CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 OCTOBER 2025

COJ: GOVERNANCE TECHNICAL CLUSTER	2025-12-
COJ: GOVERNANCE SUB-MAYORAL	2025-12-
COJ: EMT	2025-12-
COJ: MAYORAL COMMITTEE	2025-12-
GROUP ACCOUNTING	

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 OCTOBER 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 October 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 October 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%), R635 million over performance (October 2024:5%). The actual operating expenditure variance is at 1% overspending year-to-date budget (October 2025: -1%). The net result is an operating deficit of R269 million against a year-to-date (YTD) budgeted deficit of R702 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 R1.2 billion (13%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of October 2025 were R2.2 billion and R1.6 billion respectively. This shows a decrease of R588 million during the month as indicated in the table below.

Oct-25	OPENING R	CLOSING R
Operational Call Deposits	30,246,173	30,330,215
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	1,450,290,873	479,592,437
Absa Primary Account Balance	1,993,737	41,952,392
TOTAL UNENCUMBERED	**1,482,530,783**	**551,875,044**
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	18,499,463	19,997,343
Non-Sweeping Bank Accounts	442,463,817	783,786,230
TOTAL ENCUMBERED	**743,670,356**	**1,086,490,649**
TOTAL INVESTMENTS/CASH BALANCE	**2,226,201,139**	**1,638,365,693**

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

Oct-25	OPENING R	CLOSING R
Cash and Cash Equivalents	1,002,311,862	1,008,057,992
Interest Rate swaps	169,793,365	222,100,976
Tradable Instruments Portfolio	328,254,693	334,926,225
TOTAL SINKING FUND INVESTMENTS	**1,500,359,920**	**1,565,085,193**

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

- Total unencumbered balances decreased by R931 million during the month, which was primarily driven by the decrease in the STD Bank Primary account. Total encumbered balances increased by R342 million during this same period, with the highest increase being in the non-sweepings' portfolio.
- The Sinking Fund balances closed R65 million higher at R1.6 billion, with an increase of R5.7 million in the cash and cash equivalents portfolio. The tradable instruments increased with an amount of R6.7 million. These movements are attributable to market movements. The interest rate swaps reflect a positive movement of R52.3 million during the month of October.
- 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 October 2025 amounted to R6.6 billion versus outflows of R7.1 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was a decrease of R588 million as depicted below.

Oct-25	
Description	**R**
Cash Collections	4,725,664,841
Revenue cash collections paid into Primary and Ordinary bank accounts	104,677,019
Direct Payments into MOE Revenue accounts	9,172,730
Prepaid Collections	242,379,422
Other Income (Interest Received, Vat Refund, Licensing Fees)	833,707,212
Operating Grants and Subsidies	66,544,000
Positive Sweepings and Non-Sweeping Movements	572,739,544
Total Cash Inflows	6,554,884,770
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-5,183,077,874
Negative Sweepings and Non-Sweeping Movements	-1,959,642,341
Total Cash Outflows	-7,142,720,216
Net Movement	-587,835,446

Summary Table 1.1 Cash Movements as at 31 October 2025

Cash outflows were more than the inflows resulting in a positive movement on the overall cash balances. The inflows for the month of October include cash collection: R4.7 billion, receipts paid directly into MOE bank accounts: R9.2 million; cash collection paid into the Ordinary and Primary bank accounts: R105 million, Prepaid collections of R242 million, other income: R833 million and grants and subsidies R66.5 million.

Financial Year 2025/26 Grant funding:

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

Grant Name	YTD Forecast per National Treasury Schedule R	YTD Actual per 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	119,167,000	119,167,000	-
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	**1,365,915,000**	**1,365,915,000**	-
Total Local Government Grants	**6,281,740,000**	**6,281,740,000**	-

Source: National Treasury and Bank Statements

The city received UDFG R46.4 million in the month under review.

Financial Year 2025/26 Conditional Grants Performance

The table below depicts the year-to-date expenditure as at 31 October 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	284,841,479	495,318,521	37%
UDFG	119,167,000	31,335,918	87,831,082	26%
ISDG	6,000,000	2,870,050	3,129,950	48%
ISUPG	255,000,000	190,384,647	64,615,353	75%
PTNG	200,588,000	102,264,000	98,324,000	51%
EPWP	1,000,000	749,000	251,000	75%
EEDSM	3,000,000	-	3,000,000	0%
FMG	1,000,000	333,348	666,652	33%
Totals	**1,365,915,000**	**612,778,441**	**753,136,559**	**45%**

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 October 2025 for all MOEs.

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

Entity	End of September Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of October Balance R
City Power	**-20,280,370,780**	1,371,570,092	-2,921,039,270	-1,549,469,179	**-21,829,839,959**
Joburg Water	3,409,211,692	1,129,816,771	-769,793,137	360,023,635	3,769,235,326
Pikitup	1,677,376,690	9,884,749	-129,534,042	-119,649,293	1,557,727,397
Parks Zoo	817,932,125	129,234,725	-107,836,444	21,398,280	839,330,405
Fresh Produce	433,758,266	2,331,495	-52,120,620	-49,789,125	383,969,142
JDA	**-2,000,787,251**	11,685,804	-114,212,387	-102,526,583	**-2,103,313,835**
Joshco	**-1,993,478,007**	11,494,738	-39,387,839	-27,893,101	**-2,021,371,108**
Metro Bus	**-755,538,750**	61,039,993	-21,484,324	39,555,669	**-715,983,081**
Propcom	250,525,459	23,214,867	-101,837,575	-78,622,718	171,902,741
Propcom Portfolio	**-145,542,637**	13,151,260	-24,325,369	-11,174,109	**-156,716,746**
Roads	**-243,468,297**	**309,944,770**	**-138,578,604**	**171,366,166**	**-72,102,131**
MTC	**-684,543,803**	24,823,844	-49,170,281	-24,346,437	**-708,890,240**
JTC	94,592,543	519,493	-7,933,156	-7,413,663	87,178,880
Core	21,646,533,890	5,983,129,719	-5,192,424,708	790,705,011	22,437,238,901
Total Sweepings and Balances	2,226,201,139			-587,835,446	1,638,365,693

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

Inflows for the month of October versus outflows resulted in a negative net movement of R588 million.

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

YTD Net Movement					
Entity	July 2025 R	Aug 2025 R	Sept 2025 R	Oct 2025 R	YTD R
City Power	-1,398,422,452	305,135,423	-3,510,572,748	-1,549,469,179	-6,153,328,956
Joburg Water	-225,427,910	-253,313,543	-156,605,155	360,023,635	-275,322,973
Pikitup	-108,490,578	300,191,526	-121,577,669	-119,649,293	-49,526,013
Parks Zoo	-140,305,714	251,472,216	-136,692,039	21,398,280	-4,127,257
Fresh Produce	-37,753,632	174,899,001	189,676,027	-49,789,125	277,032,272
JDA	-201,389,379	-172,890,953	-82,680,384	-102,526,583	-559,487,299
Joshco	-93,975,019	-120,712,694	-50,239,675	-27,893,101	-292,820,488
Metro Bus	-393,664,119	143,656,822	-30,128,164	39,555,669	-240,579,792
Propcom	-50,679,843	-42,783,433	-24,441,878	-78,622,718	-196,527,871
Propcom Portfolio	4,473,343	-1,296,583	4,662,272	-11,174,109	-3,335,077
Roads	-251,868,233	617,033,218	-50,517,920	171,366,166	486,013,230
MTC	30,294,351	-105,074,122	-16,073,740	-24,346,437	-115,199,949
JTC	-12,743,459	7,147,663	-1,407,235	-7,413,663	-14,416,694

Table 3.1(a): Sweeping movements analysis

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

September 2025 Billing & October 2025 Collections: YTD Billing & Collections

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Sep 2025	Oct 2025		YTD: Jun'25 to Sep'25	YTD: Jul'25 to Oct'25	
	R 000's	R 000's		R 000's	R 000's	
Rates	1 435 841	1 424 386	99.2%	6 339 929	5 848 966	92.3%
Electricity	2 765 436	2 259 742	81.7%	9 793 705	9 343 114	95.4%
Water	1 986 451	1 460 625	73.5%	7 158 134	5 451 514	76.2%
Refuse	301 268	224 701	74.6%	1 232 094	923 016	74.9%
TOTAL	**6 488 996**	**5 369 454**	**82.7%**	**24 523 862**	**21 566 610**	**87.9%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R6.5 billion in September 2025 with R5.4 billion collected in October 2025 resulting in a monthly collection rate of 86.7%. The year-to-date billing as at 30 September 2025 is R24.5 billion with R21.6 billion collected as at 31 October 2025 resulting in a year-to-date collection rate of 87.9%.

Reconciliation between Treasury banking and RSSC collections

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

Description	Oct 2025	YTD
	R 000's	R 000's
Balance as reported by Treasury	5 081 894	20 031 001
Deposits reflected by Treasury in previous month	58 192	503 852
Refunds, Deposits and Sundry Revenue	-72 225	-206 879
Water: Industrial Effluent and Cross-Boundary Sales	14 686	107 883
Difference in electricity and water prepaid sales	-379	-15 021
E-Joburg	104 022	409 093
Non-Cash Items:		
Staff Accounts	9 566	36 468
Departmental Settlements	173 698	700 213
Total Revenue as per Revenue Collection Report	**5 369 454**	**21 566 610**

October 2025 deposits of approximately R58.2 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		Sep 2025	Oct 2025
Budget Billing	R 000	6 261 937	6 000 750
Actual Billing	R 000	6 488 996	6 331 200
Shortfall (-) / Surplus (+) in Billing	R 000	227 059	330 450
Budget Collection	R 000		5 273 834
Actual Revenue Collection	R 000		5 369 455
Shortfall (-) / Surplus (+) in Collections	R 000		95 621
Actual Billing vs. Budgeted Billing	%	103.6%	105.5%
Actual Collection vs. Budgeted Collection	%		101.8%
Budget Collection (Oct) vs Budget Billing (Sep)	%		84.2%
Actual Collections (Oct) vs. Actual Billing (Sep)	%		82.7%

The actual billing of R6.6 billion for September 2025 was R 434 million above the budgeted billing of R6.3 billion. The actual collection of R5.4 billion for October 2025 was R96 million above the budgeted collection of R5.3 billion. Actual collection of 82.7% is 1.5% below the budgeted collection of 84.2%.

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 04 mSCOA data strings was submitted to the National Treasury on the 14th of November 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

12/12/2025
DATE

MALOPE RAMAGAGA
ACTING GROUP HEAD: RSSC

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

26 JANUARY 2026
DATE

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

26 JANUARY 2026
DATE

COUNCILLOR LOYISO MASUKU
MMC GROUP FINANCE

10/02/2026
DATE

COJ: GOVERNANCE TECHNICAL CLUSTER	2025-12-
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COJ: MAYORAL COMMITTEE	2025-12-
GROUP ACCOUNTING	

Annexure A

In-Year Report

Budget year: 2025/26

Reporting Period: Month 04

October 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 October 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 R635 million against the YTD budget for the period ended October 2025

The operating expenditure is 1% above budget the against year-to-date expenditure budget of R29.3 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 R1.2 billion (13%) 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 31 October 2024:

Description (R million)	Budget 23/24	YTD Exp	% Spent
CoJ Loans	2 500	604	24%
CRR / Cash	2 000	306	15%
Nat Grant	446	8	2%
Prov Grant	-	-	0%
USDG	1 643	256	16%
USIP	715	7	1%
Other	338	106	31%
Total CoJ	7 642	1 288	17%

Capital Expenditure per funding source as at 31 October 2025:

Description (R million)	Budget 25/26	YTD Exp	% Spent
CoJ Loans	3,500	521	15%
CRR / Cash	650	21	3%
Nat Grant	543	-	0%
Prov Grant	11	-	0%
USDG	2,321	285	12%
USIP	773	95	12%
Other	903	248	27%
Total CoJ	8,700	1,169	13%

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

Consolidated Summary - Capital Expenditure as 31 October 2025:

Description (R million)	Budget 25/26	YTD Exp	% Spent
City Power	1,361	241	18%
Johannesburg Water	1,704	217	13%
Pikitup	310	34	11%
Jhb Roads Agency	916	228	25%
Metrobus	157	35	22%
Jhb City Parks and Zoo	31	5	16%
Jhb Development Agency	105	54	51%
Jhb Property Company	40	-	0%
Metro Trading Company	27	-	0%
Joburg Market	67	20	29%
JOSHCO	207	90	43%
Joburg City Theatres	19	5	29%
Joburg Tourism	1	-	0%
Total MEs	4,943	930	19%

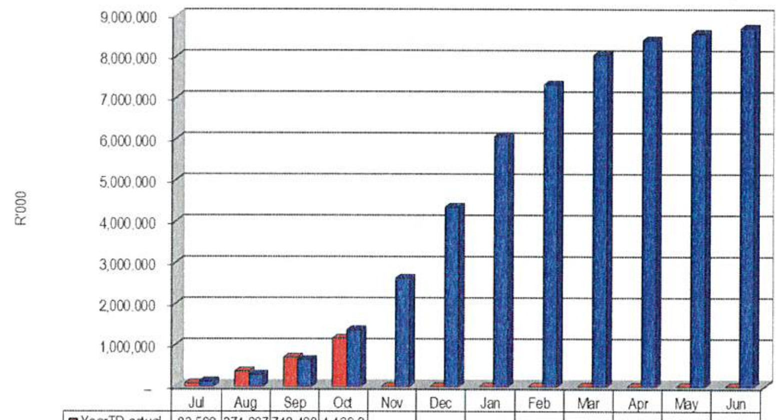
Description (R million)	Budget 25/26	YTD Exp	% Spent
Economic Development	6	-	0%
EISD	201	0	0%
Transportation	573	-	0%
Community Development	99	-	0%
Health	38	-	0%
Social Development	42	-	0%
Forensic	2	-	0%
Ombudsman	2	-	0%
Office of the City Manager	11	0	3%
Speaker	1	-	0%
Group ICT	420	6	1%
Group Finance	8	-	0%
Group Corporate Services	261	73	28%
Human Settlements	1,974	145	7%
Development Planning	80	-	0%
Public Safety	41	15	37%
Total Core Administration	3,757	239	6%

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

JPC, MTC and JTC remain the only MOEs that have not commenced with spending, while Office of the City Manager, GICT, Public Safety, Human Settlements and Corporate Shared Services are the only departments that have commenced with capital spending.

Table SC12(Annexure) provides an illustration of actual capital expenditure compared to the budget target on a monthly and year-to-date basis. The Chart below is an illustration of the Capital expenditure YTD actual vs YTD budget target:

Chart C2 2025/26 Capital Expenditure: YTD actual v YTD target



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	83,590	371,607	712,403	1,169,2	-	-	-	-	-	-	-	-
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

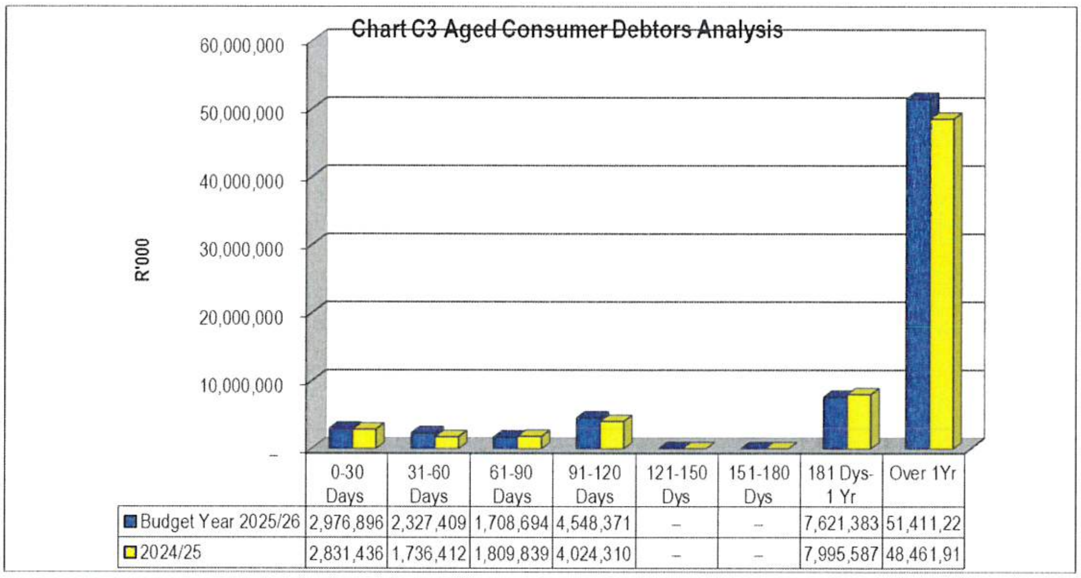
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

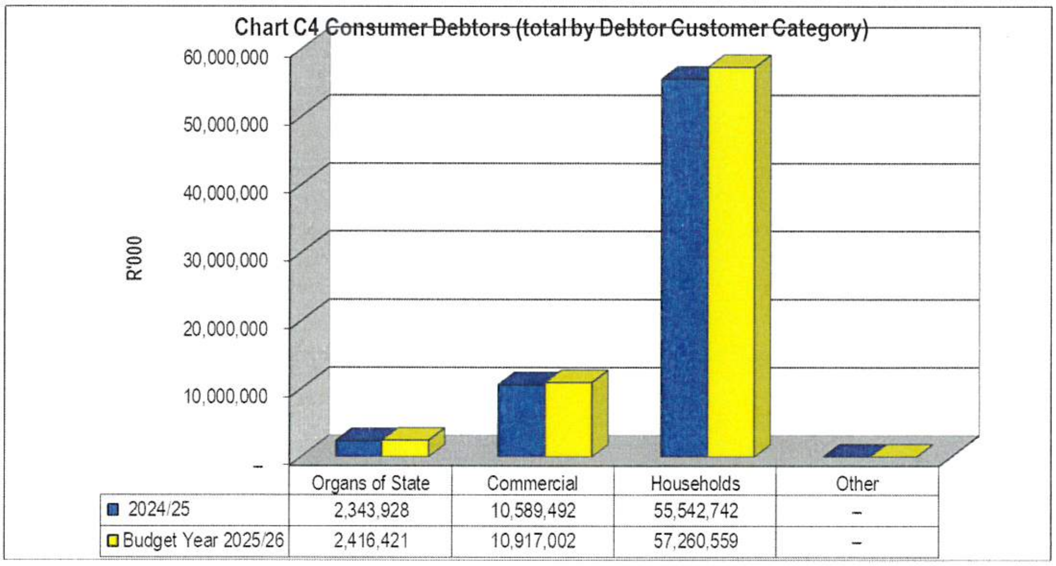
- Cash and Cash equivalents as at the end of October 2025 amount to R2.2 billion.
- The cash flow from operating activities is 1.5 billion, negative.
- The cash flow from investing activities amount to R1.4 billion, negative
- The cash flow from financing activities amount to R733 million.

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 R70.5 billion. Chart C3 below illustrates the Consumers debtors age analysis:



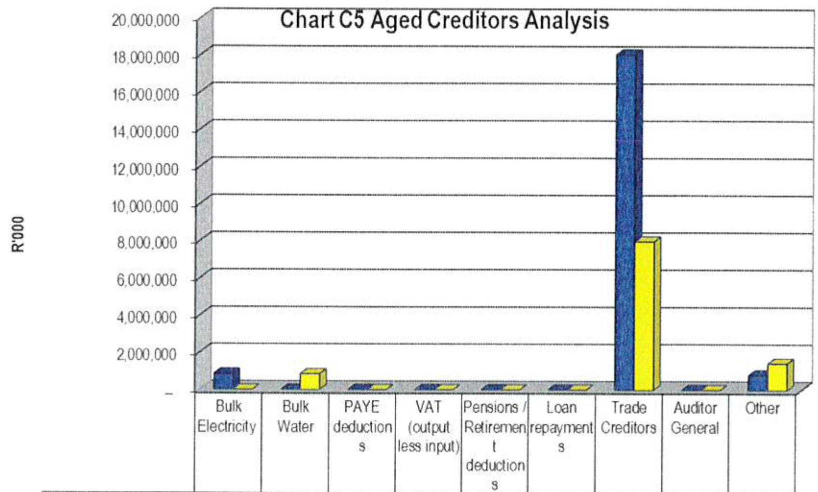


The following interventions / actions were implemented during October 2025 to increase collection levels:

- 5 776 electricity accounts were identified for disconnections, total value R3.8 billion and 1 732 account payments to the value of R65.4 million were collected from the accounts.
- 3 070 water accounts were identified for disconnections, total value R2,7 billion and 1 209 account payments to the value of R69.3 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.



	Bulk Electricity	Bulk Water	PAYE deductions	VAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Auditor General	Other
2024/25	860,211	–	–	–	–	–	18,033,601	–	809,088
Budget Year 2025/26	–	851,012	–	–	–	–	7,978,179	–	1,440,272

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 October 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.

COJ: GOVERNANCE TECHNICAL CLUSTER	2025-12-
COJ: GOVERNANCE SUB-MAYORAL	2025-12-
COJ: EMT	2025-12-
COJ: MAYORAL COMMITTEE	2025-12-
GROUP ACCOUNTING	

PART 2: SUPPORTING SCHEDULES

Table C1 – Monthly budget statement summary

JHB City Of Johannesburg - Table C1 Monthly Budget Statement Summary - M04 October

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	–	1,829,512	6,219,562	6,045,424	174,138	3%	18,136,267
Service charges	48,912,644	–	3,820,644	16,128,143	16,431,283	(303,140)	-2%	48,912,644
Investment revenue	199,899	–	6,728	31,671	66,636	(34,965)	-52%	199,899
Transfers and subsidies - Operational	8,980,278	–	151,427	3,608,799	2,993,424	615,375	21%	8,980,278
Other own revenue	8,591,214	–	781,569	3,046,159	2,862,711	183,448	6%	–
Total Revenue (excluding capital transfers and contributions)	**84,820,301**	–	**6,589,880**	**29,034,335**	**28,399,479**	**634,856**	**2%**	**84,820,301**
Employee costs	21,654,002	–	1,910,949	7,585,532	7,212,225	373,306	5%	21,654,002
Remuneration of Councillors	202,021	–	15,084	61,123	67,340	(6,217)	-9%	202,021
Depreciation and amortisation	5,643,271	–	408,991	1,645,984	1,878,401	(232,417)	-12%	5,643,271
Interest	2,627,256	–	260,008	1,052,145	875,760	176,385	20%	2,627,256
Inventory consumed and bulk purchases	24,817,816	–	2,193,429	11,216,754	10,541,650	675,103	6%	24,817,816
Transfers and subsidies	113,739	–	4,627	23,266	37,912	(14,646)	-39%	113,739
Other expenditure	25,611,508	–	2,018,052	7,718,346	8,488,344	(769,999)	-9%	25,611,508
Total Expenditure	**80,669,613**	–	**6,811,141**	**29,303,148**	**29,101,633**	**201,515**	**1%**	**80,669,613**
Surplus/(Deficit)	**4,150,688**	–	**(221,261)**	**(268,813)**	**(702,154)**	**433,341**	**-62%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)	4,100,420	–	78,964	325,618	1,192,572	(866,954)	-73%	4,100,420
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**8,251,108**	–	**(142,297)**	**56,805**	**490,418**	**(433,613)**	**-88%**	**8,251,108**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**8,251,108**	–	**(142,297)**	**56,805**	**490,418**	**(433,613)**	**-88%**	**8,251,108**
Capital expenditure & funds sources								
Capital expenditure	**8,700,420**	–	**456,820**	**1,167,345**	**1,373,909**	**(206,564)**	**-15%**	**8,700,420**
Capital transfers recognised	4,550,420	–	258,841	627,143	718,571	(91,428)	-13%	4,550,420
Borrowing	3,500,000	–	191,996	520,931	552,696	(31,765)	-6%	3,500,000
Internally generated funds	**650,000**	–	**5,983**	**21,148**	**102,643**	**(81,495)**	**-79%**	**650,000**
Total sources of capital funds	**8,700,420**	–	**456,820**	**1,169,222**	**1,373,909**	**(204,687)**	**-15%**	**8,700,420**
Financial position								
Total current assets	18,154,044	–		77,718,425				18,154,044
Total non current assets	99,147,322	–		106,025,946				99,147,322
Total current liabilities	16,864,150	–		71,889,599				16,864,150
Total non current liabilities	29,918,973	–		56,666,365				29,918,973
Community wealth/Equity	**70,518,243**	–		**60,513,425**				**70,518,243**
Cash flows								
Net cash from (used) operating	8,437,172	–	(165,808)	(1,457,608)	3,971,223	(5,428,831)	-137%	8,437,172
Net cash from (used) investing	(6,628,739)	–	(373,673)	(1,353,416)	(908,868)	(444,547)	49%	(6,628,739)
Net cash from (used) financing	978,795	–	(48,354)	732,535	(507,068)	1,239,603	-244%	978,795
Cash/cash equivalents at the month/year end	**3,665,298**	–	**1,638,366**	**1,638,366**	**3,433,356**	**(1,794,990)**	**-52%**	**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	2,327,409	1,708,694	4,548,371	–	–	7,621,383	51,411,229	70,693,982
Creditors Age Analysis								
Total Creditors	570,683	896,546	1,321,657	2,086,163	1,294,379	223,220	438,003	10,269,463

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	–	1,896,589	8,527,741	8,650,746	(123,005)	-1%	25,584,204
Service charges - Water		11,889,649	–	944,659	3,711,288	3,963,216	(251,928)	-6%	11,889,649
Service charges - Waste Water Management		8,101,381	–	703,304	2,777,467	2,700,460	77,007	3%	8,101,381
Service charges - Waste management		3,337,410	–	276,092	1,111,647	1,116,861	(5,214)	-0%	3,337,410
Sale of Goods and Rendering of Services		983,502	–	77,408	342,832	326,801	16,031	5%	983,502
Agency services		407,228	–	34,302	128,674	135,744	(7,070)	-5%	407,228
Interest		–	–	–	–	–	–		–
Interest earned from Receivables		567,356	–	50,994	198,463	189,122	9,340	5%	567,356
Interest from Current and Non Current Assets		199,899	–	6,728	31,671	66,636	(34,965)	-52%	199,899
Dividends		–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		469,692	–	19,253	110,469	156,559	(46,090)	-29%	469,692
Licence and permits		–	–	404	1,476	–	1,476		–
Special rating levies									
Operational Revenue		947,578	–	99,271	398,814	315,864	82,950	26%	947,578
Non-Exchange Revenue									
Property rates		18,136,267	–	1,829,512	6,219,562	6,045,424	174,138	3%	18,136,267
Surcharges and Taxes		332,047	–	33,229	133,993	110,684	23,309	21%	332,047
Fines, penalties and forfeits		176,770	–	60,773	122,171	58,924	63,247	107%	176,770
Licence and permits		3,994	–	205	978	1,332	(354)	-27%	3,994
Transfers and subsidies - Operational		8,980,278	–	151,427	3,608,799	2,993,424	615,375	21%	8,980,278
Interest		127,429	–	21,709	81,679	42,476	39,203	92%	127,429
Fuel Levy		4,572,290	–	381,024	1,524,097	1,524,097	–	–	4,572,290
Operational Revenue		–	–	–	–	–	–		–
Gains on disposal of Assets		3,328	–	(463)	(536)	1,108	(1,644)	-148%	3,328
Other Gains		–	–	3,459	3,049	–	3,049		–
Discontinued Operations		–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**84,820,301**	**–**	**6,589,880**	**29,034,335**	**28,399,479**	**634,856**	**2%**	**84,820,301**
Expenditure By Type									
Employee related costs		21,654,002	–	1,910,949	7,585,532	7,212,225	373,306	5%	21,654,002
Remuneration of councillors		202,021	–	15,084	61,123	67,340	(6,217)	-9%	202,021
Bulk purchases - electricity		17,582,825	–	1,520,127	8,618,403	8,131,853	486,550	6%	17,582,825
Inventory consumed		7,234,991	–	673,303	2,598,351	2,409,798	188,553	8%	7,234,991
Debt impairment		8,076,200	–	700,516	2,689,454	2,697,793	(8,339)	-0%	8,076,200
Depreciation and amortisation		5,643,271	–	408,991	1,645,984	1,878,401	(232,417)	-12%	5,643,271
Interest		2,627,256	–	260,008	1,052,145	875,760	176,385	20%	2,627,256
Contracted services		7,323,519	–	457,227	1,412,975	2,391,664	(978,688)	-41%	7,323,519
Transfers and subsidies		113,739	–	4,627	23,266	37,912	(14,646)	-39%	113,739
Irrecoverable debts written off		–	–	265	1,218	–	1,218		–
Operational costs		6,829,056	–	590,600	2,533,343	2,271,304	262,039	12%	6,829,056
Losses on Disposal of Assets		4,140	–	415	10,804	1,384	9,420	681%	4,140
Other Losses		3,378,592	–	269,029	1,070,551	1,126,200	(55,649)	-5%	3,378,592
Total Expenditure		**80,669,613**	**–**	**6,811,141**	**29,303,148**	**29,101,633**	**201,515**	**1%**	**80,669,613**
Surplus/(Deficit)		**4,150,688**	**–**	**(221,261)**	**(268,813)**	**(702,154)**	**433,341**	**-62%**	**4,150,688**
Transfers and subsidies - capital (monetary allocations)		4,100,420	–	78,964	325,618	1,192,572	(866,954)	-73%	4,100,420
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**8,251,108**	**–**	**(142,297)**	**56,805**	**490,418**	(433,613)	-88%	**8,251,108**
Income Tax		44,883	–	(15,896)	–	14,960	(14,960)	-100%	44,883
Surplus/(Deficit) after income tax		8,206,225	–	(126,402)	56,805	475,458	(418,653)	-88%	**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	–	(126,402)	56,805	475,458	(418,653)	-88%	8,206,225
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**8,206,225**	**–**	(126,402)	**56,805**	**475,458**	(418,653)	-88%	**8,206,225**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Monthly Budget Statement - Financial Position - M04 October

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	–	1,638,366	4,228,182
Trade and other receivables from exchange transactions		10,024,581	–	21,564,982	10,024,581
Receivables from non-exchange transactions		1,141,152	–	16,380,124	1,141,152
Current portion of non-current receivables		–	–	1,960,569	–
Inventory		574,591	–	601,671	574,591
VAT		774,651	–	35,878,858	774,651
Other current assets		1,410,887	–	(306,144)	1,410,887
Total current assets		18,154,044	–	77,718,425	18,154,044
Non current assets					
Investments		603,873	–	–	603,873
Investment property		1,029,999	–	4,624	1,029,999
Property, plant and equipment		90,020,983	–	94,933,429	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	–	(5,323,462)	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	–	15,892,544	4,712,388
Total non current assets		99,147,322	–	106,025,946	99,147,322
TOTAL ASSETS		117,301,366	–	183,744,371	117,301,366
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		2,237,853	–	1,338,392	2,237,853
Consumer deposits		21,186	–	2,078,079	21,186
Trade and other payables from exchange transactions		12,994,188	–	23,274,651	12,994,188
Trade and other payables from non-exchange transactions		–	–	(536,467)	–
Provision		725,374	–	1,341,470	725,374
VAT		552,006	–	34,453,597	552,006
Other current liabilities		333,543	–	9,939,877	333,543
Total current liabilities		16,864,150	–	71,889,599	16,864,150
Non current liabilities					
Financial liabilities		21,376,116	–	52,497,299	21,376,116
Provision		1,861,431	–	1,131,351	1,861,431
Long term portion of trade payables		486,971	–	2,357,667	486,971
Other non-current liabilities		6,194,455	–	680,047	6,194,455
Total non current liabilities		29,918,973	–	56,666,365	29,918,973
TOTAL LIABILITIES		46,783,123	–	128,555,964	46,783,123
NET ASSETS	2	70,518,243	–	55,188,407	70,518,243
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		70,518,243	–	60,014,363	70,518,243
Reserves and funds		–	–	204,610	–
Other		–	–	294,452	–
TOTAL COMMUNITY WEALTH/EQUITY	2	70,518,243	–	60,513,425	70,518,243

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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		1,454,711	5,207,665	5,126,222	81,443	2%	15,378,664
Service charges		35,596,433		3,627,183	14,823,336	11,992,138	2,831,197	24%	35,596,433
Other revenue		7,585,819		1,263,425	5,535,779	2,527,957	3,007,822	119%	7,585,819
Transfers and Subsidies - Operational		8,593,891		–	4,915,825	2,864,636	2,051,189	72%	8,593,891
Transfers and Subsidies - Capital		3,694,726		46,366	1,365,915	1,231,575	134,340	11%	3,694,726
Interest		527,481		19,146	98,651	175,829	(77,178)	-44%	527,481
Dividends		–	–	–	–	–	–		–
Payments									
Suppliers and employees		(60,292,618)		(6,245,183)	(32,416,941)	(19,066,373)	13,350,568	-70%	(60,292,618)
Finance charges		(2,511,836)		(305,371)	(955,739)	(837,283)	118,456	-14%	(2,511,836)
Transfers and Subsidies		(135,387)		(26,085)	(32,099)	(43,477)	(11,378)	26%	(135,387)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**8,437,172**	**–**	**(165,808)**	**(1,457,608)**	**3,971,223**	**5,428,831**	**137%**	**8,437,172**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(123)				(41)	41	-100%	(123)
Decrease (increase) in non-current receivables		–	–	–	–	–	–		–
Decrease (increase) in non-current investments		786,210				262,070	(262,070)	-100%	786,210
Payments									
Capital assets		(7,414,826)		(373,673)	(1,353,416)	(1,170,897)	182,519	-16%	(7,414,826)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(6,628,739)**	**–**	**(373,673)**	**(1,353,416)**	**(908,868)**	**444,547**	**-49%**	**(6,628,739)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	2,500,000	–	2,500,000		–
Borrowing long term/refinancing		2,500,000	–	–	–	–	–		2,500,000
Increase (decrease) in consumer deposits		–	–	–	–	–	–		–
Payments									
Repayment of borrowing		(1,521,205)		(48,354)	(1,767,465)	(507,068)	1,260,397	-249%	(1,521,205)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**978,795**	**–**	**(48,354)**	**732,535**	**(507,068)**	**(1,239,603)**	**244%**	**978,795**
NET INCREASE/ (DECREASE) IN CASH HELD		**2,787,229**	**–**	**(587,835)**	**(2,078,490)**	**2,555,286**			**2,787,229**
Cash/cash equivalents at beginning:		878,069		2,226,201	2,226,201	878,069			878,069
Cash/cash equivalents at month/year end:		3,665,298		1,638,366	1,638,366	3,433,356			3,665,298

ADDITIONAL SUPPORTING SCHEDULES:

Table SC1: Variance reasons

CONSOLIDATED VARIANCE REPORT FOR M04 OCTOBER 2025			
Description	**Variance**	**Reasons for material deviations**	**Remedial or corrective steps/remarks**
Revenue			
Exchange Revenue			
Service charges - Water	(251,928)	The under-recovery is mainly due to lower consumption, potentially influenced by water throttling, economic strain, conservation behaviour, and significantly high non-revenue water. In addition, the customer base is not expanding as a result of limited water availability is constraining new development.	There is a direct correlation between throttling of water and revenue. The entity is in a process of reviewing its throttling process so it will not have an impact on revenue.

Interest from Current and Non-Current Assets	(34,965)	**Group Finance:** The under-recovery is mainly attributable to lower interest earned due to decreased investment activity, as well as lower cash levels in the current month review.	The revenue will be recognized in the coming month.
Rental from Fixed Assets	(46,090)	**Joburg Market:** The under- performance is driven by higher anticipated billing compared to actual collections from the rental of facilities. **Human Settlement:** The under-recovery is due to lower collection of rental income from tenants occupying hostels. **Community Development:** The under-recovery is due to decrease in public demand for facility rentals as a result of prevailing economic pressures.	**Human Settlement:** The Department is working on transferring units to qualifying beneficiaries. **Community Development:** Revenue is dependent on public usage.
Operational Revenue	82,950	**Group Finance:** The over-recovery is due to the implementation of automated notices, which has resulted in increased 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			
Fines, penalties and forfeits	63,247	**Public Safety (JMPD):** The over-recovery is mainly as a result of the successful recovery of fines and penalties.	
License and permits	(354)	**EISD:** The under recovery is due to decrease in applications received for business licenses and permits.	**EISD:** Improve billing for air quality licenses.
Transfers and subsidies - Operational	615,375	**Group Finance:** The over recovery 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	39,203	**Group Finance:** The over-recovery is driven by revenue generated from penalties imposed, as well as customer journal adjustments processed by the Property Branch resulting from improved collections on overdue debts. This revenue line is jointly affected by entries and billing adjustments processed by both RSSC and the Property Branch. In addition, the reversal of penalties is often utilised as a negotiation 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 as custodian of credit control processes should tighten efforts to collect long outstanding debts.
Expenditure By Type			
Remuneration of councillors	(6,217)	**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	**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.

		only be implemented after the recommendations are published in the Government Gazette.	
Inventory consumed	188,553	**MTC:** The over-expenditure is due to additional projects undertaken by the entity, including initiatives from the Transport Department, Public Safety as well as allied entities. These projects involve the delivery of ICT equipment and the installation of hardware solutions. Additionally, the entity successfully secured new projects during the period, including revenue enhancement and facility management services performed on behalf of GICT.	**MTC:** The budget will be evaluated during the budget adjustment process and as revenue affects direct expenditure.

Depreciation and amortisation	(232,417)	**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.	**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	176,385	**City Power:** The over-budget position is primarily driven by increased finance and security costs. Finance costs exceeded projections by R201 million due to higher late-payment interest on Eskom purchases, while interest on the bank overdraft surpassed the allocated budget as a result of elevated overdraft levels. Engagements with the City remain underway regarding the potential freezing of overdraft interest and the conversion of the shareholder loan to equity. Security costs - due	**City Power:** The bank overdraft is an internal loan from the City and represents the current account balance between both parties. Engagements continue with the city regarding the interest on the bank overdraft being freeze and the shareholders loan being converted to equity. **JOSHCO:** Regular engagements have resumed with COJ departments to follow up on outstanding invoices. Finance department working with the office of the COO to ensure timeous submission of invoices to departments where projects are executed on them on behalf.

		to security requirements to safeguard critical infrastructure, protect Revenue Protection teams operating in high-risk areas, and provide coverage for newly commissioned substations and Microgrid plants handed over to City Power. **JOSHCO:** The over expenditure incurred is due to the interest charged by the Shareholder on the negative sweeping bank account.	

Contracted services	(978,688)	**Transport:** Due to under spending on contracted services, as well as delays in the disbursement of funds to suppliers for the related contracted services projects. In addition, the compensation lump sum payable to the Rea Vaya Phase 1C(a) affected taxi operators remains outstanding due to delays in the finalisation of taxi operating licenses and the delayed operationalisation of JITI. **City Power:** Due to underspending on the following: Consultant fees are significantly below budget due to reduced programmed activity. Commission paid - is materially lower following the introduction of the fixed charge on sales, which reduces the commissionable base, corrective action is being pursued through Contracts Management to align contractual terms. Repairs and maintenance - expenditure is	**Transport:** The department is in the process of following up on outstanding invoices and finalisation of operational licenses for affected taxi operators to commence with the transaction of compensation payment as this is the bulk expenditure budgeted for by the department. **City Power:** Budget to be reviewed during the adjustment budget process. **Public Safety (JMPD):** Spending will improve when contracts are functional. **Group Finance:** The expenditure is expected to increase in the coming months.

		substantially below budget due to delays in maintenance execution, invoice processing challenges, and contractor reluctance linked to prior-year non-payments. **Public Safety (JMPD):** The under- expenditure is due to the absence of commissioned work or commitments, as the Service Level Agreement has not yet been signed by the City Manager. **Group Finance**: Due to underspending on legal fees related to ATTCOL, largely because invoices are processed on an accrual basis and subjected to rigorous verification before payment is made. Contracted general expenditure is expected to increase following the signing of the Service Level Agreement with MTC for Revenue Enhancement, Credit Control, and Advisory Services. Additionally, spending remains constrained as the tender process for pre-	

		termination notifications has not yet been finalised at the BEC level. **City Manager:** The under budget is due to under spending on legal expenses thus far.	

Transfers and subsidies	(14,646)	**DED:** The under-budget position is due to the allocation of R59 million to the DED for the 2025/26 financial year. The Department has signed SLAs and is in the process of allocating funds to implementing agents. In addition, the Department has received the first and second tranches of Grant Funding from National Treasury, with allocations made to EISD, Social Development, CRUM, JCPZ, JT, City Power, and JOSHCO. Expenditure has been recognized only for in-house project spending, contributing to the current. **City Manager:** The under expenditure is due to non-payments for Joy of Jazz and DStv Delicious, which occurred toward the end of September 2025. Invoices have yet to be received.	**DED:** Follow up with merchant payment on the payment status of the submitted accrued invoices. **City Manager:** R9,400,000 worth of invoices have been sent to Sundry Payments for processing. The payments are expected to be processed soon.

Operational costs	262,039	**City Power:** The over-expenditure is driven by significant cost pressures on the following items: across legal, fleet, and telecommunications expenditure lines. Legal expenses - mainly due to substantial legal fees incurred in relation to the SARS refund matter. Fleet costs - due to increased number of leased vehicles and delays in implementing the car allowance scheme, as well as increased diesel usage. Telecommunications costs - mainly due to the rollout of new mobile devices and the payment of software licenses for the period. **City Manager:** The over budget is due to the once-off payment of yearly insurance premiums.	**City Manager:** The expenditure will be aligned during the adjustment budget in January/February 2026. **Group Finance:** The department will monitor the claims made by MEs, and expenditure is expected to stabilize in the following months.

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

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	739,139	587,903	497,256	1,309,537			2,464,915	19,359,619	24,958,369	23,134,071		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	883,437	628,129	387,344	790,350			1,276,355	6,924,146	10,889,761	8,990,851		
Receivables from Non-exchange Transactions - Property Rates	1400	897,999	680,276	544,326	1,417,899			2,257,807	10,526,589	16,324,896	14,202,295		
Receivables from Exchange Transactions - Waste Water Management	1500	544,073	372,788	282,969	802,885			1,140,719	8,374,702	11,518,135	10,318,305		
Receivables from Exchange Transactions - Waste Management	1600	182,384	159,143	132,031	369,653			655,446	5,286,369	6,785,024	6,311,467		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(69)	17,141	16,984	33,396			32,661	1,354,800	1,454,913	1,420,857		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(270,067)	(117,971)	(152,216)	(175,349)			(206,519)	(414,996)	(1,337,118)	(796,864)		
Total By Income Source	**2000**	**2,976,896**	**2,327,409**	**1,708,694**	**4,548,371**	**–**	**–**	**7,621,383**	**51,411,229**	**70,593,982**	**63,580,983**	**–**	**–**
2024/25 - totals only		**2,831,436**	**1,736,412**	**1,809,839**	**4,024,310**			**7,995,587**	**48,461,913**	66,859,497	**60,481,810**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	46,275	80,818	47,163	120,088			188,021	1,934,056	2,416,421	2,242,165		
Commercial	2300	822,675	560,181	308,685	732,410			1,256,790	7,236,261	10,917,002	9,225,461		
Households	2400	2,107,945	1,686,411	1,352,846	3,695,873			6,176,572	42,240,912	57,260,559	52,113,357		
Other	2500									–	–		
Total By Customer Group	**2600**	**2,976,896**	**2,327,409**	**1,708,694**	**4,548,371**	**–**	**–**	**7,621,383**	**51,411,229**	**70,593,982**	**63,580,983**	**–**	**–**

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

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									–	860,211
Bulk Water	0200	851,012								851,012	–
PAYE deductions	0300									–	–
VAT (output less input)	0400									–	–
Pensions / Retirement deductions	0500									–	–
Loan repayments	0600									–	–
Trade Creditors	0700	2,087,244	331,657	779,548	1,312,183	1,801,820	1,293,448	108,715	263,564	7,978,179	18,033,601
Auditor General	0800									–	–
Other	0900	500,555	239,027	116,998	9,473	284,343	931	114,505	174,439	1,440,272	809,088
Total By Customer Type	**1000**	**3,438,811**	**570,683**	**896,546**	**1,321,657**	**2,086,163**	**1,294,379**	**223,220**	**438,003**	**10,269,463**	**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 - M04 October

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	6	–	6	#DIV/0!	–
Agency services		–	–	–	–	–	–		–
Interest		407,228	–	32,389	119,363	135,744	(16,381)	-12%	407,228
Interest earned from Receivables		–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		1,905,990	–	317,593	856,513	635,328			1,905,990
Dividends		161,603	–	344	10,507	53,868	(43,361)	-80%	161,603
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–		–
Licence and permits		170,488	–	5,481	21,844	56,828	(34,984)	-62%	170,488
Special rating levies									
Operational Revenue		–	–	–	–	–	–		–
Non-Exchange Revenue		209,041	–	38,318	139,716	69,684	70,032	100%	209,041
Property rates		–	–	–	–	–			–
Surcharges and Taxes		(176,674)	–	(60,752)	(122,085)	(58,892)			(176,674)
Fines, penalties and forfeits		(3,994)	–	(205)	(978)	(1,332)	354	-27%	(3,994)
Licences or permits		(8,979,745)	–	(150,246)	(3,607,993)	(2,993,248)			(8,979,745)
Transfer and subsidies - Operational		(127,429)	–	(21,709)	(81,679)	(42,476)			(127,429)
Interest		(4,572,290)	–	(381,024)	(1,524,097)	(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)**	**–**	**(258,128)**	**(4,328,601)**	**(3,738,277)**	**(590,324)**	**16%**	**(11,214,823)**
Expenditure By Type									
Employee related costs		(176,674)	–	(60,752)	(122,085)	(58,892)	(63,193)	107%	(176,674)
Remuneration of councillors		(3,994)	–	(205)	(978)	(1,332)	354	-27%	(3,994)
Bulk purchases - electricity		(8,979,745)	–	(150,246)	(3,607,993)	(2,993,248)	(614,745)	21%	(8,979,745)
Inventory consumed		(127,429)	–	(21,709)	(81,679)	(42,476)	(39,203)	92%	(127,429)
Debt impairment		(4,572,290)	–	(381,024)	(1,524,097)	(1,524,097)	–		(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)	–	(850)	7,285	(22,785)			(68,335)
Total Expenditure		**(13,928,467)**	**–**	**(614,786)**	**(5,329,548)**	**(4,642,830)**	**(686,718)**	**15%**	**(13,928,467)**
Surplus/(Deficit)		2,713,644	–	356,658	1,000,947	904,553	96,394	11%	2,713,644
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–		(68,335)
Transfers and subsidies - capital (in-kind)		(68,335)	–	(850)	7,285	(22,785)	30,070	-132%	(1,520,066)
Surplus/(Deficit) after capital transfers & contributions		2,645,309	–	355,808	1,008,232	881,768	126,464	14%	1,125,243
Income Tax		5,674,538	–	257,845	1,787,528	1,891,110	(103,583)	-5%	5,674,538
Surplus/(Deficit) after income tax		**(3,029,229)**	**–**	**97,963**	**(779,295)**	**(1,009,342)**	**230,047**	**-23%**	**(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 - M04 October

Description	Ref	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
Revenue By Municipal Entity										
Pikitup			3,460,685	–	280,572	1,129,923	1,156,921	(26,998)	-2%	3,460,685
City Power			26,366,421	–	1,951,162	8,780,630	8,795,065	(14,435)	0%	26,366,421
Johannesburg Water			21,262,729	–	1,711,845	6,703,184	7,029,764	(326,580)	-5%	21,262,729
Johannesburg Social Housing Company			273,513	–	9,249	76,036	91,172	(15,136)	-17%	273,513
Johannesburg Property Company			47,304	–	8,333	11,221	15,768	(4,547)	-29%	47,304
Metropolitan Trading Company			33,791	–	25,660	133,829	11,264	122,565	1088%	33,791
Metrobus			112,117	–	5,859	25,380	37,376	(11,996)	-32%	112,117
Johannesburg City Parks and Zoo			92,143	–	6,912	26,018	30,712	(4,694)	-15%	92,143
JDA			80,953	–	10,257	24,784	26,984	(2,200)	-8%	80,953
Johannesburg Roads Agency			180,931	–	6,773	12,493	60,308	(47,815)	-79%	180,931
Joburg City Theatres			43,352	–	9,842	30,106	14,452	15,654	108%	43,352
Joburg Market			748,428	–	59,509	228,589	249,476	(20,887)	-8%	748,428
Joburg Tourism Company			–	–	–	–	–	–		–
Total Operating Revenue	1	–	**52,702,368**	–	**4,085,972**	**17,182,194**	**17,519,262**	**(337,068)**	**-2%**	**52,702,368**
Expenditure By Municipal Entity										
Pikitup			4,462,115	–	403,411	1,636,023	1,469,334	166,690	11%	4,462,115
City Power			23,490,028	–	2,262,112	10,739,191	10,106,614	632,577	6%	23,490,028
Johannesburg Water			19,180,125	–	1,602,866	6,418,253	6,393,376	24,877	0%	19,180,125
Johannesburg Social Housing Company			413,343	–	53,335	251,981	137,784	114,197	83%	413,343
Johannesburg Property Company			1,101,897	–	87,215	320,523	367,300	(46,777)	-13%	1,101,897
Metropolitan Trading Company			360,189	–	88,787	279,315	120,064	159,251	133%	360,189
Metrobus			719,878	–	61,683	226,984	239,960	(12,976)	-5%	719,878
Johannesburg City Parks and Zoo			1,385,713	–	113,615	437,538	420,437	17,101	4%	1,385,713
JDA			137,461	–	10,839	43,583	45,820	(2,237)	-5%	137,461
Johannesburg Roads Agency			1,632,788	–	124,278	553,508	544,260	9,248	2%	1,632,788
Joburg City Theatres			332,157	–	24,810	91,204	110,720	(19,516)	-18%	332,157
Joburg Market			650,175	–	41,147	185,420	216,728	(31,308)	-14%	650,175
Joburg Tourism Company			101,996	–	9,977	24,685	34,000	(9,315)	-27%	101,996
Total Operating Expenditure	2	–	**53,967,866**	–	**4,884,073**	**21,208,207**	**20,206,396**	**1,001,811**	**5%**	**53,967,866**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

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		288,017	371,607	295,562	(76,045)	-25.7%	4%
September	357,900		340,796	712,403	653,462	(58,941)	-9.0%	8%
October	720,447		456,820	1,169,223	1,373,909	204,686	14.9%	13%
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**	–	**1,169,223**					