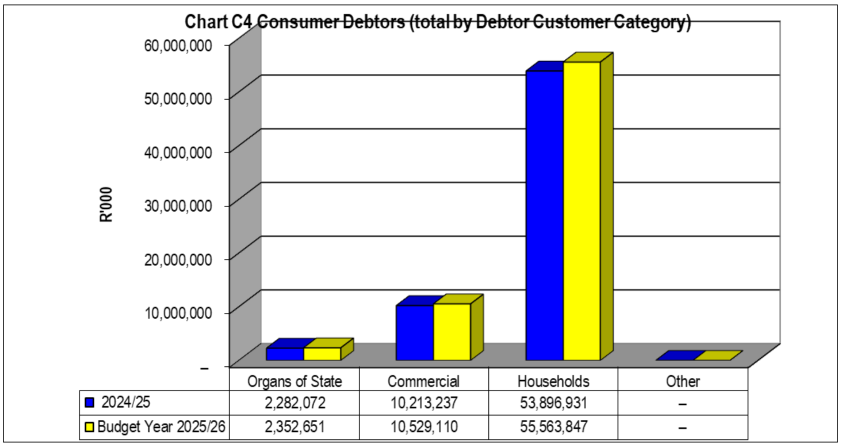
- The cash flow from operating activities is 1.5 million,
- The cash flow from investing activities amount to R705 million, negative.
- The cash flow from financing activities amount to R1.6 billion, negative.

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 R68.4 billion. Chart C3 below illustrates the Consumers debtors age analysis:



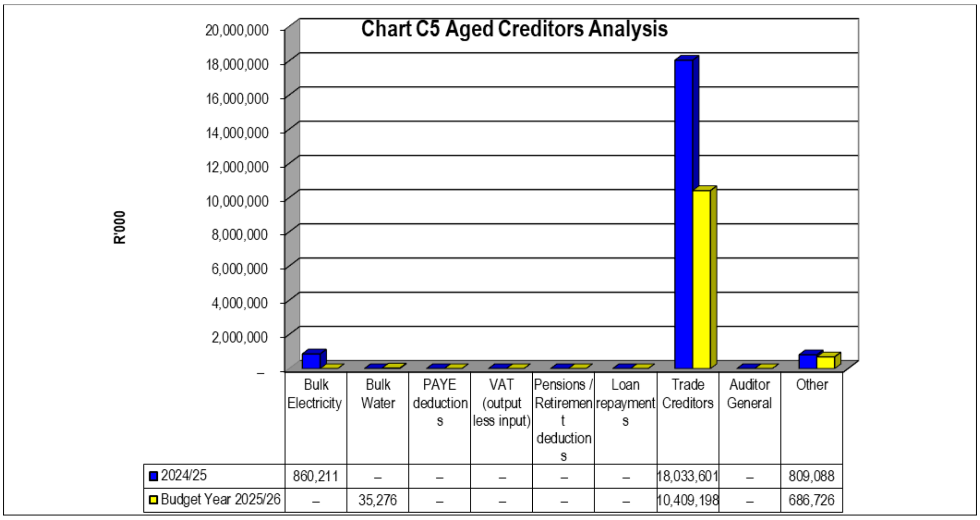


The following interventions / actions were implemented during August 2025 to increase collection levels:

- 13 290 electricity accounts were identified for disconnections, total value R8.5 billion and 3 443 account payments to the value of R147 million were collected from the accounts.
- 6 916 water accounts were identified for disconnections, total value R3.1 billion and 2 055 account payments to the value of R52 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 August 2025 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 - M02 August

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	18,136,267	–	1,469,775	3,054,137	3,022,712	31,425	1%	18,136,267
Service charges	–	48,912,644	–	3,989,965	7,963,590	8,590,386	(626,796)	-7%	48,912,644
Investment revenue	–	199,899	–	6,756	12,229	33,318	(21,089)	-63%	199,899
Transfers and subsidies - Operational	–	8,980,278	–	15,474	3,415,041	1,496,712	1,918,329	128%	8,980,278
Other own revenue	–	8,591,214	–	1,174,410	1,518,125	2,193,404	(675,279)	-31%	–
Total Revenue (excluding capital transfers and contributions)	**–**	**84,820,301**	**–**	**6,656,380**	**15,963,122**	**15,336,532**	**626,590**	**4%**	**84,820,301**
Employee costs	–	21,654,002	–	1,865,024	3,665,800	3,600,920	64,880	2%	21,654,002
Remuneration of Councillors	–	202,021	–	15,315	30,783	33,670	(2,887)	-9%	202,021
Depreciation and amortisation	–	5,643,271	–	418,030	818,620	938,752	(120,132)	-13%	5,643,271
Interest	–	2,627,256	–	355,757	383,453	437,880	(54,427)	-12%	2,627,256
Inventory consumed and bulk purchases	–	24,817,816	–	3,378,498	6,847,584	6,287,747	559,837	9%	24,817,816
Transfers and subsidies	–	113,739	–	622	1,703	18,956	(17,253)	-91%	113,739
Other expenditure	–	25,611,508	–	1,722,698	3,307,270	4,238,255	(930,985)	-22%	25,611,508
Total Expenditure	**–**	**80,669,613**	**–**	**7,755,944**	**15,055,213**	**15,556,179**	**(500,966)**	**-3%**	**80,669,613**
Surplus/(Deficit)	**–**	**4,150,688**	**–**	**(1,099,564)**	**907,909**	**(219,647)**	**1,127,556**	**-513%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)	–	4,100,420	–	(21,790)	32,289	557,928	(525,639)	-94%	4,100,420
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**–**	**8,251,108**	**–**	**(1,121,354)**	**940,197**	**338,281**	**601,916**	**178%**	**8,251,108**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**8,251,108**	**–**	**(1,121,354)**	**940,197**	**338,281**	**601,916**	**178%**	**8,251,108**
Capital expenditure & funds sources									
Capital expenditure	**–**	**8,700,420**	**–**	**288,018**	**371,609**	**295,562**	**76,047**	**26%**	**8,700,420**
Capital transfers recognised	–	4,550,420	–	157,638	193,705	154,582	39,123	25%	4,550,420
Borrowing	–	3,500,000	–	130,356	171,361	118,899	52,462	44%	3,500,000
Internally generated funds	**–**	**650,000**	**–**	**24**	**6,543**	**22,081**	**(15,538)**	**-70%**	**650,000**
Total sources of capital funds	**–**	**8,700,420**	**–**	**288,018**	**371,609**	**295,562**	**76,047**	**26%**	**8,700,420**
Financial position									
Total current assets	–	18,154,044	–		75,351,952				18,154,044
Total non current assets	–	99,147,322	–		105,177,726				99,147,322
Total current liabilities	–	16,864,150	–		73,017,226				16,864,150
Total non current liabilities	–	29,918,973	–		51,418,335				29,918,973
Community wealth/Equity	**–**	**70,518,243**	**–**		**62,470,670**				**70,518,243**
Cash flows									
Net cash from (used) operating	–	8,437,172	–	(350,384)	1,470,992	1,183,135	287,857	24%	8,437,172
Net cash from (used) investing	–	(6,628,739)	–	(319,880)	(704,655)	(120,875)	(583,781)	483%	(6,628,739)
Net cash from (used) financing	–	978,795	–	(1,599,449)	(1,629,949)	(253,534)	(1,376,415)	543%	978,795
Cash/cash equivalents at the month/year end	**–**	**3,665,298**	**–**	**5,353,243**	**5,353,243**	**1,686,795**	**3,666,447**	**217%**	**3,665,298**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	2,917,956	1,865,619	1,699,184	4,453,411	–	–	7,662,579	49,846,858	68,445,608
Creditors Age Analysis									
Total Creditors	5,436,024	222,716	1,313,092	1,306,330	1,317,222	1,124,918	92,154	318,743	11,131,200

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	Budget Year 2025/26							
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		25,584,204	–	2,179,681	4,277,724	4,700,354	(422,630)	-9%	25,584,204
Service charges - Water		11,889,649	–	861,730	1,794,034	1,981,608	(187,574)	-9%	11,889,649
Service charges - Waste Water Management		8,101,381	–	670,689	1,327,596	1,350,230	(22,634)	-2%	8,101,381
Service charges - Waste management		3,337,410	–	277,864	564,236	558,194	6,042	1%	3,337,410
Sale of Goods and Rendering of Services		983,502	–	73,753	136,357	163,400	(27,044)	-17%	983,502
Agency services		407,228	–	33,315	63,352	67,872	(4,520)	-7%	407,228
Interest		–	–	–	–	–	–		–
Interest earned from Receivables		567,356	–	50,220	108,494	94,561	13,932	15%	567,356
Interest from Current and Non Current Assets		199,899	–	6,756	12,229	33,318	(21,089)	-63%	199,899
Dividends		–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		469,692	–	31,774	60,997	78,279	(17,282)	-22%	469,692
Licence and permits		–	–	343	744	–	744		–
Special rating levies									
Operational Revenue		947,578	–	114,114	221,034	157,932	63,102	40%	947,578
Non-Exchange Revenue									
Property rates		18,136,267	–	1,469,775	3,054,137	3,022,712	31,425	1%	18,136,267
Surcharges and Taxes		332,047	–	33,573	64,455	55,342	9,113	16%	332,047
Fines, penalties and forfeits		176,770	–	58,443	59,715	29,462	30,253	103%	176,770
Licence and permits		3,994	–	243	572	666	(94)	-14%	3,994
Transfers and subsidies - Operational		8,980,278	–	15,474	3,415,041	1,496,712	1,918,329	128%	8,980,278
Interest		127,429	–	16,697	40,635	21,238	19,397	91%	127,429
Fuel Levy		4,572,290	–	762,049	762,049	1,524,097	(762,049)	-50%	4,572,290
Operational Revenue		–	–	–	–	–	–		–
Gains on disposal of Assets		3,328	–	140	171	554	(383)	-69%	3,328
Other Gains		–	–	(253)	(449)	–	(449)		–
Discontinued Operations		–	–	0	0	–	0		–
Total Revenue (excluding capital transfers and contributions)		**84,820,301**	**–**	**6,656,380**	**15,963,122**	**15,336,532**	**626,590**	**4%**	**84,820,301**
Expenditure By Type									
Employee related costs		21,654,002	–	1,865,024	3,665,800	3,600,920	64,880	2%	21,654,002
Remuneration of councillors		202,021	–	15,315	30,783	33,670	(2,887)	-9%	202,021
Bulk purchases - electricity		17,582,825	–	2,701,081	5,611,394	5,083,764	527,631	10%	17,582,825
Inventory consumed		7,234,991	–	677,416	1,236,190	1,203,983	32,207	3%	7,234,991
Debt impairment		8,076,200	–	865,724	1,204,853	1,359,504	(154,651)	-11%	8,076,200
Depreciation and amortisation		5,643,271	–	418,030	818,620	938,752	(120,132)	-13%	5,643,271
Interest		2,627,256	–	355,757	383,453	437,880	(54,427)	-12%	2,627,256
Contracted services		7,323,519	–	117,197	582,810	1,183,613	(600,803)	-51%	7,323,519
Transfers and subsidies		113,739	–	622	1,703	18,956	(17,253)	-91%	113,739
Irrecoverable debts written off		–	–	1,002	1,244	–	1,244		–
Operational costs		6,829,056	–	481,074	970,766	1,131,346	(160,580)	-14%	6,829,056
Losses on Disposal of Assets		4,140	–	10,038	10,372	692	9,680	1399%	4,140
Other Losses		3,378,592	–	247,663	537,224	563,100	(25,876)	-5%	3,378,592
Total Expenditure		**80,669,613**	**–**	**7,755,944**	**15,055,213**	**15,556,179**	**(500,966)**	**-3%**	**80,669,613**
Surplus/(Deficit)		**4,150,688**	**–**	**(1,099,564)**	**907,909**	**(219,647)**	**1,127,556**	**-513%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)		4,100,420	–	(21,790)	32,289	557,928	(525,639)	-94%	4,100,420
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**8,251,108**	**–**	**(1,121,354)**	**940,197**	**338,281**	601,916	178%	**8,251,108**
Income Tax		44,883	–	–	15,896	7,480	8,416	113%	44,883
Surplus/(Deficit) after income tax		**8,206,225**	**–**	**(1,121,354)**	**924,302**	**330,801**	593,501	179%	**8,206,225**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**8,206,225**	**–**	**(1,121,354)**	**924,302**	**330,801**	593,501	179%	**8,206,225**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**8,206,225**	**–**	**(1,121,354)**	**924,302**	**330,801**	593,501	179%	**8,206,225**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	Budget Year 2025/26			
R thousands	1	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash and cash equivalents		4,228,182	–	5,353,243	4,228,182
Trade and other receivables from exchange transactions		10,024,581	–	18,366,006	10,024,581
Receivables from non-exchange transactions		1,141,152	–	15,675,243	1,141,152
Current portion of non-current receivables		–	–	1,734,610	–
Inventory		574,591	–	564,853	574,591
VAT		774,651	–	35,327,582	774,651
Other current assets		1,410,887	–	(263,484)	1,410,887
Total current assets		**18,154,044**	**–**	**76,758,053**	**18,154,044**
Non current assets					
Investments		603,873	–	–	603,873
Investment property		1,029,999	–	4,694	1,029,999
Property, plant and equipment		90,020,983	–	94,087,121	90,020,983
Biological assets		–	–	(38)	–
Living and non-living resources		31,037	–	–	31,037
Heritage assets		619,545	–	518,035	619,545
Intangible assets		2,129,497	–	(5,214,232)	2,129,497
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	49,874	–
Other non-current assets		4,712,388	–	15,732,272	4,712,388
Total non current assets		**99,147,322**	**–**	**105,177,726**	**99,147,322**
TOTAL ASSETS		**117,301,366**	**–**	**181,935,779**	**117,301,366**
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	–	1,441,794	2,237,853
Consumer deposits		21,186	–	2,130,247	21,186
Trade and other payables from exchange transactions		12,994,188	–	26,509,140	12,994,188
Trade and other payables from non-exchange transactions		–	–	(803,585)	–
Provision		725,374	–	1,273,188	725,374
VAT		552,006	–	33,791,972	552,006
Other current liabilities		333,543	–	8,674,470	333,543
Total current liabilities		**16,864,150**	**–**	**73,017,226**	**16,864,150**
Non current liabilities					
Financial liabilities		21,376,116	–	47,278,662	21,376,116
Provision		1,861,431	–	1,106,689	1,861,431
Long term portion of trade payables		486,971	–	2,349,242	486,971
Other non-current liabilities		6,194,455	–	683,742	6,194,455
Total non current liabilities		**29,918,973**	**–**	**51,418,335**	**29,918,973**
TOTAL LIABILITIES		**46,783,123**	**–**	**124,435,560**	**46,783,123**
NET ASSETS	2	**70,518,243**	**–**	**57,500,218**	**70,518,243**
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	–	61,522,642	70,518,243
Reserves and funds		–	–	209,885	–
Other		–	–	738,144	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**70,518,243**	**–**	**62,470,670**	**70,518,243**

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	Budget Year 2025/26							
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		15,378,664		1,339,131	2,737,042	2,563,111	173,931	7%	15,378,664
Service charges		35,596,433		3,484,410	7,226,796	6,295,145	931,652	15%	35,596,433
Other revenue		7,585,819		1,078,092	2,111,491	1,263,978	847,513	67%	7,585,819
Transfers and Subsidies - Operational		8,593,891		3,391,728	4,915,825	1,432,318	3,483,507	243%	8,593,891
Transfers and Subsidies - Capital		3,694,726		279,389	1,318,549	615,788	702,761	114%	3,694,726
Interest		527,481		21,287	50,336	87,914	(37,578)	-43%	527,481
Dividends							–		–
Payments									
Suppliers and employees		(60,292,618)		(9,455,124)	(16,357,750)	(10,637,362)	5,720,388	-54%	(60,292,618)
Finance charges		(2,511,836)		(488,910)	(527,918)	(418,641)	109,277	-26%	(2,511,836)
Transfers and Subsidies		(135,387)		(387)	(3,380)	(19,117)	(15,737)	82%	(135,387)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**8,437,172**	**–**	**(350,384)**	**1,470,992**	**1,183,135**	**(287,857)**	**-24%**	**8,437,172**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(123)				(21)	21	-100%	(123)
Decrease (increase) in non-current receivables		–	–	–	–	–	–		–
Decrease (increase) in non-current investments		786,210				131,035	(131,035)	-100%	786,210
Payments									
Capital assets		(7,414,826)		(319,880)	(704,655)	(251,889)	452,766	-180%	(7,414,826)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(6,628,739)**	**–**	**(319,880)**	**(704,655)**	**(120,875)**	**583,781**	**-483%**	**(6,628,739)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		2,500,000					–		–
Borrowing long term/refinancing					–	–	–		2,500,000
Increase (decrease) in consumer deposits		–				–	–		–
Payments									
Repayment of borrowing		(1,521,205)		(1,599,449)	(1,629,949)	(253,534)	1,376,415	-543%	(1,521,205)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**978,795**	**–**	**(1,599,449)**	**(1,629,949)**	**(253,534)**	**1,376,415**	**-543%**	**978,795**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,787,229**	**–**	**(2,269,714)**	**230,286**	**808,726**			**2,787,229**
Cash/cash equivalents at beginning:		878,069		3,947,142	3,947,142	878,069			878,069
Cash/cash equivalents at month/year end:		3,665,298		5,353,243	5,353,243	1,686,795			3,665,298

ADDITIONAL SUPPORTING SCHEDULES:
Table SC1: Variance reasons

	CONSOLIDATED VARIANCE REPORT FOR M02 AUGUST 2026			
Ref	**Description**	**Variance**	**Reasons for material deviations**	**Remedial or corrective steps/remarks**
		R thousands		
1	**Revenue**			
	Exchange Revenue			
	Service charges - Electricity	(422,630)	The under-recovery position is primarily due to a significant number of customers converting to cheaper tariffs. In addition, overall meter-reading performance declined as a result of challenges experienced with the appointed meter-reading service providers.	The following mitigating actions will be implemented: • Revenue Management is auditing 40k customers who converted to prepaid but are not vending to enhance Revenue. • Working on the SG Approved stands approved to be included in the billing, 10k audited to be added to billing. • Technical Audit of all LPU Meters • Outsourcing of the prepaid with prepayment • Meter to cash Prepayment project to improve cash flow • Project Lokisa to intensify the collection and resolve the collection blockages. • Enforcement of the credit control process to the whole debt book
	Service charges - Water	(187,574)	The under-recovery outcome is mainly attributable to decreased water consumption by	JWater and RSSC have been working together to reduce the outstanding balance. The numerous meetings have been held with the departments in order to speed up the collection process. There

			both businesses and households, driven by Johannesburg Water restrictions and regulatory measures.	is slow progress of pre-termination notices and disconnections on government accounts and that result to low collection.
	Sale of Goods and Rendering of Services	(27,044)	**Transport:** The under-recovery performance is a result of delays in the operationalization of Rea Vaya Phase 1C(a), bus shortages on Phase 1A due to mechanical challenges, as well as the suspension of Phase 1A and Phase 1B feeder bus operations on Soweto routes, all of which contributed to revenue under-recovery. **JDA:** The under-recovery performance in revenue is attributable to delays in project implementation, as the revenue is directly linked to capital expenditure. **JRA:** The under-recovery performance is attributable to the non-functioning of the Asphalt Plant and the slow pace of asphalt sales. Steps are being taken to address this by marketing the product to the public and ensuring that the plant is fully operational and properly maintained.	**Transport:** The budget includes Rea Vaya Phase 1C(a) revenue, as soon as phase 1C(a) is operational and phase 1 A technical problems are resolved the revenue recovery will start increasing as planned. **JDA:** Revenue collection is expected to improve once capital projects are implemented.
	Agency services	(4,520)	**Public Safety (Head Office):** The under-budget performance is attributable to the province opening the market to other service providers, such as banks, which has reduced the number of clients serviced by the city.	**Public Safety (Head Office):** The City needs to improve their service offering to attract client

	Interest earned from Receivables	13,932	**Joburg Water & Human Settlement:** The over-recovery performance is attributable to increased outstanding debt, driven by historical collection levels that have consistently fallen below budgeted targets.	**Joburg Water:** JWater and RSSC have been working together to reduce the outstanding balance. The numerous meetings have 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 result to low collection.
	Interest from Current and Non-Current Assets	(21,089)	**Group Finance:** The under recovery is due to the capital withdrawals and the decline in interest rates. The interest has not yet been accumulated on cash investments for the month, and this is due July being the first month of the new financial year.	The revenue will be recognized in the coming month.
	Rental from Fixed Assets	(17,282)	**Joburg Market:** The under-budget performance is driven by higher anticipated billing compared to actual collections from the rental of facilities at JM. **Human Settlement:** The under-budget performance is due to the Department's inability to collect the required percentage of rental income from tenants, including hostels.	**Human Settlement:** The Department is working on transferring units to qualifying beneficiaries
	Operational Revenue	63,102	**Group Finance:** The over recovery is due to expenses such as water and refuse collection rates, which were not previously allocated to sellers' accounts and were debited in August 2025.	
	Non-Exchange Revenue			

	Fines, penalties and forfeits	30,253	**Public Safety (JMPD):** The over recovery is due to the activation of the Post Office contract for posting infringements, which was previously non-functional but is now operational.	
	Transfers and subsidies - Operational	1,918,329	**Group Finance:** The over budget is mainly due to the first tranche of the equitable share received from National Treasury. The grant is disbursed in quarterly tranches, primarily in July, December, and March.	**Group Finance:** It will be aligned during the adjustment budget process.
	Interest	19,397	**Group Finance:** The over recovery is due to revenue generated from penalties imposed as well as customer journal adjustments processed by the Property Branch as a result of improved collection on overdue debts. This line is jointly impacted with entries and billing adjustments by RSSC and the Property Branch. Reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors.	**Group Finance:** The penalties imposed is due to non-collection of overdue debt by customers which attract interest. RSSC should as custodian of Credit Control processes should tighten efforts to collect long outstanding debts.
	Fuel Levy	(762,049)	**Group Finance:** The under recovery is due to the Fuel Levy granted to COJ, the variance is due to the monthly apportionment of the grant that has already been received.	**Group Finance:** The department will confirm with Treasury if the payment has been made.
	Expenditure By Type			

	Remuneration of councillors	(2,887)	**Office of the Speaker:** The under expenditure is due to the 2024/25 salary adjustments and public office bearers' remunerations, which will only be implemented once all requirements are met, and the Government Gazette publishes the President's recommendations.	The expenditure is expected to improve in the coming months and also the salary adjustment will be implemented once the promulgation of public office bearers is announced by the GOGTA MEC and the President for 2025/26 fiscal year.
	Bulk purchases - electricity	527,631	The over expenditure is due to Eskom bulk purchases being R885 million (21.16%) above budget, partially offset by a R358 million (39.72%) favourable variance at Kelvin Power Station due to lower-than-budgeted volumes.	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
	Debt impairment	(154,651)	**Group Finance:** The under expenditure is due to an SAP error in the pricing of items. **MBUS:** The under expenditure is due to direct operating expenses for buses, such as fuel, tyres, and spare parts. The budget was significantly reduced in the prior year without fully considering operational needs, though the line item remains within the overall budget. **JCT:** Mainly due to the procurement of good and services being in the initial stages.	**Group Finance:** The GFIS is currently investigating certain inventory theft and loss; once completed, line items will be adjusted accordingly. **MBUS:** The entity will be requesting for more budget in the new financial year. **JCT:** This will change in the following months.

	Depreciation and amortisation	(120,132)	**Transport:** The under-budget performance is due to the Department capitalizing most of its assets under construction in Period 2 of the 2024/25 FY, which resulted in a 19% increase in budgeted depreciation. **MTC:** The under-expenditure performance is due to a decrease in the line item following the organization's re-evaluation of the useful life of its assets.	**Transport & MTC:** The non-cash general ledger account will be adjusted during budget adjustment.
	Interest	(54,427)	**Group Finance:** The under budget is due to interest on external loans being lower than expected in August, as a result of the variable interest rate reset in June. Interest expenditure is projected to increase towards the end of the first quarter when the city draws on the short-term facility.	The expenditure is expected to improve in the coming months.

	Contracted services	(600,803)	**City Power:** The variance is due to under expenditure incurred across several categories, including cut-off fees, commission payments due to changes in the sales charge structure, and repairs and maintenance resulting from invoice delays and contractor hesitancy. Additional underspending was recorded in meter reading and training courses. **Group Finance:** The under expenditure is due to delays in the payment of legal fee invoices, which are not settled within the statutory timeframe owing to a lengthy verification process. In addition, valuation court expenses will only become payable after the Valuation Board's public participation activities for the Rates Policy are completed during the year. **City Manager:** The variance is due to under spending on legal expenses, as well as for probity audits and UIFW investigations, which generally take longer to conclude.	The expenditure is expected to increase in the upcoming months, as the year progresses.

	Transfers and subsidies	(17,253)	**Market:** The under budget is due to slow progress on the planned initiatives; however, expenditure is expected to increase by the first quarter of this financial year. **City Manager:** The under expenditure is due to non-payments for Joy of Jazz and DStv Delicious, which are due at the conclusion of the first quarter in September 2025.	**City Manager:** The expenditure is expected to increase in the coming months,
	Operational costs	(160,580)	**Public Safety (JMPD):** Due to under spending on postage and bank charges incurred during the month. **City Manager:** Due to under spending on insurance claims payments and cellular costs which are delayed due to ongoing litigation between MTN and Telkom	**Public Safety (JMPD):** More spending to reflect as an when charges are processed. **City Manager:** Once premiums are paid, expenditures are likely to improve in the second quarter.

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	730,402	522,821	475,381	1,332,734			2,529,157	18,695,917	24,286,412	22,557,808		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,048,473	402,437	364,270	752,025			1,355,738	6,765,510	10,688,453	8,873,273		
Receivables from Non-exchange Transactions - Property Rates	1400	850,467	603,410	540,213	1,360,821			2,202,736	10,206,148	15,763,795	13,769,705		
Receivables from Exchange Transactions - Waste Water Management	1500	452,350	336,587	294,452	748,208			1,136,079	8,168,306	11,135,983	10,052,593		
Receivables from Exchange Transactions - Waste Management	1600	193,985	150,782	138,244	361,163			732,542	5,069,541	6,646,256	6,163,246		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(258)	16,887	16,556	32,688			32,026	1,322,961	1,420,860	1,387,675		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(357,463)	(167,305)	(129,931)	(134,227)			(325,700)	(381,526)	(1,496,151)	(841,453)		
Total By Income Source	**2000**	**2,917,956**	**1,865,619**	**1,699,184**	**4,453,411**	**–**	**–**	**7,662,579**	**49,846,858**	**68,445,608**	**61,962,849**	**–**	**–**
2024/25 - totals only		**5,183,326**	**3,347,987**	**2,664,726**	**7,360,781**			**13,176,247**	**79,829,494**	111,562,562	**100,366,522**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	59,828	44,392	48,748	121,623			188,114	1,889,945	2,352,651	2,199,683		
Commercial	2300	786,206	368,666	312,408	751,465			1,243,113	7,067,254	10,529,110	9,061,831		
Households	2400	2,071,923	1,452,561	1,338,028	3,580,324			6,231,353	40,889,659	55,563,847	50,701,335		
Other	2500									–	–		
Total By Customer Group	**2600**	**2,917,956**	**1,865,619**	**1,699,184**	**4,453,411**	**–**	**–**	**7,662,579**	**49,846,858**	**68,445,608**	**61,962,849**	**–**	**–**

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									–	860,211
Bulk Water	0200	35,276	–	–	–	–	–	–	–	**35,276**	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	5,108,870	201,603	1,160,132	1,290,373	1,310,904	1,124,182	90,385	122,749	**10,409,198**	18,033,601
Auditor General	0800									–	–
Other	0900	291,878	21,114	152,960	15,958	6,318	736	1,769	195,994	**686,726**	809,088
Total By Customer Type	**1000**	**5,436,024**	**222,716**	**1,313,092**	**1,306,330**	**1,317,222**	**1,124,918**	**92,154**	**318,743**	**11,131,200**	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 - M02 August

Description	Ref	Budget Year 2025/26							
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	3	–	3	#DIV/0!	–
Agency services		–	–	–	–	–	–		–
Interest		407,228	–	28,218	58,256	67,872	(9,616)	-14%	407,228
Interest earned from Receivables		–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		1,905,990	–	226,228	256,280	317,664			1,905,990
Dividends		161,603	–	602	1,293	26,934	(25,641)	-95%	161,603
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–		–
Licence and permits		170,488	–	5,584	10,903	28,414	(17,511)	-62%	170,488
Special rating levies									
Operational Revenue		–	–	–	–	–	–		–
Non-Exchange Revenue		209,041	–	41,907	74,737	34,842	39,895	115%	209,041
Property rates		–	–	–	–	–			–
Surcharges and Taxes		(176,674)	–	(58,418)	(59,672)	(29,446)			(176,674)
Fines, penalties and forfeits		(3,994)	–	(243)	(572)	(666)	94	-14%	(3,994)
Licences or permits		(8,979,745)	–	(15,021)	(3,415,416)	(1,496,624)			(8,979,745)
Transfer and subsidies - Operational		(127,429)	–	(16,697)	(40,635)	(21,238)			(127,429)
Interest		(4,572,290)	–	(762,049)	(762,049)	(1,524,097)			(4,572,290)
Fuel Levy		–	–	–	–	–			–
Operational Revenue		–	–	–	–	–			–
Gains on disposal of Assets		–	–	–	–	–			–
Other Gains		–	–	–	–	–			–
Discontinued Operations		–	–	–	–	–			–
Total Revenue (excluding capital transfers and contributions)		**(11,214,823)**	**–**	**(591,794)**	**(3,951,609)**	**(2,631,187)**	**(1,320,422)**	**50%**	**(11,214,823)**
Expenditure By Type									
Employee related costs		(176,674)	–	(58,418)	(59,672)	(29,446)	(30,226)	103%	(176,674)
Remuneration of councillors		(3,994)	–	(243)	(572)	(666)	94	-14%	(3,994)
Bulk purchases - electricity		(8,979,745)	–	(15,021)	(3,415,416)	(1,496,624)	(1,918,792)	128%	(8,979,745)
Inventory consumed		(127,429)	–	(16,697)	(40,635)	(21,238)	(19,397)	91%	(127,429)
Debt impairment		(4,572,290)	–	(762,049)	(762,049)	(1,524,097)	762,049	-50%	(4,572,290)
Depreciation and amortisation		–	–	–	–	–	–		–
Interest		–	–	–	–	–	–		–
Contracted services		–	–	–	–	–	–		–
Transfers and subsidies		–	–	–	–	–	–		–
Irrecoverable debts written off		–	–	–	–	–	–		–
Operational costs		–	–	–	–	–	–		–
Losses on disposal of Assets		–	–	–	–	–			–
Other Losses		(68,335)	–	(787)	8,839	(11,388)			(68,335)
Total Expenditure		**(13,928,467)**	**–**	**(853,214)**	**(4,269,505)**	**(3,083,459)**	**(1,186,046)**	**38%**	**(13,928,467)**
Surplus/(Deficit)		2,713,644	–	261,420	317,895	452,272	(134,377)	-30%	2,713,644
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–		(68,335)
Transfers and subsidies - capital (in-kind)		(68,335)	–	(787)	8,839	(11,388)	20,227	-178%	(1,520,066)
Surplus/(Deficit) after capital transfers & contributions		2,645,309	–	260,634	326,734	440,884	(114,150)	-26%	1,125,243
Income Tax		5,674,538	–	356,487	580,367	945,344	(364,977)	-39%	5,674,538
Surplus/(Deficit) after income tax		**(3,029,229)**	**–**	**(95,853)**	**(253,633)**	**(504,460)**	**250,827**	**-50%**	**(4,549,295)**

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M02 August

Description	Ref	Budget Year 2025/26							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity									
Pikitup		3,460,685	–	282,377	573,885	578,224	(4,339)	-1%	3,460,685
City Power		26,366,421	–	2,223,007	4,420,423	4,777,513	(357,090)	-7%	26,366,421
Johannesburg Water		21,262,729	–	1,595,268	3,229,898	3,471,524	(241,626)	-7%	21,262,729
Johannesburg Social Housing Company		273,513	–	23,040	42,981	45,586	(2,605)	-6%	273,513
Johannesburg Property Company		47,304	–	2,421	2,655	7,884	(5,229)	-66%	47,304
Metropolitan Trading Company		33,791	–	13,189	27,979	5,632	22,347	397%	33,791
Metrobus		112,117	–	9,911	12,121	18,688	(6,567)	-35%	112,117
Johannesburg City Parks and Zoo		92,143	–	6,842	12,227	15,356	(3,129)	-20%	92,143
JDA		80,953	–	5,850	7,888	13,492	(5,604)	-42%	80,953
Johannesburg Roads Agency		180,931	–	6,510	7,005	30,154	(23,149)	-77%	180,931
Joburg City Theatres		43,352	–	6,724	9,269	7,226	2,043	28%	43,352
Joburg Market		748,428	–	52,464	112,971	124,738	(11,767)	-9%	748,428
Joburg Tourism Company		–	–	–	–	–	–		–
Total Operating Revenue	1	**52,702,368**	**–**	**4,227,605**	**8,459,302**	**9,096,017**	**(636,716)**	**-7%**	**52,702,368**
Expenditure By Municipal Entity									
Pikitup		4,462,115	–	405,566	772,938	721,893	51,045	7%	4,462,115
City Power		23,490,028	–	3,298,014	6,519,707	6,081,752	437,955	7%	23,490,028
Johannesburg Water		19,180,125	–	1,609,478	3,165,683	3,196,688	(31,005)	-1%	19,180,125
Johannesburg Social Housing Company		413,343	–	70,341	133,260	68,892	64,368	93%	413,343
Johannesburg Property Company		1,101,897	–	78,892	148,370	183,650	(35,280)	-19%	1,101,897
Metropolitan Trading Company		360,189	–	39,036	76,428	60,032	16,396	27%	360,189
Metrobus		719,878	–	73,815	115,108	119,980	(4,872)	-4%	719,878
Johannesburg City Parks and Zoo		1,385,713	–	71,513	172,398	203,308	(30,910)	-15%	1,385,713
JDA		137,461	–	9,928	9,928	22,910	(12,982)	-57%	137,461
Johannesburg Roads Agency		1,632,788	–	119,920	241,688	272,130	(30,442)	-11%	1,632,788
Joburg City Theatres		332,157	–	21,889	37,319	55,360	(18,041)	-33%	332,157
Joburg Market		650,175	–	39,816	100,753	108,364	(7,611)	-7%	650,175
Joburg Tourism Company		101,996	–	3,787	7,964	17,000	(9,036)	-53%	101,996
Total Operating Expenditure	2	**53,967,866**	**–**	**5,841,996**	**11,501,543**	**11,111,958**	**389,584**	**4%**	**53,967,866**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2024/25	Budget Year 2025/26							
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		130,506		83,590	83,590	130,506	46,916	35.9%	1%
August		165,056		288,018	371,608	295,562	(76,046)	-25.7%	4%
September		357,900				653,462	–		
October		720,447				1,373,909	–		
November		1,255,218				2,629,128	–		
December		1,721,082				4,350,210	–		
January		1,721,082				6,071,292	–		
February		1,255,218				7,326,511	–		
March		720,447				8,046,958	–		
April		357,900				8,404,858	–		
May		165,056				8,569,914	–		
June		130,506				8,700,420	–		
Total Capital expenditure	**–**	**8,700,420**	**–**	**371,608**					