COJ: GOVERNANCE TECHNICAL CLUSTER	2026-01-
COJ: GOVERNANCE SUB-MAYORAL	2026-01-
COJ: EMT	2026-01-
COJ: MAYORAL COMMITTEE	2026-01-
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 DECEMBER 2025

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 December 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 December 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 2%, (R798 million) over recovery in comparison to the year-to-date budget, (December 2024:6%). The actual operating expenditure variance is at 4% (R1.5 billion) overspending against year-to-date budget (December 2024: 0%). The net result is an operating surplus of R207 million against a year-to-date (YTD) budgeted surplus of R954 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 R2.2 billion (26%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of December 2025 were R3.3 billion and R2.1 billion respectively. This shows a decrease of R1.2 billion during the month as indicated below.

Dec-25	OPENING R	CLOSING R
Operational Call Deposits	30,379,400	30,474,961
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	2,468,773,658	904,759,207
Absa Primary Account Balance	4,554,477	269,739,998
TOTAL UNENCUMBERED	**2,503,707,535**	**1,204,974,166**
Contingency Reserve Fund	1,177,076	1,177,076
Unfunded Liability Fund	2,030,000	2,030,000
COID	279,500,000	279,500,000
Capital Grants	-	
Capital Replacement Reserve	20,117,081	20,349,120
Non-Sweeping Bank Accounts	548,281,486	630,011,404
TOTAL ENCUMBERED	**851,105,643**	**933,067,600**
TOTAL INVESTMENTS/CASH BALANCE	**3,354,813,178**	**2,138,041,766**

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

Dec-25	OPENING R	CLOSING R
Cash and Cash Equivalents	1,013,421,086	1,091,199,335
Interest Rate swaps	287,021,732	266,345,815
Tradable Instruments Portfolio	341,941,773	341,370,075
TOTAL SINKING FUND INVESTMENTS	**1,642,384,591**	**1,698,915,225**

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

- Total unencumbered balances decreased by R1.2 billion during the month, which was primarily driven by the decrease in the STD Bank Primary account. Total encumbered balances decreased by R82 million during this same period, with the highest decrease being in the non-sweepings' portfolio.

- The Sinking Fund balances closed R57 million higher at R1.7 billion, with an increase of R77. 8 million in the cash and cash equivalents portfolio. The tradable instruments decreased with an amount of R572 thousand. These movements are attributable to market movements. The interest rate swaps reflect a negative movement of R20.7 million during the month of December.

- Total contributions for the periods 2020/21 and 2023/24 were R1.3 billion. Additional contributions for the collective amount of R480 million was injected into the fund during the previous financial year (2024/25). An amount of R65 million was injected into the fund during the month of December 2025.

Cash movements analysis:

Inflows for the month of December 2025 amounted to R12.9 billion versus outflows of R14.1 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was a decrease of R1.2 billion as depicted below.

Dec-25	
Description	**R**
Cash Collections	4,629,131,343
Revenue cash collections paid into Primary and Ordinary bank accounts	53,477,408
Direct Payments into MOE Revenue accounts	11,180,619
Prepaid Collections	253,285,580
Other Income (Interest Received, Vat Refund, Licensing Fees)	318,925,474
Operating Grants and Subsidies	3,637,868,000
Positive Sweepings and Non-Sweeping Movements	4,043,123,173
Total Cash Inflows	12,946,991,597
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-13,777,099,516
Negative Sweepings and Non-Sweeping Movements	-386,663,493
Total Cash Outflows	-14,163,763,010
Net Movement	-1,216,771,412

Summary Table 1.1 Cash Movements as at 31 December 2025

Cash outflows were more than the inflows resulting in a negative movement on the overall cash balances. The inflows for the month of December include cash collection: R4.6 billion, receipts paid directly into MOE bank accounts: R11.1 million; cash collection paid into the Ordinary and Primary bank accounts: R53.5 million, Prepaid collections of R253 million, other income: R319 million and grants and subsidies R3.6 billion.

Financial Year 2025/26 Grant funding:

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

Grant Name	YTD Forecast per National Treasury Schedule R	YTD Actual per National Treasury Schedule R	Variance R
Operational			
Equitable Share Grant	6,105,110,000	5,125,499,000	-979,611,000
Fuel Levy Grant	3,048,194,000	3,048,194,000	-
Total Operational Grants	**9,153,304,000**	**8,173,693,000**	**-979,611,000**
Conditional			
Urban Settlements Devlopment Grant	1,642,383,000	780,160,000	-862,223,000
Informal Settlements Upgrading Grant	540,000,000	540,000,000	-
Infrastructure Skills Develoment Grant	6,000,000	6,000,000	-
Public Transport Network Grant	580,588,000	580,588,000	-
Urban Development Financing Grant	119,167,000	119,167,000	-
Energy Efficiency Demand-Side Management Grant	4,500,000	4,500,000	-
Expanded Public Works Programme	2,800,000	2,800,000	-
Financial Management Grant	1,000,000	1,000,000	-
Total Conditional Grants	**2,896,438,000**	**2,034,215,000**	**-862,223,000**
Total Local Government Grants	**12,049,742,000**	**10,207,908,000**	**-1,841,834,000**

Source: National Treasury and Bank Statements

All tranches as scheduled save for equitable share and USDG. The city is currently engaging National Treasury regarding the withheld grants.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 31 December 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	637,263,198	142,896,802	82%
UDFG	119,167,000	48,627,738	70,539,262	41%
ISDG	6,000,000	3,105,643	2,894,357	52%
ISUPG	540,000,000	332,002,085	207,997,915	61%
PTNG	580,588,000	222,907,394	357,680,606	38%
EPWP	2,800,000	1,505,000	1,295,000	54%
EEDSM	4,500,000	1,819,685	2,680,315	40%
FMG	1,000,000	500,022	499,978	50%
Totals	**2,034,215,000**	**1,247,730,765**	**786,484,235**	**61%**

Neighborhood Development Partnership Grant (NDPG)

- The Grant is allocated for the completion of Jabulani TOD Phase 7: The project is 90% complete and works have resumed on site.
- Completion is pending approval of outstanding variation orders. Delays were caused by adverse weather, late payments, community stoppages, and Eskom servitude and pylon issues.
- Remedial actions include extension of time claims, finalization of servitudes, and engagement with Eskom finalize pylon relocation works. An additional R10 million would be needed in 2026/27 Financial year to complete snag works.

Programme and Project Preparation Support Grant(PPPSG)

- M1 Capacity Enhancements: A meeting was held to discuss the 3 options for the Joe Slovo/M1 Interchange, JRA development application team has shared some comments on the options, and the service provider will conduct a Traffic Impact assessment and traffic simulation to decide upon the best option.
- Metro Boulevard has notable challenges with the connection point in the Mogale City Jurisdiction. This impacts the finalization of the Transport Economist work as well as application of the EIA. COJ is required to have preliminary designs of the full road for further approvals.
- Programme and Project Preparation COJ Enablement procurement has taken a longer period than originally planned. Mitigations to complete the procurement process within 2025/26 are underway. An alternative to procure through MTC panel is being considered.
- Newtown Precinct has faced some delays due to required coordination with the Johannesburg Property Company on the precinct development and relócation plan. Budgetary constraints for the town planning required to consolidate and to register the erven the Bus Factory is situated. More broadly, there have been notable delays in the invoicing process particularly impacting the PPP projects.

Infrastructure Skills Development Grant (ISDG)

- For the 2025/26 financial year, the City planning to recruit additional graduates as well as appointing mentors to support them.
- This recruitment process will further enhance spending towards the full and effective utilization of the allocated budget.

Energy Efficiency Demand-Side Management (EEDSM)

- There were delays in the finalization of the Business Plan with DEE, which in turn delayed the SLA with City Power. However, the project is now back on track.
- The material is expected to be delivered by the end of January, after which the retrofits will commence.

Urban Settlements Development Grant (USDG)

- At project level some of the USDG funded projects are experiencing challenges. However, the overall spending has progressed to 82% by the end of December 2025 against the transferred funds to a point that in January 2026 the City will have to utilize its coffers to pay USDG claims.
- National Treasury has, however, not transferred all tranches due to the COJ, which is affecting Human Settlements projects at large. This would have a negative impact on the approved business plans.

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 December 2025 for all MOEs.

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

Entity	End of November Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of December Balance R
City Power	**-21,884,989,046**	4,762,840,718	-2,538,124,662	2,224,716,056	**-19,660,272,990**
Joburg Water	2,036,406,900	2,660,885,978	-1,960,311,606	700,574,372	2,736,981,273
Pikitup	1,661,169,922	507,333,594	-185,999,325	321,334,269	1,982,504,191
Parks Zoo	709,473,472	292,981,695	-157,191,577	135,790,119	845,263,591
Fresh Produce	607,947,471	18,481,424	-118,531,499	-100,050,075	507,897,397
JDA	**-2,189,652,289**	306,679,008	-158,915,471	147,763,537	**-2,041,888,752**
Joshco	**-2,070,964,058**	124,542,463	-137,396,642	-12,854,179	**-2,083,818,237**
Metro Bus	**-742,562,494**	113,603,265	-66,350,035	47,253,231	**-695,309,263**
Propcom	161,442,108	52,558,923	-93,014,365	-40,455,442	120,986,665
Propcom Portfolio	**-141,617,298**	8,379,879	-22,785,081	-14,405,202	**-156,022,500**
Roads	**-120,484,431**	**345,020,267**	**-432,591,581**	**-87,571,314**	**-208,055,745**
MTC	**-746,336,400**	192,233,184	-317,253,543	-125,020,360	**-871,356,760**
JTC	80,528,196	25,361,171	-16,437,944	8,923,227	89,451,423
Core	25,994,451,125	9,037,863,632	-13,460,633,284	-4,422,769,652	21,571,681,473
Total Sweepings and Balances	**3,354,813,178**			**-1,216,771,412**	**2,138,041,766**

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

Inflows for the month of December versus outflows resulted in a negative net movement of R1. 2billion.

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

Entity	July 2025 R	Aug 2025 R	Sept 2025 R	Oct 2025 R	Nov 2025 R	Dec 2025 R	YTD R
City Power	-1,398,422,452	305,135,423	-3,510,572,748	-1,549,469,179	-55,149,087	2,224,716,056	-3,983,761,987
Joburg Water	-225,427,910	-253,313,543	-156,605,155	360,023,635	-1,732,828,426	700,574,372	-1,307,577,027
Pikitup	-108,490,578	300,191,526	-121,577,669	-119,649,293	103,442,525	321,334,269	375,250,781
Parks Zoo	-140,305,714	251,472,216	-136,692,039	21,398,280	-129,856,933	135,790,119	1,805,929
Fresh Produce	-37,753,632	174,899,001	189,676,027	-49,789,125	223,978,330	-100,050,075	400,960,527
JDA	-201,389,379	-172,890,953	-82,680,384	-102,526,583	-86,338,455	147,763,537	-498,062,216
Joshco	-93,975,019	-120,712,694	-50,239,675	-27,893,101	-49,592,951	-12,854,179	-355,267,618
Metro Bus	-393,664,119	143,656,822	-30,128,164	39,555,669	-26,579,413	47,253,231	-219,905,974
Propcom	-50,679,843	-42,783,433	-24,441,878	-78,622,718	-10,460,634	-40,455,442	-247,443,947
Propcom Portfolio	4,473,343	-1,296,583	4,662,272	-11,174,109	15,099,448	-14,405,202	-2,640,831
Roads	-251,868,233	617,033,218	-50,517,920	171,366,166	-48,382,300	-87,571,314	350,059,615
MTC	30,294,351	-105,074,122	-16,073,740	-24,346,437	-37,446,160	-125,020,360	-277,666,468
JTC	-12,743,459	7,147,663	-1,407,235	-7,413,663	-6,650,685	8,923,227	-12,144,151

Table 3.1(a): Sweeping movements analysis

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

November 2025 Billing & December 2025 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Nov 2025	Dec 2025		YTD: Jun'25 to Nov'25	YTD: Jul'25 to Dec'25	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 616 458	1 451 329	89.8%	9 849 905	8 752 289	88.9%
Electricity	2 563 811	2 169 844	84.6%	14 587 227	13 641 408	93.5%
Water	1 862 101	1 409 626	75.7%	10 933 453	8 138 244	74.4%
Refuse	318 104	231 579	72.8%	1 844 951	1 378 949	74.7%
TOTAL	**6 360 474**	**5 262 378**	**82.7%**	**37 215 536**	**31 910 890**	**85.7%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R6.4 billion in October 2025 with R5.1 billion collected in December 2025 resulting in a monthly collection rate of 82.7%. The year-to-date billing as at 31 October 2025 is R37.2 billion with R31.9 billion collected as at 31 December 2025 resulting in a year-to-date collection rate of 85.7%.

Reconciliation between Treasury banking and RSSC collections

Description	Dec 2025	YTD
	R 000's	R 000's
Balance as reported by Treasury	4 947 075	29 712 103
Deposits reflected by Treasury in previous month	58 080	692 111
Refunds, Deposits and Sundry Revenue	-23 563	-302 633
Water: Industrial Effluent and Cross-Boundary Sales	22 368	152 602
Difference in electricity and water prepaid sales	-17 028	-14 832
E-Joburg	99 189	601 379
Non-Cash Items:		
Staff Accounts	9 503	55 363
Departmental Settlements	166 754	1 014 797
Total Revenue as per the Revenue Collection Report	**5 262 378**	**31 910 890**

December 2025 deposits of approximately R58,1 million are mainly due to monthly timing differences arising from 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		Nov 2025	Dec 2025
Budget Billing	R 000	6 266 076	6 258 672
Actual Billing	R 000	6 360 474	6 474 204
Shortfall (-) / Surplus (+) in Billing	R 000	94 398	215 532
Budget Collection	R 000		5 527 234
Actual Revenue Collection	R 000		5 262 378
Shortfall (-) / Surplus (+) in Collections	R 000		-264 856
Actual Billing vs. Budgeted Billing	%	101.5%	103.4%
Actual Collection vs. Budgeted Collection	%		95.2%
Budget Collection (Dec) vs Budget Billing (Nov)	%		88.2%
Actual Collections (Dec) vs. Actual Billing (Nov)	%		82.7%

The actual billing of R6.4 billion for November 2025 was R 94 million above the budgeted billing of R6.3 billion. The actual collection of R5.3 billion for December 2025 was R265 million below the budgeted collection of R5.5 billion. Actual collection of 82.7% is 5.5% below the budgeted collection of 88.2%.

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 06 mSCOA data strings was submitted to the National Treasury on the 15th of December 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.

COJ: GOVERNANCE TECHNICAL CLUSTER	**2026-01-**
COJ: GOVERNANCE SUB-MAYORAL	**2026-01-**
COJ: EMT	**2026-01-**
COJ: MAYORAL COMMITTEE	**2026-01-**
GROUP ACCOUNTING	

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

06-02-2026
SENIOR LEGAL ADVISOR
GROUP LEGAL AND CONTRACTS

MALOPE RAMAGAGA
ACTING GROUP HEAD: RSSC

05/02/2025
DATE

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

06/02/2025
DATE

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

09/02/2025
DATE

COUNCILLOR LOYISO MASUKU
MMC GROUP FINANCE

10/02/2026
DATE

Annexure A

In-Year Report

Budget year: 2025/26

Reporting Period: Month 06

December 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 December 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 R44 million, which is over recovery against the YTD budget for the period ended December 2025.

The operating expenditure is 4% above budget against year-to-date expenditure budget of R42.3 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R8.7 billion. The actual year to date expenditure (excluding commitments) amounts to R2.2 billion (26%) of the budget.

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

Capital Expenditure per funding source as at 31 December 2024:

Description (R million)	Budget 24/25	YTD Exp	% Spent
CoJ Loans	2,500	604	24%
CRR / Cash	1,220	360	29%
Nat Grant	526	24	4%
Prov Grant	12	-	0%
USDG	1,954	744	38%
USIP	740	152	20%
Other	463	223	48%
Total CoJ	7,415	2,106	28%

Capital Expenditure per funding source as at 31 December 2025:

Description (R million)	Budget 25/26	YTD Exp	% Spent
CoJ Loans	3,500	820	23%
CRR / Cash	650	56	9%
Nat Grant	543	24	4%
Prov Grant	11	-	0%
USDG	2,321	655	28%
USIP	773	218	28%
Other	903	459	51%
Total CoJ	8,700	2,232	26%

Most funding sources have spending save for Provincial grants. Current spending is 2% below the expenditure when compared to the previous year.

Consolidated Summary - Capital Expenditure as 31 December 2025:

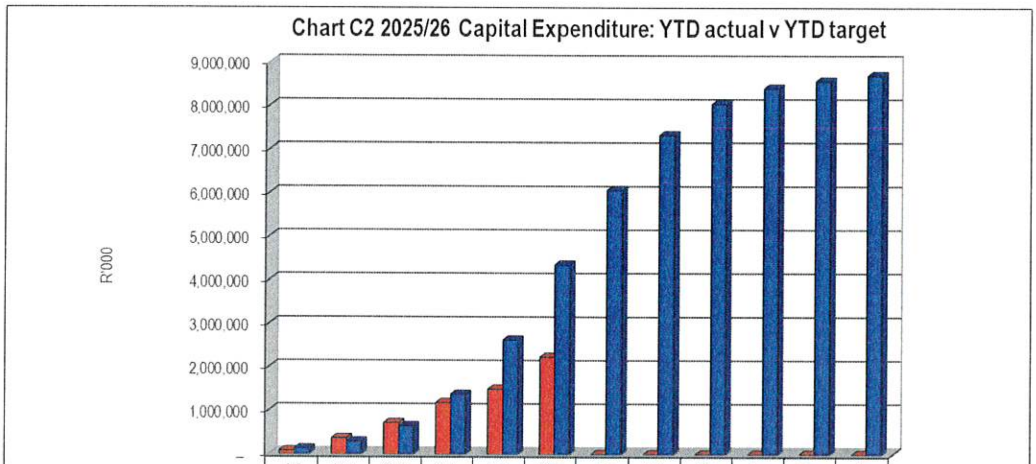
Description (R million)	Budget 24/25	YTD Exp	% Spent
City Power	1,285	500	39%
Johannesburg Water	1,221	458	37%
Pikitup	255	46	18%
Jhb Roads Agency	795	279	35%
Metrobus	215	8	4%
Jhb City Parks and Zoo	42	7	16%
Jhb Development Agency	130	145	111%
Jhb Property Company	82	14	17%
Metro Trading Company	3	-	0%
Joburg Market	89	15	16%
JOSHCO	272	138	51%
Joburg City Theatres	20	10	52%
Joburg Tourism	1	0	10%
Total MEs	4,410	1,619	37%

Description (R million)	Budget 24/25	YTD Exp	% Spent
Economic Development	5	-	0%
EISD	27	1	5%
Transportation	563	-	0%
Community Development	65	17	26%
Health	58	22	38%
Social Development	50	20	39%
Forensic	2	0	12%
Ombudsman	1	0	28%
Office of the City Manager	26	1	5%
Speaker	2	-0	-1%
Group ICT	631	193	31%
Group Finance	18	2	13%
Group Corporate Services	201	-	0%
Human Settlements	1,239	235	19%
Development Planning	68	-	0%
Public Safety	50	-5	-9%
Total Core Administration	3,005	487	16%

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

MTC remains the only MOEs that has not commenced with spending, while Economic Development, Transportation and Development Planning are the only departments that have not commenced with capital spending. The negative movement seen at Group Corporate Shared Services reflects accruals that were reversed in the month under review.

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:



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	83,590	371,608	723,242	1,180,0	1,496,0	2,232,1	–	–	–	–	–	–
YearTD budget	130,506	295,562	653,462	1,373,9	2,629,1	4,350,2	6,071,2	7,326,5	8,046,9	8,404,8	8,569,9	8,700,4

Cash Flow

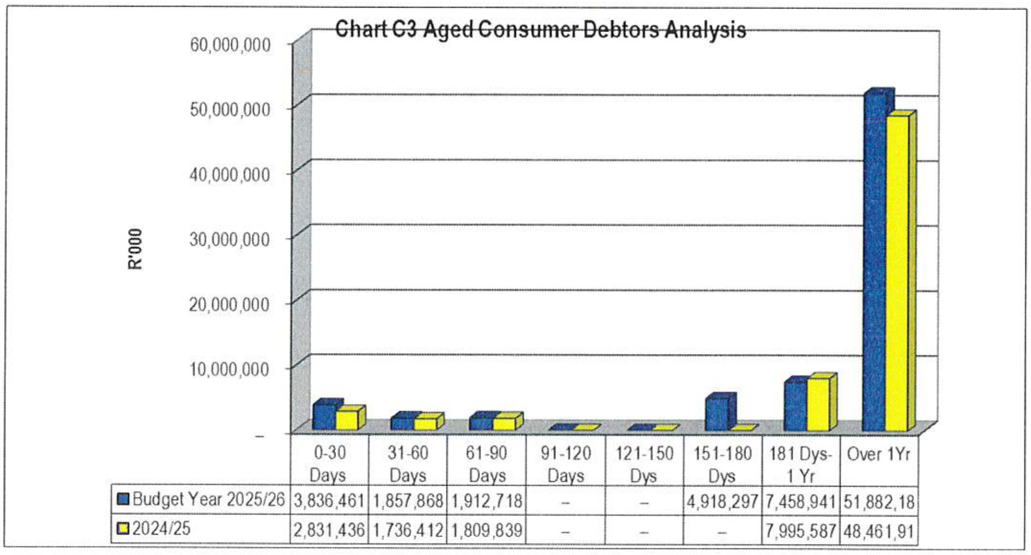
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of December 2025 amount to R2.1 billion.
- The cash flow from operating activities is 2.7 billion, negative.
- The cash flow from investing activities amount to R2.1 billion, negative
- The cash flow from financing activities amount to R3.2 billion.

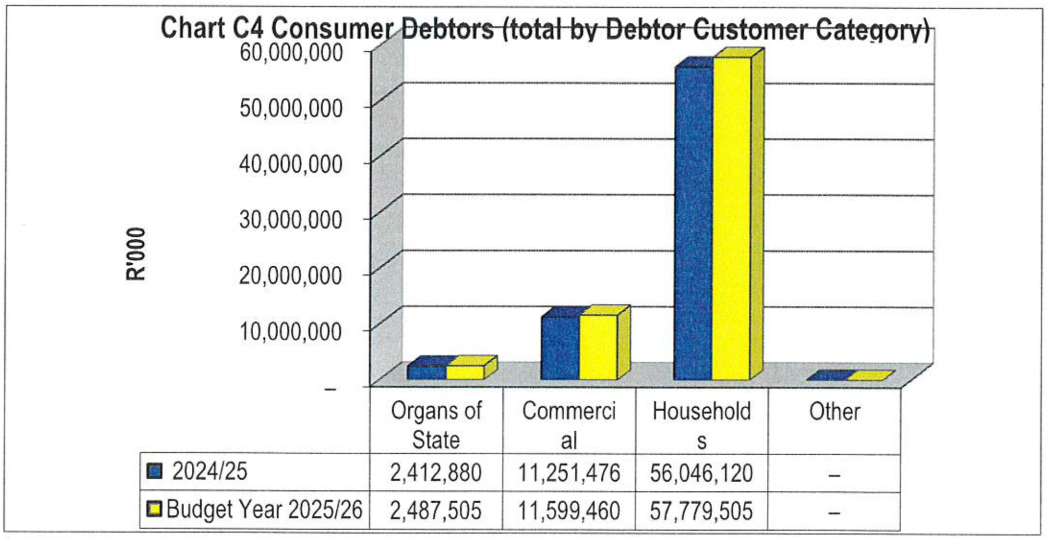
Debtor Age Analysis

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 R71.9 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 2025/26	3,836,461	1,857,868	1,912,718	–	–	4,918,297	7,458,941	51,882,18
2024/25	2,831,436	1,736,412	1,809,839	–	–	–	7,995,587	48,461,91



	Organs of State	Commercial	Households	Other
2024/25	2,412,880	11,251,476	56,046,120	–
Budget Year 2025/26	2,487,505	11,599,460	57,779,505	–

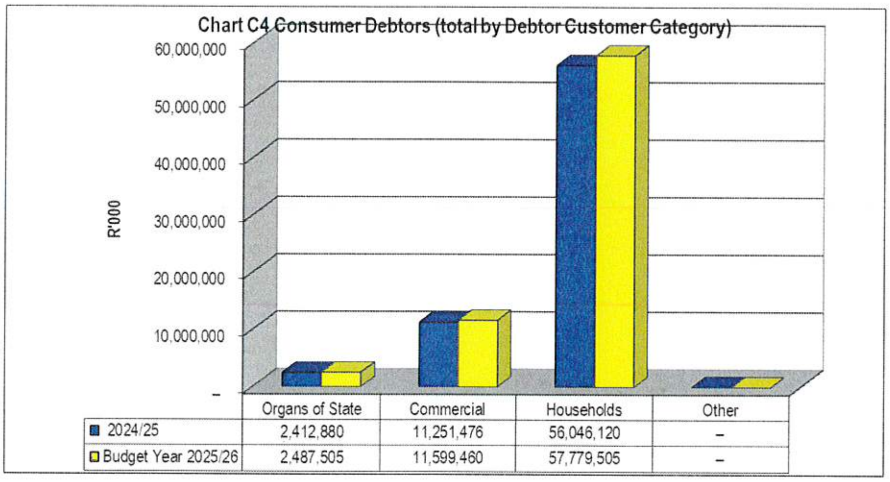
The following interventions / actions were implemented during December 2025 to increase collection levels:

(i) 4 146 electricity accounts were identified for disconnections, with a total value of R2.7 billion, and 2 070 account payments to the value of R99 million were collected from the accounts.

(ii) 5 478 water accounts were identified for disconnections, with a total value of R1.8 billion, and 1 096 account payments to the value of R40.6 million were collected from the accounts.

Creditors' age analysis

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



	Organs of State	Commercial	Households	Other
2024/25	2,412,880	11,251,476	56,046,120	-
Budget Year 2025/26	2,487,505	11,599,460	57,779,505	-

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 December 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.

COJ: GOVERNANCE TECHNICAL CLUSTER	**2026-01-**
COJ: GOVERNANCE SUB-MAYORAL	**2026-01-**
COJ: EMT	**2026-01-**
COJ: MAYORAL COMMITTEE	**2026-01-**
GROUP ACCOUNTING	

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 - M06 December

Description	Budget Year 2025/26							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance								
Property rates	18,136,267	–	1,648,114	9,408,797	9,068,136	340,661	4%	18,136,267
Service charges	48,912,644	–	4,089,118	24,343,947	24,500,060	(156,113)	-1%	48,912,644
Investment revenue	199,899	–	4,756	41,856	99,954	(58,098)	-58%	199,899
Transfers and subsidies - Operational	8,980,278	–	2,786,682	6,413,999	4,490,136	1,923,863	43%	8,980,278
Other own revenue	8,591,214	–	450,061	3,803,526	5,056,115	(1,252,590)	-25%	–
Total Revenue (excluding capital transfers and contributions)	**84,820,301**	**–**	**8,978,731**	**44,012,125**	**43,214,401**	**797,724**	**2%**	**84,820,301**
Employee costs	21,654,002	–	1,902,985	12,031,023	10,817,842	1,213,182	11%	21,654,002
Remuneration of Councillors	202,021	–	15,929	92,863	101,010	(8,147)	-8%	202,021
Depreciation and amortisation	5,643,271	–	410,715	2,463,359	2,818,949	(355,590)	-13%	5,643,271
Interest	2,627,256	–	468,303	1,566,590	1,313,640	252,950	19%	2,627,256
Inventory consumed and bulk purchases	24,817,816	–	1,977,387	15,353,045	14,397,313	955,731	7%	24,817,816
Transfers and subsidies	113,739	–	13,299	39,992	56,868	(16,875)	-30%	113,739
Other expenditure	25,611,508	–	2,241,848	12,258,229	12,754,550	(496,321)	-4%	25,611,508
Total Expenditure	**80,669,613**	**–**	**7,030,466**	**43,805,102**	**42,260,171**	**1,544,931**	**4%**	**80,669,613**
Surplus/(Deficit)	**4,150,688**	**–**	**1,948,264**	**207,023**	**954,230**	**(747,207)**	**-78%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)	4,100,420	–	435,211	966,891	1,954,216	(987,325)	-51%	4,100,420
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**8,251,108**	**–**	**2,383,475**	**1,173,914**	**2,908,446**	**(1,734,532)**	**-60%**	**8,251,108**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**8,251,108**	**–**	**2,383,475**	**1,173,914**	**2,908,446**	**(1,734,532)**	**-60%**	**8,251,108**
Capital expenditure & funds sources								
Capital expenditure	**8,700,420**	**–**	**736,168**	**2,232,178**	**4,350,210**	**(2,118,032)**	**-49%**	**8,700,420**
Capital transfers recognised	4,550,420	–	559,782	1,356,171	2,275,210	(919,039)	-40%	4,550,420
Borrowing	3,500,000	–	156,836	820,309	1,750,000	(929,691)	-53%	3,500,000
Internally generated funds	650,000	–	19,550	55,698	325,000	(269,302)	-83%	650,000
Total sources of capital funds	**8,700,420**	**–**	**736,168**	**2,232,178**	**4,350,210**	**(2,118,032)**	**-49%**	**8,700,420**
Financial position								
Total current assets	18,154,044	–		73,059,083				18,154,044
Total non current assets	99,147,322	–		105,402,401				99,147,322
Total current liabilities	16,864,150	–		67,027,245				16,864,150
Total non current liabilities	29,918,973	–		54,209,046				29,918,973
Community wealth/Equity	**70,518,243**	**–**		**62,138,543**				**70,518,243**
Cash flows								
Net cash from (used) operating	8,437,172	–	(276,647)	(2,660,391)	7,307,692	(9,968,084)		8,437,172
Net cash from (used) investing	(6,628,739)	–	(487,370)	(2,082,064)	(3,314,370)	1,232,306	-37%	(6,628,739)
Net cash from (used) financing	978,795	–	(452,794)	3,163,602	(760,602)	3,924,204	-516%	978,795
Cash/cash equivalents at the month/year end	**3,665,298**	**–**	**2,138,002**	**2,138,002**	**4,110,790**	**(1,972,788)**	**-48%**	**3,665,298**
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	1,857,868	1,912,718	–	–	4,918,297	7,458,941	51,882,184	71,866,470
Creditors Age Analysis								
Total Creditors	746,361	378,171	1,447,472	1,428,232	1,587,821	413,114	444,903	10,878,816

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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	–	2,211,629	12,922,817	12,837,069	85,748	1%	25,584,204
Service charges - Water		11,889,649	–	924,765	5,610,641	5,944,824	(334,183)	-6%	11,889,649
Service charges - Waste Water Management		8,101,381	–	675,088	4,133,855	4,050,690	83,165	2%	8,101,381
Service charges - Waste management		3,337,410	–	277,635	1,676,634	1,667,477	9,157	1%	3,337,410
Sale of Goods and Rendering of Services		983,502	–	89,101	522,975	490,201	32,773	7%	983,502
Agency services		407,228	–	23,730	182,574	203,616	(21,042)	-10%	407,228
Interest		–	–	–	–	–	–		–
Interest earned from Receivables		567,356	–	64,403	305,701	283,683	22,017	8%	567,356
Interest from Current and Non Current Assets		199,899	–	4,756	41,856	99,954	(58,098)	-58%	199,899
Dividends		–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		469,692	–	33,901	160,639	234,838	(74,200)	-32%	469,692
Licence and permits		–	–	102	1,927	–	1,927		–
Special rating levies									
Operational Revenue		947,578	–	113,341	575,698	473,796	101,902	22%	947,578
Non-Exchange Revenue									
Property rates		18,136,267	–	1,648,114	9,408,797	9,068,136	340,661	4%	18,136,267
Surcharges and Taxes		332,047	–	36,668	207,899	166,026	41,873	25%	332,047
Fines, penalties and forfeits		176,770	–	72,054	195,708	88,386	107,322	121%	176,770
Licence and permits		3,994	–	193	1,414	1,998	(584)	-29%	3,994
Transfers and subsidies - Operational		8,980,278	–	2,786,682	6,413,999	4,490,136	1,923,863	43%	8,980,278
Interest		127,429	–	20,008	125,722	63,714	62,008	97%	127,429
Fuel Levy		4,572,290	–	–	1,524,097	3,048,194	(1,524,097)	-50%	4,572,290
Operational Revenue		–	–	–	–	–	–		–
Gains on disposal of Assets		3,328	–	(30)	(463)	1,662	(2,125)	-128%	3,328
Other Gains		–	–	(3,410)	(364)	–	(364)		–
Discontinued Operations		–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**84,820,301**	**–**	**8,978,731**	**44,012,125**	**43,214,401**	**797,724**	**2%**	**84,820,301**
Expenditure By Type									
Employee related costs		21,654,002	–	1,902,985	12,031,023	10,817,842	1,213,182	11%	21,654,002
Remuneration of councillors		202,021	–	15,929	92,863	101,010	(8,147)	-8%	202,021
Bulk purchases - electricity		17,582,825	–	1,330,997	11,423,773	10,781,604	642,169	6%	17,582,825
Inventory consumed		7,234,991	–	646,390	3,929,271	3,615,709	313,562	9%	7,234,991
Debt impairment		8,076,200	–	801,090	4,569,961	4,040,632	529,329	13%	8,076,200
Depreciation and amortisation		5,643,271	–	410,715	2,463,359	2,818,949	(355,590)	-13%	5,643,271
Interest		2,627,256	–	468,303	1,566,590	1,313,640	252,950	19%	2,627,256
Contracted services		7,323,519	–	701,960	2,528,752	3,613,433	(1,084,681)	-30%	7,323,519
Transfers and subsidies		113,739	–	13,299	39,992	56,868	(16,875)	-30%	113,739
Irrecoverable debts written off		–	–	1,967	5,596	–	5,596		–
Operational costs		6,829,056	–	464,616	3,530,834	3,409,109	121,725	4%	6,829,056
Losses on Disposal of Assets		4,140	–	230	11,605	2,076	9,529	459%	4,140
Other Losses		3,378,592	–	271,985	1,611,482	1,689,300	(77,818)	-5%	3,378,592
Total Expenditure		**80,669,613**	**–**	**7,030,466**	**43,805,102**	**42,260,171**	**1,544,931**	**4%**	**80,669,613**
Surplus/(Deficit)		**4,150,688**	**–**	**1,948,264**	**207,023**	**954,230**	**(747,207)**	**-78%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)		4,100,420	–	435,211	966,891	1,954,216	(987,325)	-51%	4,100,420
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**8,251,108**	**–**	**2,383,475**	**1,173,914**	**2,908,446**	(1,734,532)	-60%	**8,251,108**
Income Tax		44,883	–	–	–	22,440	(22,440)	-100%	44,883
Surplus/(Deficit) after income tax		**8,206,225**	**–**	**2,383,475**	**1,173,914**	**2,886,006**	(1,712,092)	-59%	**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**	**–**	**2,383,475**	**1,173,914**	**2,886,006**	(1,712,092)	-59%	**8,206,225**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**8,206,225**	**–**	**2,383,475**	**1,173,914**	**2,886,006**	(1,712,092)	-59%	**8,206,225**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M06 December

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	–	2,138,002	4,228,182
Trade and other receivables from exchange transactions		10,024,581	–	14,661,895	10,024,581
Receivables from non-exchange transactions		1,141,152	–	16,686,466	1,141,152
Current portion of non-current receivables		–	–	2,583,954	–
Inventory		574,591	–	662,401	574,591
VAT		774,651	–	36,620,671	774,651
Other current assets		1,410,887	–	(294,306)	1,410,887
Total current assets		**18,154,044**	**–**	**73,059,083**	**18,154,044**
Non current assets					
Investments		603,873	–	–	603,873
Investment property		1,029,999	–	4,364	1,029,999
Property, plant and equipment		90,020,983	–	94,851,859	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	–	(5,374,013)	2,129,497
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	815	–
Other non-current assets		4,712,388	–	15,401,380	4,712,388
Total non current assets		**99,147,322**	**–**	**105,402,401**	**99,147,322**
TOTAL ASSETS		**117,301,366**	**–**	**178,461,484**	**117,301,366**
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	–	1,214,363	2,237,853
Consumer deposits		21,186	–	2,125,574	21,186
Trade and other payables from exchange transactions		12,994,188	–	17,747,749	12,994,188
Trade and other payables from non-exchange transactions		–	–	(649,003)	–
Provision		725,374	–	1,056,732	725,374
VAT		552,006	–	34,936,743	552,006
Other current liabilities		333,543	–	10,595,087	333,543
Total current liabilities		**16,864,150**	**–**	**67,027,245**	**16,864,150**
Non current liabilities					
Financial liabilities		21,376,116	–	50,041,717	21,376,116
Provision		1,861,431	–	1,144,961	1,861,431
Long term portion of trade payables		486,971	–	2,357,667	486,971
Other non-current liabilities		6,194,455	–	664,701	6,194,455
Total non current liabilities		**29,918,973**	**–**	**54,209,046**	**29,918,973**
TOTAL LIABILITIES		**46,783,123**	**–**	**121,236,291**	**46,783,123**
NET ASSETS	2	**70,518,243**	**–**	**57,225,192**	**70,518,243**
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	–	61,639,481	70,518,243
Reserves and funds		–	–	204,610	–
Other		–	–	294,452	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**70,518,243**	**–**	**62,138,543**	**70,518,243**

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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	–	1,413,859	7,942,886	7,689,332	253,554	3%	15,378,664
Service charges		35,596,433	–	3,533,216	21,769,216	17,872,171	3,897,045	22%	35,596,433
Other revenue		7,585,819	–	1,011,541	7,221,507	3,791,935	3,429,572	90%	7,585,819
Transfers and Subsidies - Operational		8,593,891	–	3,257,868	8,173,693	4,296,954	3,876,739	90%	8,593,891
Transfers and Subsidies - Capital		3,694,726	–	380,000	2,034,215	1,847,363	186,852	10%	3,694,726
Interest		527,481	–	13,580	126,741	263,743	(137,002)	-52%	527,481
Dividends		–	–	–	–	–	–		–
Payments									
Suppliers and employees		(60,292,618)	–	(9,244,519)	(48,236,119)	(27,130,043)	21,106,076	-78%	(60,292,618)
Finance charges		(2,511,836)	–	(637,463)	(1,652,622)	(1,255,925)	396,697	-32%	(2,511,836)
Transfers and Subsidies		(135,387)	–	(4,730)	(39,909)	(67,838)	(27,929)	41%	(135,387)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**8,437,172**	**–**	**(276,647)**	**(2,660,391)**	**7,307,692**	**9,968,084**	**136%**	**8,437,172**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(123)	–	–	–	(62)	62	-100%	(123)
Decrease (increase) in non-current receivables		–	–	–	–	–	–		–
Decrease (increase) in non-current investments		786,210	–	–	–	393,105	(393,105)	-100%	786,210
Payments									
Capital assets		(7,414,826)	–	(487,370)	(2,082,064)	(3,707,413)	(1,625,349)	44%	(7,414,826)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(6,628,739)**	**–**	**(487,370)**	**(2,082,064)**	**(3,314,370)**	**(1,232,306)**	**37%**	**(6,628,739)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	5,500,000	–	5,500,000		–
Borrowing long term/refinancing		2,500,000	–	–	–	–	–		2,500,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–		–
Payments									
Repayment of borrowing		(1,521,205)		(452,794)	(2,336,398)	(760,602)	1,575,796	-207%	(1,521,205)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**978,795**	**–**	**(452,794)**	**3,163,602**	**(760,602)**	**(3,924,204)**	**516%**	**978,795**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,787,229**	**–**	**(1,216,812)**	**(1,216,812)**	**3,232,721**			**2,787,229**
Cash/cash equivalents at beginning:		878,069		3,354,813	3,354,813	878,069			878,069
Cash/cash equivalents at month/year end:		3,665,298		2,138,002	2,138,002	4,110,790			3,665,298

ADDITIONAL SUPPORTING SCHEDULES:

Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M05 DECEMBER 2025				
Ref	**Description**	**Variance %**	**Reasons for material deviations**	**Remedial or corrective steps/remarks**
1	**Revenue**			
	Exchange Revenue			
	Service charges - Water	-6%	The under-recovery is primarily attributable to reduced water consumption, likely resulting from water throttling, prevailing economic pressures, increased conservation behaviour, and persistently high levels of non-revenue water. In addition, growth in the customer base remains constrained by limited water availability, which continues to impede new developments.	
	Sale of Goods and Rendering of Services	7%	MTC: The over-recovery is due to the organization being awarded more contracts than anticipated, including Integrated Intelligence Operations Centre (IIOC) for Public Safety and GICT facilities management. Furthermore, procurement contracts undertaken from the Transport Department and allied entities. Joburg Water: The over-recovery is due to revenue generated from illegal connections which is levied against customers as part of the metering & revenue enhancement project. Joburg Theatre: The over-recovery is attributable to revenue from the hiring of LED screens, ballets mats and projectors, as well as ticketing services and revenue earned from hospitality, catering.	Joburg Water and MTC: Budget will be adjusted during the budget revision process. Joburg Theatre: Great performance as the budget has been exceeded.
	Agency services	-10%	Public Safety (Head Office): Due to under recovery on license renewals as a result of majority of motorist being out to the city travelling to holiday destination during the month of December.	

	Interest from Current and Non-Current Assets	-58%	Group Finance: The under-recovery is mainly attributable to lower interest earned, resulting from decreased investment activity and reduced cash balances during the current month under review.	Management is actively monitoring cash flow trends and investment performance to prevent future effects and sustain liquidity.
	Rental from Fixed Assets	-32%	JOSHCO: The under-recovery is attributable to fewer tenant allocations across various JOSHCO projects, coupled with a decline in student accommodation income. Joburg Market: The under-performance is driven by higher anticipated billings relative to actual collections from the rental of facilities. Human Settlements: The under-recovery is primarily due to lower rental income collections from tenants occupying hostels	JOSHCO: The Housing Management will work to ensure that new projects are tenanted timeously. Joburg Market: Controls have been put in place to improve collection rates. Human Settlement: The Department is working on transferring units to qualifying beneficiaries.
	Operational Revenue	22%	Group Finance: The over-recovery is due to the implementation of automated notices, which has resulted in favourable income. This improvement stems mainly from the successful increase of pre-termination charges against debtors, facilitated through notices issued via e-Joburg and Interfile. City Power: The over-recovery is primarily driven by lower insurance claim activity.	
	Non-Exchange Revenue			
	Surcharges and Taxes	25%	Group Finance: The over recovery reflects the impact of billing adjustments and strengthened revenue collection, driven by improved credit management controls over the period.	

	Fines, penalties and forfeits	121%	JMPD: Over-recovery resulted from the expiry of the Syntell contract, which affected the timing and accuracy of revenue collection. EMS: The over-recovery is attributable to fines levied on non-compliant entities.	
	License and permits	-29%	EISD: The under recovery is due to decrease in applications received for business licenses and permits.	
	Transfers and subsidies - Operational	43%	Group Finance: The over-recovery is due to equitable share grant income resulted from the receipt of a tranche payment from National Treasury during the period.	
	Interest	97%	Group Finance: The over-recovery is driven by revenue generated from penalties imposed, together with customer journal adjustments processed by the Property Branch, reflecting improved collections on overdue debts. This revenue line is jointly impacted by billing and journal entries processed by both RSSC and the Property Branch. In addition, penalty reversals are frequently utilised as a negotiation mechanism in settlement agreements with debtors.	Group Finance: The penalties imposed is due to non-collection of overdue debt by customers which attract interest. RSSC as custodian of credit control processes should tighten efforts to collect long outstanding debts.
	Fuel Levy	-50%	Group Finance: The under recovery in fuel levy income is attributable to the non-receipt of a tranche payment from National Treasury during the reporting period, resulting in a temporary timing difference in cash flow.	
	Gains on disposal of Assets	-128%	The under recovery is mainly attributable to decreased revenue realised from fixed assets as well as animal sales.	
	Expenditure By Type			

	Employee related costs	11%	The over-expenditure is primarily driven by public safety VIP salaries and overtime payments made to employees across the City. Additional over-expenditure was also incurred within Public Safety due to elevated overtime allowances during the period.	
	Remuneration of councillors	-8%	"Office of the Speaker: The under-expenditure is due to the non-implementation of the 2024/25 increases, which will only be applied once all requirements set by the MEC for CoGTA have been fulfilled. In addition, remuneration adjustments for public office bearers have not yet been announced by the President and will only be implemented after the recommendations are published in the Government Gazette.	Office of the Speaker: The expenditure is expected to improve in the coming months and also the salary adjustment will be implemented when the letter of concurrence for increase is signed by MEC and once the promulgation of public office bearers is announced by the GOGTA MEC and the President for 2025/26 fiscal year.
	Bulk purchases - electricity	6%	The over expenditure arises from Eskom bulk purchase costs exceeded the budge, primarily as a result of energy consumption levels being higher than anticipated during the period.	The following mitigating actions will be implemented: • Review and Negotiate power purchase agreements (PPAs) for more favourable terms. • increased use of cost-reflective tariffs to recover the true cost of supply. • Explore alternative energy sourcing (e.g., embedded generation, IPPs) to diversify supply.

	Inventory consumed	9%	MTC: The over expenditure resulted from the organisation undertaking additional projects, including initiatives from the Transport Department and related entities. These projects involved the delivery of ICT equipment and the installation of hardware solutions. The variance is further attributable to the organisation being awarded more contracts than anticipated, including IIOC for Public Safety and GICT facilities management. In addition, new projects were secured during the period, comprising revenue enhancement and facilities management services delivered on behalf of GICT.	MTC: The budget will be evaluated during the budget adjustment process and as revenue affects direct expenditure.
	Debt impairment	13%	City Power: The over expenditure is as a result to decreased collection levels. The year-to-date collection level is 93,10% which was used to determine the debt impairment reported based on the actual billing against the target level of 97,50%.	City Power: Continued implementation of the revenue mitigating actions. Credit control measures must be strictly enforced to ensure that every customer for both prepaid and conventional system honour their bills.
	Depreciation and amortisation	-13%	Community Development: The under-expenditure is due to delays in the capitalization of assets due to unresolved projects currently under investigation. Transport: The under-expenditure is due to assets that have reached the end of their useful lives. The department is currently in the process of reviewing the fixed asset register. MTC: The under expenditure is due to a decrease in the line item following the organization's re-evaluation of the useful life of its assets.	Community Development: The accurate figures can only be made available after the verification process is completed. Transport: The non-cash general ledger account will be adjusted during budget adjustment. MTC: The budget will be evaluated during the budget adjustment process.

	Interest	19%	JOSCHO: The over expenditure is due to interest charged by the Shareholder on the negative sweeping bank account. MTC: The over expenditure is due to interest accrual on an outstanding loan balance. JDA: The over expenditure is due to non-payment by COJ departments which resulted in a higher finance charge. City Power: The over budget is mainly as a result of the following: • Finance costs - due to the increase on late-payments interest relating to Eskom purchases. • Interest paid bank - due to the high bank overdraft. The bank overdraft is an internal loan from the City and represents the current account balance between both parties; and engagements continue with the City regarding the interest on the bank overdraft being frozen and the shareholders loan being converted to equity.	JOSCHO: Regular engagements have resumed with COJ departments to follow up on outstanding invoices. Finance department working with the office of the COO's office to ensure timeous submission of invoices to departments we are executing projects on behalf. MTC: The entity is in the process of applying for loan to be converted to equity as the conversion is expected to reduce future financing cost once finalized. JDA: The expenditure will normalise at the end of the financial year as the interest will be written off. City Power: All outstanding invoices for JPC Cleaning are being verified by the merchant section as the department wait for payments to be processed; accruals expenditures will be adjusted appropriately when all invoices have been paid. An adjustment journal has been generated to fix the error, and the expenditure is expected to be adjusted accordingly in the following reporting period.

	Contracted services	-30%	"Transport: The under expenditure is primarily attributable to contracted services, as well as delays in the disbursement of funds to suppliers for related contracted service projects. In addition, the compensation lump sum payable to the Rea Vaya Phase 1C(a) affected taxi operators remains outstanding due to delays in the finalisation of taxi operating licenses and the delayed operationalisation of JITI. City Manager: The under expenditure is due to the fact that some legal expenses for municipal entities have not to be paid owing to pending recommendations on whether funds will be returned to those entities. City Power: The under-expenditure is attributable to the following factors: • Consultant fees - due to reduced utilisation of consultants, as fewer programmes were undertaken during the period under review. • Cut-off fee expenses were lower than budget as a result of delays in the processing of information received from the City of Johannesburg (COJ). • Commission paid was below budget. Prior to the introduction of the fixed charge on sales, commission was paid to third-party vendors based on units sold. With the introduction of the fixed charge, this amount is now deducted upfront from sales, and commission is calculated on the remaining balance. Consequently, no commission is paid on the fixed charge component. The Revenue team, in collaboration with Contracts Management, is engaging to rectify this matter by ensuring that future contractual agreements include commission on the fixed charge. • Repairs and maintenance - due to delays in the processing of invoices for infrastructure maintenance, delays in the execution of facilities maintenance, and other system-related maintenance programmes. In addition, non-payment of contractors in the prior year resulted in some contractors being	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 expenditure budgeted for by the department. Continuous follow ups with Merchant and Civil payment on unpaid invoices. City Manager: After payments have been processed, spending is expected to grow in the following months, especially if decisions are made to decentralize funds back to the entities. As of right now, R26 million has been committed. Group Finance: The expenditure is expected to improve in the coming months

			reluctant to undertake City Power work, further contributing to lower expenditure. Group Finance: The under expenditure is primary contributed to underspending on legal fees mainly related to ATTCOL, which is caused by invoices that are processed on an accrual basis and undergo rigorous scrutiny before payments are issued. Contract General spending is projected to increase now that a Service Level Agreement with MTC has been signed for Revenue Enhancement, Credit Control, and Advisory Service.	
	Transfers and subsidies	-30%	"Group Finance: The underspending is related to the fact that subsidies are paid in instalments, either monthly or quarterly, and payments are based on invoices received from MOEs.	Group Finance: The expenditure is expected to be aligned in the coming months.

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

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	849,413	515,947	548,230	–	–	1,418,230	2,349,286	20,058,020	25,739,125	23,825,536		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,461,829	441,618	426,144	–	–	991,300	1,096,861	7,325,223	11,742,976	9,413,384		
Receivables from Non-exchange Transactions - Property Rates	1400	946,664	580,385	517,504	–	–	1,531,367	2,276,010	10,934,943	16,786,872	14,742,319		
Receivables from Exchange Transactions - Waste Water Management	1500	533,907	303,914	369,798	–	–	794,944	1,194,187	8,627,043	11,823,792	10,616,174		
Receivables from Exchange Transactions - Waste Management	1600	197,954	136,235	137,754	–	–	388,981	653,847	5,439,839	6,954,611	6,482,668		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(306)	35,058	34,708	–	–	34,387	34,079	33,810	171,736	102,276		
Interest on Arrear Debtor Accounts	1810				–	–				–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820				–	–				–	–		
Other	1900	(153,000)	(155,289)	(121,419)	–	–	(240,912)	(145,329)	(536,694)	(1,352,643)	(922,935)		
Total By Income Source	**2000**	**3,836,461**	**1,857,868**	**1,912,718**	–	–	**4,918,297**	**7,458,941**	**51,882,184**	**71,866,470**	**64,259,422**	–	–
2024/25 - totals only		**2,831,436**	**1,736,412**	**1,809,839**		0	–	**7,995,587**	**48,461,913**	62,835,188	**56,457,500**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	61,751	51,510	44,969			146,680	197,689	1,984,906	2,487,505	2,329,275		
Commercial	2300	1,325,061	405,124	352,101			865,126	1,208,568	7,443,480	11,599,460	9,517,174		
Households	2400	2,449,649	1,401,234	1,515,648			3,906,491	6,052,684	42,453,798	57,779,505	52,412,974		
Other	2500									–	–		
Total By Customer Group	**2600**	**3,836,461**	**1,857,868**	**1,912,718**	–	–	**4,918,297**	**7,458,941**	**51,882,184**	**71,866,470**	**64,259,422**	–	–

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
R thousands		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									–	
Bulk Water	0200									–	860,211
PAYE deductions	0300									–	
VAT (output less input)	0400									–	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700	3,751,485	594,328	197,857	1,397,055	1,379,433	1,579,410	209,511	174,945	9,284,026	18,033,601
Auditor General	0800									–	
Other	0900	681,256	152,033	180,314	50,417	48,798	8,411	203,603	269,958	1,594,790	809,088
Total By Customer Type	**1000**	**4,432,741**	**746,361**	**378,171**	**1,447,472**	**1,428,232**	**1,587,821**	**413,114**	**444,903**	**10,878,816**	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 - M06 December

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	9	–	9	#DIV/0!	–
Agency services		–	–	–	–	–	–		–
Interest		407,228	–	23,730	169,524	203,616	(34,092)	-17%	407,228
Interest earned from Receivables		–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		1,905,990	–	505,142	1,376,104	952,992			1,905,990
Dividends		161,603	–	829	12,149	80,802	(68,653)	-85%	161,603
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–		–
Licence and permits		170,488	–	10,700	32,767	85,242	(52,475)	-62%	170,488
Special rating levies									
Operational Revenue		–	–	–	–	–	–		–
Non-Exchange Revenue		209,041	–	24,276	178,141	104,526	73,615	70%	209,041
Property rates		–	–	–	–	–			–
Surcharges and Taxes		(176,674)	–	(72,030)	(195,306)	(88,338)			(176,674)
Fines, penalties and forfeits		(3,994)	–	(193)	(1,414)	(1,998)	584	-29%	(3,994)
Licences or permits		(8,979,745)	–	(2,785,533)	(6,411,985)	(4,489,872)			(8,979,745)
Transfer and subsidies - Operational		(127,429)	–	(20,008)	(125,722)	(63,714)			(127,429)
Interest		(4,572,290)	–	–	(1,524,097)	(3,048,194)			(4,572,290)
Fuel Levy		–	–	–	–	–			–
Operational Revenue		–	–	–	–	–			–
Gains on disposal of Assets		–	–	–	–	–			–
Other Gains		–	–	–	–	–			–
Discontinued Operations		–	–	–	–	–			–
Total Revenue (excluding capital transfers and contributions)		**(11,214,823)**	**–**	**(2,337,362)**	**(6,667,971)**	**(6,369,464)**	**(298,507)**	**5%**	**(11,214,823)**
Expenditure By Type									
Employee related costs		(176,674)	–	(72,030)	(195,306)	(88,338)	(106,968)	121%	(176,674)
Remuneration of councillors		(3,994)	–	(193)	(1,414)	(1,998)	584	-29%	(3,994)
Bulk purchases - electricity		(8,979,745)	–	(2,785,533)	(6,411,985)	(4,489,872)	(1,922,113)	43%	(8,979,745)
Inventory consumed		(127,429)	–	(20,008)	(125,722)	(63,714)	(62,008)	97%	(127,429)
Debt impairment		(4,572,290)	–	–	(1,524,097)	(3,048,194)	1,524,097	-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)	–	(1,034)	5,906	(34,171)			(68,335)
Total Expenditure		**(13,928,467)**	**–**	**(2,878,799)**	**(8,252,618)**	**(7,726,287)**	**(526,331)**	**7%**	**(13,928,467)**
Surplus/(Deficit)		2,713,644	–	541,437	1,584,647	1,356,823	227,824	17%	2,713,644
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–		(68,335)
Transfers and subsidies - capital (in-kind)		(68,335)	–	(1,034)	5,906	(34,171)	40,077	-117%	(1,520,066)
Surplus/(Deficit) after capital transfers & contributions		2,645,309	–	540,402	1,590,553	1,322,652	267,901	20%	1,125,243
Income Tax		5,674,538	–	416,267	2,527,200	2,836,968	(309,768)	-11%	5,674,538
Surplus/(Deficit) after income tax		**(3,029,229)**	**–**	**124,136**	**(936,647)**	**(1,514,316)**	**577,669**	**-38%**	**(4,549,295)**

COJ: GOVERNANCE TECHNICAL CLUSTER	**2026-01-**
COJ: GOVERNANCE SUB-MAYORAL	**2026-01-**
COJ: EMT	**2026-01-**
COJ: MAYORAL COMMITTEE	**2026-01-**
GROUP ACCOUNTING	

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 - M06 December

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	–	281,763	1,704,240	1,727,567	(23,327)	-1%	3,460,685
City Power		26,366,421	–	2,255,139	13,345,419	13,175,546	169,873	1%	26,366,421
Johannesburg Water		21,262,729	–	1,639,385	10,066,024	10,588,004	(521,980)	-5%	21,262,729
Johannesburg Social Housing Company		273,513	–	21,785	109,281	136,758	(27,477)	-20%	273,513
Johannesburg Property Company		47,304	–	1,111	13,841	23,652	(9,811)	-41%	47,304
Metropolitan Trading Company		33,791	–	46,049	232,428	16,896	215,532	1276%	33,791
Metrobus		112,117	–	2,426	32,744	56,064	(23,320)	-42%	112,117
Johannesburg City Parks and Zoo		92,143	–	36,456	67,583	46,068	21,515	47%	92,143
JDA		80,953	–	3,639	36,100	40,476	(4,376)	-11%	80,953
Johannesburg Roads Agency		180,931	–	7,099	23,670	90,462	(66,792)	-74%	180,931
Joburg City Theatres		43,352	–	18,424	58,340	21,678	36,662	169%	43,352
Joburg Market		748,428	–	56,827	340,307	374,214	(33,907)	-9%	748,428
Joburg Tourism Company		–	–	–	–	–	–		–
Total Operating Revenue	1	**52,702,368**	**–**	**4,370,103**	**26,029,977**	**26,297,385**	**(267,408)**	**-1%**	**52,702,368**
Expenditure By Municipal Entity									
Pikitup		4,462,115	–	370,638	2,373,345	2,204,498	168,846	8%	4,462,115
City Power		23,490,028	–	2,140,898	15,072,814	13,737,688	1,335,125	10%	23,490,028
Johannesburg Water		19,180,125	–	1,640,475	9,719,651	9,590,064	129,588	1%	19,180,125
Johannesburg Social Housing Company		413,343	–	79,506	414,035	206,676	207,359	100%	413,343
Johannesburg Property Company		1,101,897	–	87,175	519,192	550,950	(31,758)	-6%	1,101,897
Metropolitan Trading Company		360,189	–	68,256	462,594	180,096	282,498	157%	360,189
Metrobus		719,878	–	77,201	369,068	359,940	9,128	3%	719,878
Johannesburg City Parks and Zoo		1,385,713	–	88,856	677,909	651,387	26,522	4%	1,385,713
JDA		137,461	–	6,082	62,080	68,730	(6,650)	-10%	137,461
Johannesburg Roads Agency		1,632,788	–	105,938	806,974	816,390	(9,416)	-1%	1,632,788
Joburg City Theatres		332,157	–	36,344	152,139	166,080	(13,941)	-8%	332,157
Joburg Market		650,175	–	44,820	285,219	325,092	(39,873)	-12%	650,175
Joburg Tourism Company		101,996	–	7,720	39,400	51,000	(11,600)	-23%	101,996
Total Operating Expenditure	2	**53,967,866**	**–**	**4,753,908**	**30,954,420**	**28,908,592**	**2,045,829**	**7%**	**53,967,866**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	Budget Year 2025/26							
R thousands	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		351,634	723,242	653,462	(69,780)	-10.7%	8%
October	720,447		456,821	1,180,063	1,373,909	193,846	14.1%	14%
November	1,255,218		315,947	1,496,010	2,629,128	1,133,118	43.1%	17%
December	1,721,082		736,168	2,232,178	4,350,210	2,118,032	48.7%	26%
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**	**–**	**2,232,178**					