COJ: GOVERNANCE TECHNICAL CLUSTER	2024-05-
COJ: GOVERNANCE SUB-MAYORAL	2024-05-
COJ: EMT	2024-05-
COJ: MAYORAL COMMITTEE	2024-05-
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 MARCH 2024

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2024

1. STRATEGIC THRUST

Good Governance

Financial Sustainability

2. OBJECTIVE

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

This report sets out the progress on the financial performance of the City of Johannesburg against the budget for the period ended 31 March 2024, in compliance with section 71 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

3. SUMMARY

The attached in-year report (Annexure A) provides a high-level summary of Consolidated Monthly budget statement period ending March 2024 in the prescribed format. Material variances will be briefly referred to in this report. Reasons for variances are provided for material variances that are below 5% for revenue and above 5% for expenditure.

The actual year-to-date revenue variance is 1%, R732 million over performance [March 2023: - 4%]. The actual operating expenditure is over budget by 2%, R975 million [March 2023: - 4%]. The net result is an operating surplus of R425 million against a year-to-date (YTD) budgeted surplus of R669 million.

The Capital budget for the 2023/24 financial year amounts to R6.9 billion after the approval of the adjusted budget in Council. The total actual expenditure to date amounts to R3.2 billion (46%) of the medium-term budget.

The total opening and closing investment balances including cash for the month of March 2024 were R4.1 billion and R5.8 billion respectively. This shows an increase of R1.7 billion during the month as indicated in Table 1 below.

Mar 24	OPENING R	CLOSING R
Operational Call Deposits	1 009 633 594,32	1 927 057 362,24
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	234 391 058,58	697 860 516,27
Absa Primary Account Balance	3 688 871,85	105 174 907,14
TOTAL UNENCUMBERED	**1 247 713 524,75**	**2 730 092 785,65**
Contingency Reserve Fund	1 177 076,28	1 177 076,28
Unfunded Liability Fund	2 030 000,00	2 030 000,00
COID	279 500 000,00	279 500 000,00
Capital Grants	-	-
Capital Replacement Reserve	1 294 544 963,61	1 453 121 888,88
Non-Sweeping Bank Accounts	1 238 654 094,05	1 285 465 060,31
TOTAL ENCUMBERED	**2 815 906 133,94**	**3 021 294 025,47**
TOTAL INVESTMENTS	**4 063 619 658,70**	**5 751 386 811,12**

Table 1: Cash Balances as at 31 March 2024; Source – Bank Statements

Mar 24	OPENING R	CLOSING R
Cash and Cash Equivalents	1 618 251 460,13	1 697 778 136,57
Interest Rate swaps	-177 564 639,23	-233 284 727,98
Tradable Instruments Portfolio	354 775 679,50	350 703 105,50
TOTAL SINKING FUND INVESTMENTS	**1 795 462 500,40**	**1 815 196 514,09**

Table 1a: Sinking Fund Balance as at 31 March 2024 including Accrued Interest: Source –Sinking Fund AFS and Bank Statements

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

- Total encumbered balances increased by R205 million during this same period, with the most growth being in the capital replacement reserve portfolio. The combined movement resulted in the overall total balance increase of R1.7 billion.

- The Sinking Fund balances closed R20 million higher at R1.8 billion, with an increase in of R79.5 million in the cash and cash equivalents portfolio and the tradable instruments portfolio decreased with an amount of R4 million. These movements are in respect of interest received, deposits and market movements. The interest rate swaps reflect a negative movement of R56 million during the month of March.

- The Fund remains adequately funded for the next three years; however, it should be noted that no contributions ae missed going forward to maintain the positive funding status. A contribution of R500 million was injected into the Fund during July 2023. An additional contribution of R65 million has been injected into the Fund by the end of March 2024.

Cash movements analysis:

Inflows for the month of March amounted to R9.5 billion versus outflows of R7.8 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was an increase of R1.7 billion as depicted in Table 1.1 below.

Mar 24	
Description	**R**
Cash Collections	3 716 599 485,83
Revenue cash collections paid into Primary and Ordinary bank accounts	110 383 635,68
Direct Payments into MOE Revenue accounts	10 096 334,26
Prepaid Collections	146 637 846,01
Other Income (Interest Received, Vat Refund, Licensing Fees)	574 264 800,06
Operating Grants and Subsidies	3 963 294 600,00
Positive Sweepings and Non-Sweeping Movements	936 618 930,54
Total Cash Inflows	9 457 895 632,38
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-6 867 013 508,52
Negative Sweepings and Non-Sweeping Movements	-903 114 971,44
Total Cash Outflows	-7 770 128 479,96
Net Movement	1 687 767 152,42

Summary Table 1.1 Cash Movements as at 31 March 2024

Cash outflows were less than the inflows resulting in a positive movement on the overall cash balances. The inflows for the month of March include cash collection (R3.7 billion), receipts paid directly into MOE bank accounts (R10 million); service charges related receipts paid into the Ordinary and Primary bank accounts (R110 million), Prepaid collections of R147 million, Operating grants amounting to R4 billion and other income (R574 million).

The table below indicates the level of grant funding received year to date up to 31 March 2024.

Table 4.1 indicates the level of grant funding received during March 2024.

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

Table 4.1 – Source: National Treasury and Bank Statements

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

FY2023/24 Conditional Grants Performance

Table 4.2 depicts the year-to-date expenditure as at 31 March 2024 against FY2023/24 allocations.

FY2023/24				
Conditional Grant Name	YTD Allocations received R	Expenditure R	Unspent R	% Expenditure against YTD Allocations received
USDG	1 535 158 000,00	706 785 553,15	828 372 446,85	46%
ISUPG	620 962 000,00	452 035 241,97	168 926 758,03	73%
PTNG	737 523 000,00	158 546 614	578 976 386,01	21%
NDPG	97 099 000,00	68 830 615,00	28 268 385,00	71%
ISDG	5 569 000,00	3 011 306	2 557 694,00	54%
EPWP	13 197 000,00	9 989 266	3 207 734,00	76%
FMG	1 000 000,00	750 121	249 879,00	75%
PPPSG	35 000 000,00	19 142 581	15 857 419,37	55%
MEHG	6 500 000,00	-	6 500 000,00	0%
Totals	**3 052 008 000,00**	**1 419 091 297,74**	**1 626 416 702,26**	**46%**

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

Profit And Cost Centres Movements Analysis

According to the City's business model, key cash generators are City Power, Joburg Water, Pikitup and Rates & Taxes. Cash generators or profit centres fund overall City operations including City cost centres like the Community Development Department. Table 3 below depicts movements and balances on sweeping and non-sweeping bank accounts for the month ended 31 March 2024 for all MOEs.

As depicted in the sweeping statements for the month ended 31 March 2024, City Power, JDA, Joshco, Metrobus, Propcom Portfolio, and MTC remain overdrawn.

Entity	End of February Balance R	Monthly Inflows R	Monthly Outflows R	Net Movement R	End of March Balance R
City Power	**-12 364 982 382,70**	1 563 080 928,21	-2 687 945 512,19	-1 124 864 583,98	**-13 489 846 966,68**
Joburg Water	1 413 027 136,36	1 473 645 298,35	-1 209 216 218,68	264 429 079,67	1 677 456 216,03
Pikitup	1 047 423 766,86	271 897 987,05	-262 912 480,61	8 985 506,44	1 056 409 273,30
Parks Zoo	918 372 013,97	225 515 690,10	-86 525 432,33	138 990 257,77	1 057 362 271,74
Fresh Produce	175 101 892,92	1 340 468,40	-23 580 792,63	-22 240 324,23	152 861 568,69
JDA	**-991 441 552,67**	92 587 508,72	-74 251 988,22	18 335 520,50	**-973 106 032,17**
Joshco	**-1 286 817 516,62**	5 485 573,20	-34 144 385,86	-28 658 812,66	**-1 315 476 329,28**
Metro Bus	**-621 801 411,46**	102 252 243,47	-30 557 816,50	71 694 426,97	**-550 106 984,49**
Propcom	276 601 689,27	92 311 717,25	-63 230 876,65	29 080 840,60	305 682 529,87
Propcom Portfolio	**-134 565 918,53**	6 916 886,52	-1 675 836,09	5 241 050,43	**-129 324 868,10**
Roads	329 959 843,91	269 445 393,35	-276 157 558,01	-6 712 164,66	323 247 679,25
MTC	**-309 909 026,40**	**74 140 947,30**	**-52 012 322,46**	**22 128 624,84**	**-287 780 401,56**
JTC	73 093 021,19	7 195 191,80	-1 490 497,55	5 704 694,25	78 797 715,44
Core	15 539 558 102,59	8 773 957 499,89	-6 468 304 463,41	2 305 653 036,48	17 845 211 139,08
Total Sweepings and Balances	**4 063 619 658,69**			**1 687 767 152,42**	**5 751 386 811,11**

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

Inflows for the month of March versus outflows resulted in a positive net movement of R1.7 billion.

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

	YTD Net Movement									
	July 2023	Aug 2023	Sept 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	YTD
Entity	R	R	R	R	R	R	R	R	R	R
City Power	-1 898 105 046,47	-363 779 617,72	-1 693 691 140,55	-115 715 956,43	38 593 754,26	-699 966 220,66	1 297 644 282,12	1 127 449 822,27	-1 124 864 583,98	-3 432 334 707,06
Joburg Water	-1 011 174 164,26	330 082 673,19	-416 417 098,86	-222 871 469,73	-80 476 731,60	-958 361 068,12	1 699 549 409,17	504 731 012,21	264 429 079,67	110 491 661,78
Pikitup	76 274 289,80	319 299 087,46	109 666 121,07	-74 632 326,20	177 446 192,26	113 926 987,77	136 221 952,41	-387 345 621,32	8 986 606,44	477 841 190,69
Parks Zoo	-158 462 269,13	170 168 804,78	73 554 856,83	-79 667 135,32	-52 895 849,08	-33 499 731,81	138 307 027,04	-132 648 930,78	138 990 257,77	63 947 030,30
Fresh Produce	200 096 562,92	-27 837 299,04	-31 192 135,39	-88 243 090,98	-47 338 061,79	32 864 265,80	-6 664 471,84	-77 131 106,81	-22 240 324,23	-67 685 661,36
JDA	-199 670 992,55	35 752 997,20	117 811 277,45	-24 996 157,46	-27 861 627,52	-164 648 639,97	-684 222,51	-66 662 115,28	18 335 520,50	-302 493 960,14
Joshco	-161 168 763,20	-172 384 466,61	-3 234 478,87	-72 776 628,35	100 009 521,30	88 175 154,88	34 784 172,20	2 730 441,12	-28 658 812,66	-202 623 848,19
Metro Bus	14 187 893,65	-51 378 206,30	24 333 288,69	23 341 236,98	-124 873 764,63	-30 471 747,85	94 406 704,77	-29 018 063,35	71 694 426,97	-7 778 254,17
Propcom	23 981 468,71	63 229 695,65	-9 329 352,34	-51 730 795,60	38 812 060,29	-23 538 725,68	-9 902 344,96	-5 324 512,35	29 080 840,60	55 178 334,32
Propcom Portfolio	2 353 937,03	-17 054 276,01	28 463 316,61	3 598 131,18	10 151 263,59	6 334 162,81	6 067 607,47	4 630 769,66	5 241 050,43	49 785 862,66
Roads	-285 084 166,34	-33 718 503,03	7 633 093,75	62 369 464,19	413 749 364,98	-103 221 836,10	208 026 142,02	-146 371 650,10	-6 712 164,68	118 669 944,69
MTC	-170 764 168,62	17 986 131,80	-103 381 454,09	-5 317 197,34	-75 037 377,71	-40 390 823,34	66 947 729,61	-119 455 489,35	22 128 624,84	-407 304 024,30
JTC	-6 760 405,30	11 466 188,65	5 644 630,04	-6 909 313,87	-6 428 046,94	7 426 401,11	2 801 354,34	4 653 894,16	5 704 694,26	17 489 296,43

Table 3.1(a): Sweeping movements analysis

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

February 2024 Billing & March 2024 Collections; YTD Billing & Collections

	Billing	**Collections (Note 1)**	**%**	**Total Billing**	**Total Collections**	**%**
	Feb 2024	**Mar 2024**		**YTD: Jun'23 to Feb'24**	**YTD: Jul'23 to Mar'24**	
	R 000's	**R 000's**		**R 000's**	**R 000's**	
Rates	1 364 313	1 124 673	82.4%	12 704 877	11 397 166	89.7%
Electricity	1 526 883	1 618 533	106.0%	15 952 572	15 136 114	94.9%
Water	1 689 021	1 173 700	69.5%	15 195 796	11 097 043	73.0%
Refuse	273 960	197 913	72.2%	2 454 073	1 847 013	75.3%
TOTAL	**4 854 177**	**4 114 819**	**84.8%**	**46 307 318**	**39 477 336**	**85.3%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R4.9 billion in February 2024 with R4.1 billion collected in March 2024 resulting in a monthly collection rate of 84.8%. The year-to-date billing as at 29 February 2024 is R46.3 billion with R39.5 billion collected as at 31 March 2024 resulting in a year-to-date collection rate of 85.3% which is below the budgeted collection rate of 87.3%. The City's inability to meet the budgeted collection will result in a risk of inadequate cash to fund operational commitments. Therefore, interventions to improve collections need to be intensified.

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

Reconciliation between Treasury banking and RSSC collections

Description	Mar 2024	YTD
	R 000's	R 000's
Balance as reported by Treasury	3 983 717	37 776 291
Deposits reflected by Treasury in previous month	-6 674	977 698
Refunds, Deposits and Sundry Revenue	-76 627	-818 623
Water: Industrial Effluent and Cross-Boundary Sales	37 822	267 741
Difference in electricity and water prepaid sales	14 463	-467
Non-Cash Items:		
Staff Accounts	8 982	70 275
Departmental Settlements	153 136	1 204 421
Total Revenue as per Revenue Collection Report	**4 114 819**	**39 477 336**

The March 2024 deposits of approximately R6.7 million are mainly as a result of the monthly timing differences that occur due to electronic payments received at the end of the month and reflected on the Treasury Bank Statement for that month. These deposits are uploaded to the accounts and will only reflect in the following month on the RSSC Revenue Collections Report.

Revenue Performance: Actual vs. Budget

Description		Feb 2024	Mar 2024
Budget Billing	R 000	5 368 476	4 928 349
Actual Billing	R 000	4 854 177	4 978 633
Shortfall (-) / Surplus (+) in Billing	R 000	-514 299	50 284
Budget Collection	R 000		4 376 863
Actual Revenue Collection	R 000		4 114 819
Shortfall (-) / Surplus (+) in Collections	R 000		-262 044
Actual Billing vs. Budgeted Billing	%	90.4%	101.0%
Actual Collection vs. Budgeted Collection	%		94.0%
Budgeted Collection (Mar) vs Budgeted Billing (Feb)	%		81.5%
Actual Collections (Mar) vs. Actual Billing (Feb)	%		84.8%

The actual billing of R4.9 billion for February 2024 was 514 million below the budgeted billing of R5.4 billion. The actual collection of R4.1 billion for March 2024 was R262 million below the budgeted collection of R4.4 billion. This reflects a risk to the funding of the budget due to performance being below the budgeted targets. There is still under performance on the annual collection rate target of 87.3%.

4. POLICY IMPLICATION

None.

5. LEGAL AND CONSTITUTIONAL IMPLICATIONS

The city is progressively working towards full mSCOA compliance through the SAP Business Transformation Process, with its various release strategies. This report includes the schedules that represent the modules and components of SAP that can be produced using a hybrid of the SAP Budget Planning and Consolidation module and some manual interventions.

6. FINANCIAL IMPLICATIONS

None

7. COMMUNICATION IMPLICATIONS

None.

8. COMPLIANCE WITH MUNICIPAL STANDARD CHART OF ACCOUNTS (mSCOA)

The primary objective of the mSCOA regulation is to achieve uniformity across all governments (municipalities and municipal entities). All municipalities were expected to transact in line with the seven mSCOA segments from 01 July 2017.

The City does not have an mSCOA system for transacting; however, the City is still required to submit financial information to the National Treasury in terms of the seven mSCOA segments, and the project team is currently developing an interim reporting solution. The month 09 mSCOA data strings was submitted to the National Treasury on the 15th April 2024.

9. OTHER DEPARTMENTS/BODIES CONSULTED

The Core Departments and the Municipal Owned Entities are required to provide the details as contained in this report under the approval of each Chief Financial Officer monthly.

The table below highlights the compliance of departments and entities with the Section 71 process (Trial balance upload on Reporting platform by 5th working day):

No	Entity/Department	Operational Expenditure	Capital Expenditure
1	Core (All departments)	Not submitted in time	Not submitted in time
2	City Power	Yes	Yes
3	Joburg Water	Yes	Yes
4	Pikitup	Yes	Yes
5	Joburg Roads Agency	Yes	Yes
6	Joburg Development Agency	Yes	Yes
7	Metrobus	Yes	Yes
8	Joburg City Parks and Zoo	Yes	Yes
9	Joburg Property Company	Yes	Yes
10	Metro Trading Company	Yes	Yes
11	Joburg City Theatres	Yes	Yes
12	JOSCHO	Yes	Yes
13	Joburg Fresh Produce Market	Yes	Yes
14	Joburg Tourism Company	Yes	Yes

10. KEY PERFORMANCE INDICATOR

In-year budget monitoring in compliance with the MFMA.

It is recommended that.

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

Author: Phindile Tshezi
Assistant Director: Financial Analysis
011 021 3350

CHARITY-ANN WURAYAYI
GROUP HEAD GROUP ACCOUNTING

SENIOR LEGAL ADVISOR
GROUP LEGAL AND CONTRACTS

MALOPE RAMAGAGA
ACTING GROUP HEAD: RSSC

DATE

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

DATE

TEBOGO MORAKA
GROUP CHIEF FINANCIAL OFFICER

DATE

COUNCILLOR SELLO ENOCK MORERO
MMC GROUP FINANCE

24/06/2024
DATE

Annexure A

In-Year Report

Budget year: 2023/24

Reporting Period: Month 09

March 2024

PART 1: IN-YEAR REPORT

1.1 Mayor's Report

On 14 June 2023, Council approved the 2023/24 Medium-term Revenue and Expenditure Framework (MTREF) for the City of Johannesburg. This gives effect to the financial plan of the City of Johannesburg, which includes its entities.

1.2 Executive Summary

The financial results of the City of Johannesburg for period ended 31 March 2024 are summarised as follows:

Consolidated Monthly budget statement - summary.

The summary of the consolidated monthly budget statement as reflected in table C4 provides the following information:

- Revenue by source.
- Expenditure by type; and
- Transfers recognised.

The table provides information related to the unaudited outcome, original budget, and the performance for the period under review, YTD variance and YTD percentage variance.

The total revenue excludes capital transfers and contributions. The reasons for variances are captured in Table SC1 of this report.

The operating revenue that was realized, excluding capital transfers and contributions, reflects a positive variance of R732 million against the YTD budget for the period ended 31 March 2024.

The operating expenditure is overspent by R975 million, against year-to-date expenditure budget of R54.6 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R6.9 billion. The actual year to date expenditure (excluding commitments) amounts to R3.2 billion (46%) of the adjustment budget.

Capital Expenditure per funding source as at 31 March 2023:

Description (R million)	Budget 22/23	YTD Exp	% Spent
CoJ Loans	1,830	791	43%
CRR / Cash	1,791	908	51%
Nat Grant	315	22	7%
Prov Grant	5	-	0%
USDG	1,205	548	45%
USIP	685	223	32%
Other	545	310	57%
Total CoJ	6,375	2,801	44%

Capital Expenditure per funding source as at 31 March 2024:

Description (R million)	Budget 23/24	YTD Exp	% Spent
CoJ Loans	2,500	1,409	56%
CRR / Cash	1,230	563	46%
Nat Grant	558	62	11%
Prov Grant	5	-	0%
USDG	1,535	707	46%
USIP	737	195	26%
Other	338	249	74%
Total CoJ	6,903	3,186	46%

COJ Loans, Cash, National Grant, USDG funding and USIP funding as well as other funding sources have the spending in the current month under review. When compared to the previous year overall spending (excluding commitments) is at 46%, which is a 2% slight increase from the previous year.

Consolidated Summary - Capital Expenditure as 31 March 2024:

Description (R million)	Budget 23/24	Year To Date Expenditure	% Spent
Economic Development	1	1	86%
EISD	9	0	0%
Transportation	526	23	4%
Community Development	41	1	1%
Health	98	6	6%
Social Development	102	20	20%
Forensic	1	0	31%
Ombudsman	1	0	14%
Office of the City Manager	17	1	6%
Speaker	3	-	0%
Group ICT	337	-17	-5%
Group Finance	30	11	38%
Group Corporate Services	33	0	1%
Human Settlements	1,429	370	26%
Development Planning	48	3	6%
Public Safety	60	22	37%
Total Core Administration	2,736	441	16%

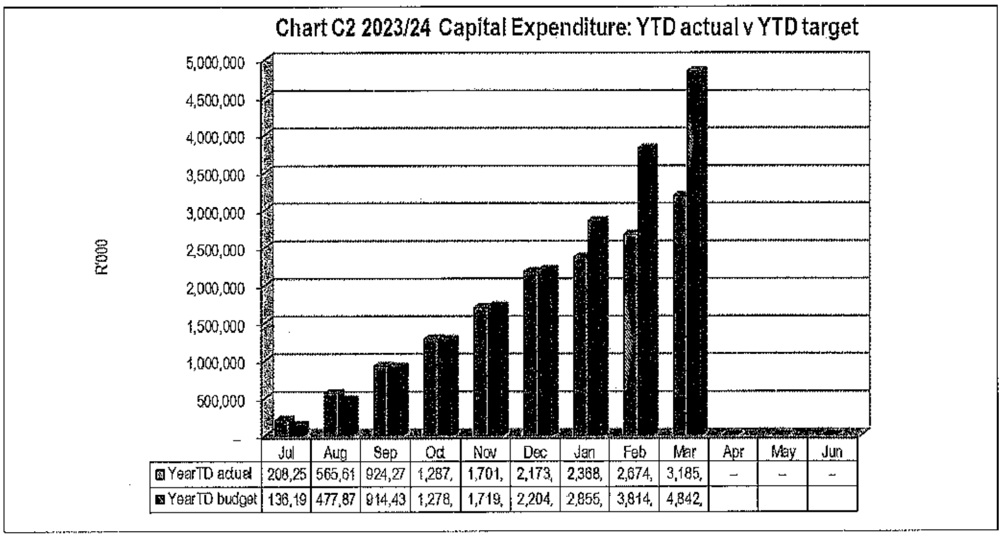
Less than a R500K expenditure indicates a zero-spending due to rounding off to the nearest R1 million.

Description (R million)	Budget 23/24	YTD Exp	% Spent
City Power	1,358	931	90%
Johannesburg Water	1,072	717	67%
Pikitup	92	59	87%
Jhb Roads Agency	809	447	67%
Metrobus	73	50	82%
Jhb City Parks and Zoo	51	20	39%
Jhb Development Agency	198	129	65%
Jhb Property Company	25	11	44%
Metro Trading Company	4	7	185%
Joburg Market	122	105	86%
JOSHCO	337	246	73%
Joburg City Theatres	22	19	88%
Joburg Tourism	5	5	98%
Total MEs	4,167	2,744	76%

The negative movement is due to accruals that have been reversed. Core departments' spending is significantly lower than the municipal entities' spending at 16% versus 76% respectively. The departments with the least expenditure are EISD, Transport, Community Development, GICT and Group Corporate Services. In addition, Legislative Speaker, has not started spending. GFIS, Economic Development and Ombudsman's budget and expenditure is less than a R1 million.

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

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	208,25	565,61	924,27	1,287,	1,701,	2,173,	2,368,	2,674,	3,185,	–	–	–
YearTD budget	136,19	477,87	914,43	1,278,	1,719,	2,204,	2,855,	3,814,	4,842,			

Cash Flow

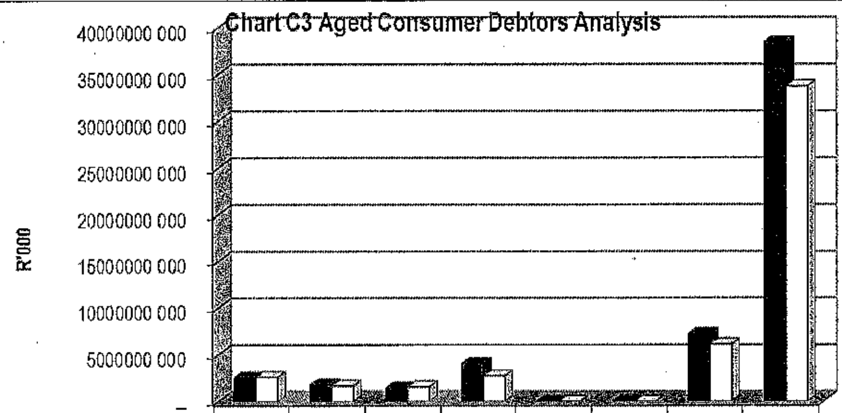
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

- Cash and Cash equivalents as at the end of March 2024 amount to R5.7 billion.
- The cash flow from operating activities is R2.6 billion.
- The cash flow from investing activities amount to R3.2 billion, negative.
- The cash flow from financing activities amount to R2.3 billion.

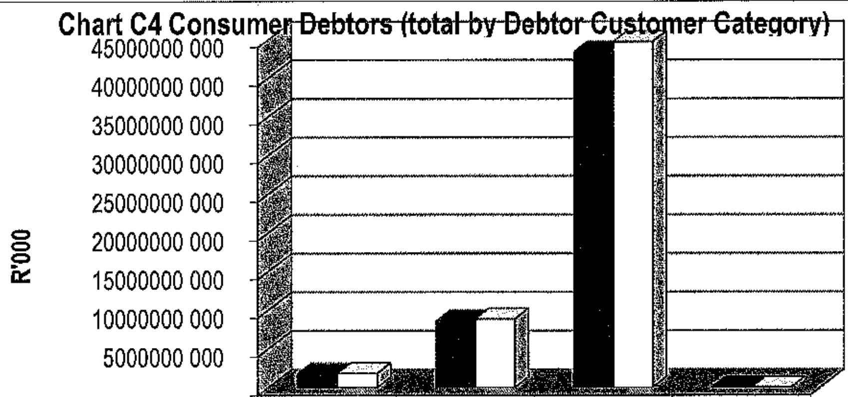
Debtor Age Analysis

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 R55.4 billion. Chart C3 below illustrates the Consumers debtors age analysis:



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Budget Year 2023/24	2552407	9800538	21436870	740402347	–	–	7231540	438378260
2022/23	2601756	01676497	01568473	02739591 0	–	–	6107457	033694729



	Organs of State	Commercial	Households	Other
2022/23	1795599 462	8596566 730	43384490 448	–
Budget Year 2023/24	1851133 466	8862439 928	44726278 812	–

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

- 5 016 electricity accounts were identified for disconnections, total value R4.4 billion of which R62.6 million were collected from 1 369 accounts.
- 22 119 water accounts were identified for disconnections, total value R5.5 billion of which R85.8 million were collected from 6 995 accounts.

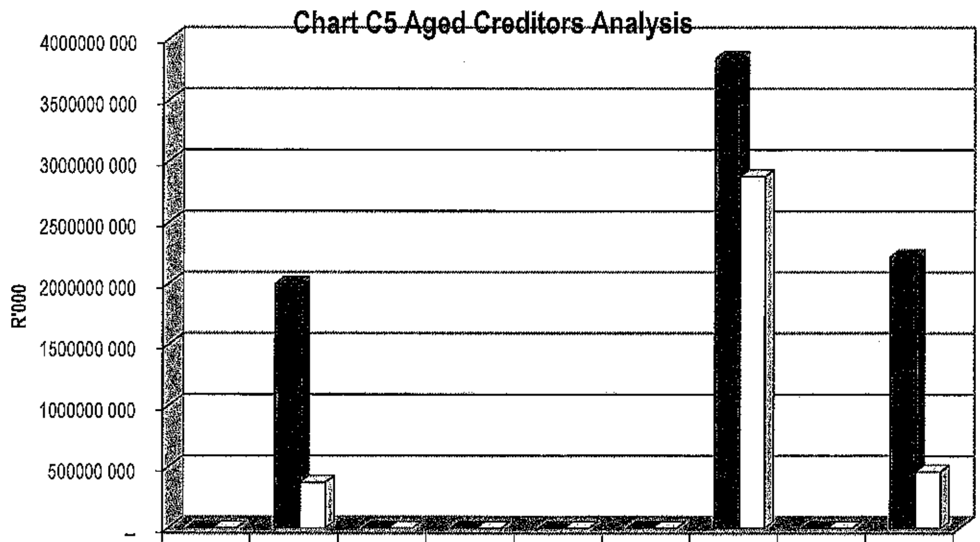
In addition, a Revenue Enhancement Steering committee has been set with the following objectives:

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

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

Creditors' age analysis

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



	Bulk Electricity	Bulk Water	PAYE deductions	VAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Auditor General	Other
2022/23	–	1997070 86	–	–	–	–	3839584 90	–	2221264 51
Budget Year 2023/24	–	374973 523	–	–	–	–	2874982 92	–	462674 253

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 January 2023 are reflected in Tables C1, C4, C6 and C7, and they are followed by the supporting documents contained in the SC Tables (SC1, SC3, SC4, SC10, SC11 and SC12). The tables listed above represent the modules and components of SAP that can be produced using a hybrid of the SAP Budget Planning and Consolidation (BPC) module and some manual interventions.

Summary of municipal entities (Table SC11)

The City of Joburg has 13 municipal entities, as indicated in Table SC11:

This table summarises the revenue, operating expenditure for these entities. The reasons for the variance are captured in Table SC1.

PART 2: SUPPORTING SCHEDULES

Table C1 – Monthly budget statement summary

JHB City Of Johannesburg - Table C1 Monthly Budget Statement Summary - M09 March

Description	Budget Year 2023/24							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance								
Property rates	16 372 765	16 372 765	1 566 779	12 785 549	12 279 573	505 976	4%	16 372 765
Service charges	42 048 461	38 954 508	3 060 655	28 736 389	31 113 223	(2 376 834)	-8%	38 954 508
Investment revenue	–	–	–	–	–	–		–
Transfers and subsidies - Operational	174 350	185 576	33 656	199 699	139 185	60 514	43%	185 576
Other own revenue	16 798 294	15 692 804	3 199 370	14 282 013	11 740 137	2 541 876	22%	–
Total Revenue (excluding capital transfers and contributions)	**75 393 870**	**71 205 653**	**7 860 459**	**56 003 649**	**55 272 118**	**731 531**	**1%**	**71 205 653**
Employee costs	19 007 361	19 063 085	1 600 567	14 798 498	14 182 311	616 187	4%	19 063 085
Remuneration of Councillors	184 542	182 642	15 451	133 691	136 980	(3 289)	-2%	182 642
Depreciation and amortisation	4 784 336	4 867 246	338 431	3 210 916	3 657 115	(446 199)	-12%	4 867 246
Interest	2 171 098	2 396 800	27 635	1 736 860	1 797 614	(60 754)	-3%	2 396 800
Inventory consumed and bulk purchases	22 762 169	19 627 427	1 734 890	17 583 440	16 952 840	630 600	4%	19 627 427
Transfers and subsidies	138 835	84 424	4 352	32 871	63 306	(30 435)	-48%	84 424
Other expenditure	24 251 177	23 860 994	1 519 048	18 082 066	17 813 213	268 852	2%	23 860 994
Total Expenditure	**73 299 518**	**70 082 618**	**5 240 373**	**55 578 341**	**54 603 379**	**974 962**	**2%**	**70 082 618**
Surplus/(Deficit)	**2 094 352**	**1 123 035**	**2 620 085**	**425 308**	**668 739**	**(243 431)**	**-36%**	**1 123 035**
Transfers and subsidies - capital (monetary allocations)	3 208 307	3 392 438	(52 803)	1 130 310	2 496 349	(1 366 039)	-55%	3 392 438
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**5 302 659**	**4 515 473**	**2 567 283**	**1 555 618**	**3 165 088**	**(1 609 470)**	**-51%**	**4 515 473**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**5 302 659**	**4 515 473**	**2 567 283**	**1 555 618**	**3 165 088**	**(1 609 470)**	**-51%**	**4 515 473**
Capital expenditure & funds sources								
Capital expenditure	**7 642 206**	**6 903 334**	**510 734**	**3 185 514**	**4 842 992**	**(1 657 477)**	**-34%**	**6 903 334**
Capital transfers recognised	3 142 206	3 173 334	269 251	1 213 051	2 122 111	(909 060)	-43%	3 203 334
Borrowing	2 500 000	2 500 000	215 426	1 409 138	1 875 829	(466 691)	-25%	2 500 000
Internally generated funds	**2 000 000**	**1 230 000**	**26 057**	**563 325**	**845 051**	**(281 726)**	**-33%**	**1 200 000**
Total sources of capital funds	**7 642 206**	**6 903 334**	**510 734**	**3 185 514**	**4 842 992**	**(1 657 477)**	**-34%**	**6 903 334**
Financial position								
Total current assets	20 494 077	13 408 136		62 000 629				13 408 136
Total non current assets	92 317 514	91 453 303		98 230 907				91 453 303
Total current liabilities	16 092 009	13 972 829		56 740 096				13 972 829
Total non current liabilities	27 521 244	27 441 172		44 783 458				27 441 172
Community wealth/Equity	**69 198 337**	**63 447 439**		**61 493 153**				**63 447 439**
Cash flows								
Net cash from (used) operating	10 661 829	4 128 460	1 903 405	2 635 140	10 476 190	7 841 051	75%	4 862 917
Net cash from (used) investing	(7 880 233)	(7 003 428)	(232 343)	(3 176 518)	(5 171 841)	(1 995 323)	39%	(7 003 428)
Net cash from (used) financing	(300 393)	(302 273)	(47 495)	2 266 359	(2 101 705)	(4 368 064)	208%	(302 486)
Cash/cash equivalents at the month/year end	**6 930 714**	**878 069**	**–**	**5 687 186**	**7 257 954**	**1 570 768**	**22%**	**1 620 622**
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	1 800 538	1 436 871	4 040 235	–	–	7 231 540	38 378 260	55 439 852
Creditors Age Analysis								
Total Creditors	215 978	19 391	63 768	50 554	(4 620)	189 040	248 913	3 712 631

Table C4 - Monthly budget statement – Revenue and expenditure

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

Description	Ref	Budget Year 2023/24							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue									
Exchange Revenue									
Service charges - Electricity		23 097 508	19 155 633	1 503 966	13 879 138	16 615 641	(2 736 502)	-16%	19 155 633
Service charges - Water		9 486 608	9 986 396	749 739	7 471 116	7 489 800	(18 684)	-0%	9 986 396
Service charges - Waste Water Management		6 893 182	6 893 546	556 538	5 197 083	5 170 158	26 925	1%	6 893 546
Service charges - Waste management		2 571 163	2 918 933	250 411	2 189 051	1 837 624	351 427	19%	2 918 933
Sale of Goods and Rendering of Services		870 667	595 562	564 699	1 180 031	445 456	734 575	165%	595 562
Agency services		386 492	371 492	36 500	279 662	278 622	1 040	0%	371 492
Interest		–	–	–	–	–	–		–
Interest earned from Receivables		332 416	486 829	42 807	434 969	336 847	98 122	29%	486 829
Interest from Current and Non Current Assets		174 350	185 576	33 656	199 699	139 185	60 514	43%	185 576
Dividends		–	–	–	550	–	550		–
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		535 867	588 210	23 266	227 340	441 171	(213 831)	-48%	588 210
Licence and permits		–	–	197	1 979	–	1 979		–
Operational Revenue		1 046 832	886 946	151 742	787 210	665 200	122 010	18%	886 946
Non-Exchange Revenue									
Property rates		16 372 765	16 372 765	1 566 779	12 785 549	12 279 573	505 976	4%	16 372 765
Surcharges and Taxes		302 905	302 905	33 444	232 552	227 178	5 374	2%	302 905
Fines, penalties and forfeits		951 574	161 256	(80 026)	124 314	120 942	3 372	3%	161 256
Licence and permits		10 870	3 433	(992)	1 867	2 574	(707)	-27%	3 433
Transfers and subsidies - Operational		8 281 453	8 334 444	1 789 170	7 952 767	6 250 851	1 701 916	27%	8 334 444
Interest		116 245	116 245	8 126	176 270	87 183	89 087	102%	116 245
Fuel Levy		3 838 724	3 838 724	629 088	2 879 044	2 879 046	(3)	-0%	3 838 724
Operational Revenue		118 335	–	–	–	–	–		–
Gains on disposal of Assets		5 914	6 758	849	603	5 067	(4 464)	-88%	6 758
Other Gains		–	–	499	2 855	–	2 855		–
Discontinued Operations		–	–	–	0	–	0		–
Total Revenue (excluding capital transfers and contributions)		**75 393 870**	**71 205 653**	**7 860 459**	**56 003 649**	**55 272 118**	**731 531**	**1%**	**71 205 653**
Expenditure By Type									
Employee related costs		19 007 361	19 063 085	1 600 567	14 798 498	14 182 311	616 187	4%	19 063 085
Remuneration of councillors		184 542	182 642	15 451	133 691	136 980	(3 289)	-2%	182 642
Bulk purchases - electricity		16 403 226	13 639 856	1 040 740	12 122 476	12 454 508	(332 032)	-3%	13 639 856
Inventory consumed		6 358 943	5 987 571	694 150	5 460 964	4 498 332	962 632	21%	5 987 571
Debt impairment		7 983 550	7 212 505	839 357	7 064 121	5 304 684	1 759 437	33%	7 212 505
Depreciation and amortisation		4 784 336	4 867 246	338 431	3 210 916	3 657 115	(446 199)	-12%	4 867 246
Interest		2 171 098	2 396 800	27 635	1 736 860	1 797 614	(60 754)	-3%	2 396 800
Contracted services		7 575 012	7 407 514	45 133	4 128 544	5 615 135	(1 486 591)	-26%	7 407 514
Transfers and subsidies		138 835	84 424	4 352	32 871	63 306	(30 435)	-48%	84 424
Irrecoverable debts written off		–	–	(19 937)	83 100	–	83 100		–
Operational costs		6 772 269	6 614 616	413 250	4 671 663	4 923 621	(251 958)	-5%	6 614 616
Losses on Disposal of Assets		302	6 847	(15 318)	4 798	5 136	(338)	-7%	6 847
Other Losses		1 920 044	2 619 512	256 563	2 129 838	1 964 637	165 201	8%	2 619 512
Total Expenditure		**73 299 518**	**70 082 618**	**5 240 373**	**55 578 341**	**54 603 379**	**974 962**	**2%**	**70 082 618**
Surplus/(Deficit)		**2 094 352**	**1 123 035**	**2 620 085**	**425 308**	**668 739**	**(243 431)**	**-36%**	**1 123 035**
Transfers and subsidies - capital (monetary allocations)		3 208 307	3 392 438	(52 803)	1 130 310	2 496 349	(1 366 039)	-55%	3 392 438
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**5 302 659**	**4 515 473**	**2 567 283**	**1 555 618**	**3 165 088**			**4 515 473**
Income Tax		80 168	68 977	–	–	51 741		–	68 977
Surplus/(Deficit) after income tax		**5 222 491**	**4 446 496**	**2 567 283**	**1 555 618**	**3 113 347**			**4 446 496**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**5 222 491**	**4 446 496**	**2 567 283**	**1 555 618**	**3 113 347**			**4 446 496**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–			–
Intercompany/Parent subsidiary transactions		–	–	–	–	–			–
Surplus/ (Deficit) for the year		**5 222 491**	**4 446 496**	**2 567 283**	**1 555 618**	**3 113 347**			**4 446 496**

Table C6 – Financial Position

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

Description	Ref	Budget Year 2023/24			
R thousands	1	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS					
Current assets					
Cash and cash equivalents		6 930 714	878 069	5 687 186	878 069
Trade and other receivables from exchange transactions		13 014 236	9 541 141	11 804 988	9 541 141
Receivables from non-exchange transactions		–	1 560 932	12 963 652	1 560 932
Current portion of non-current receivables		–	–	1 279 867	–
Inventory		549 127	541 733	409 674	541 733
VAT		–	684 330	29 930 045	684 330
Other current assets		–	201 931	(74 782)	201 931
Total current assets		**20 494 077**	**13 408 136**	**62 000 629**	**13 408 136**
Non current assets					
Investments		787 795	796 771	–	796 771
Investment property		1 036 836	1 033 310	5 343	1 033 310
Property, plant and equipment		85 737 194	84 399 614	90 668 103	84 399 614
Biological assets		29 386	–	(174)	–
Living and non-living resources		–	32 081	–	32 081
Heritage assets		–	633 422	519 637	633 422
Intangible assets		1 069 416	1 151 803	(6 399 083)	1 151 803
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		64 463	–	53 196	–
Other non-current assets		3 592 423	3 406 301	13 383 885	3 406 301
Total non current assets		**92 317 514**	**91 453 303**	**98 230 907**	**91 453 303**
TOTAL ASSETS		**112 811 590**	**104 861 439**	**160 231 536**	**104 861 439**
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Financial liabilities		1 543 567	1 315 634	1 083 852	1 315 634
Consumer deposits		21 556	23 139	1 921 705	23 139
Trade and other payables from exchange transactions		13 751 867	11 187 257	14 768 423	11 187 257
Trade and other payables from non-exchange transactions		–	147 399	4 588 461	147 399
Provision		775 019	690 650	1 255 662	690 650
VAT		–	432 951	28 928 438	432 951
Other current liabilities		–	175 799	4 193 555	175 799
Total current liabilities		**16 092 009**	**13 972 829**	**56 740 096**	**13 972 829**
Non current liabilities					
Financial liabilities		20 121 909	20 609 424	42 948 318	20 609 424
Provision		7 399 335	1 801 446	1 020 982	1 801 446
Long term portion of trade payables		–	451 603	33 820	451 603
Other non-current liabilities		–	4 578 699	780 337	4 578 699
Total non current liabilities		**27 521 244**	**27 441 172**	**44 783 458**	**27 441 172**
TOTAL LIABILITIES		**43 613 254**	**41 414 001**	**101 523 554**	**41 414 001**
NET ASSETS	2	**69 198 337**	**63 447 439**	**58 707 982**	**63 447 439**
COMMUNITY WEALTH/EQUITY					
Accumulated surplus/(deficit)		69 198 337	63 447 439	60 514 530	63 447 439
Reserves and funds		–	–	205 538	–
Other		–	–	773 084	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**69 198 337**	**63 447 439**	**61 493 153**	**63 447 439**

Table C7 – Cash flow

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

Description	Ref	Budget Year 2023/24							
R thousands	1	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		14 889 119	14 889 119	1 260 297	10 588 801	11 166 839	(578 037)	-5%	14 889 119
Service charges		36 255 075	33 441 267	2 880 591	27 537 805	36 787 434	(9 249 630)	-25%	33 441 267
Other revenue		7 964 524	6 630 899	799 262	7 847 837	1 485 679	6 362 158	428%	6 572 909
Transfers and Subsidies - Operational		8 281 453	8 334 444	3 042 863	10 770 577	278 622	10 491 955	3766%	8 334 444
Transfers and Subsidies - Capital		2 803 834	2 864 962	919 367	3 052 008	2 402 501	649 508	27%	3 392 438
Interest		566 695	690 661	25 087	254 869	121 892	132 977	109%	690 661
Dividends		–	–				–		–
Payments									
Suppliers and employees		(57 788 937)	(60 241 667)	(6 947 681)	(55 965 515)	(39 905 855)	16 059 659	-40%	(59 976 697)
Finance charges		(2 171 098)	(2 396 800)	(63 300)	(1 375 703)	(1 797 614)	(421 911)	23%	(2 396 800)
Transfers and Subsidies		(138 835)	(84 424)	(13 081)	(75 540)	(63 306)	12 234	-19%	(84 424)
NET CASH FROM/(USED) OPERATING ACTIVITIES		10 661 829	4 128 460	1 903 405	2 635 140	10 476 190	7 841 051	75%	4 862 917
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		410 055	338 283			(67)	67	-100%	338 283
Decrease (increase) in non-current receivables		–	–			–	–		–
Decrease (increase) in non-current investments		(648 081)	(438 377)			(328 783)	328 783	-100%	(438 377)
Payments									
Capital assets		(7 642 206)	(6 903 334)	(232 343)	(3 176 518)	(4 842 992)	(1 666 473)	34%	(6 903 334)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 880 233)	(7 003 428)	(232 343)	(3 176 518)	(5 171 841)	(1 995 323)	39%	(7 003 428)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	3 670 000	–	3 670 000		–
Borrowing long term/refinancing		2 500 000	2 500 000		–	–	–		2 500 000
Increase (decrease) in consumer deposits		213	–			–	–		(213)
Payments									
Repayment of borrowing		(2 800 606)	(2 802 273)	(47 495)	(1 403 641)	(2 101 705)	(698 064)	33%	(2 802 273)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(300 393)	(302 273)	(47 495)	2 266 359	(2 101 705)	(4 368 064)	208%	(302 486)
NET INCREASE/ (DECREASE) IN CASH HELD		2 481 204	(3 177 241)	1 623 567	1 623 567	3 202 644			(2 442 998)
Cash/cash equivalents at beginning:		4 449 510	4 055 310	4 063 620	4 063 620	4 055 310			4 063 620
Cash/cash equivalents at month/year end:		6 930 714	878 069		5 687 188	7 257 954			1 620 622

ADDITIONAL SUPPORTING SCHEDULES: Table SC1: Variance reasons

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	**Revenue**			
	Exchange Revenue			
	Service charges - Electricity	(2 736 502)	The underperformance is mainly as a result of the following: (a)• Decreased consumption for all Industrial and Commercial customers; (b) The services charges dropped due to the overall reduction in units purchased. This reduction was significantly driven by load shedding; (c) Customers are moving from normal residential conventional tariffs to prepaid tariff, which has an impact on the service charge as there is a tariff differential of 30%. (d) New connections due to less service connection applications received during the period under review. (e) Cut off fees are less than the budget by R8.9 million due to the low number of pre-termination notices issued by the Shareholder.	Stand by stand audit to ensure all customers are billed on a correct tariff. • Technical audit for all LPU and Business meters to ensure they are still calibrated and programmed correctly. • Review tariffs to ensure that the tariffs are 50% network charge and 50% consumption. • Ensuring that invoices are processed in time and working on the revenue variance reductions. • TID (Token Identifier) roll out to normalize prepaid meters.

	Service charges - Waste management	351 427	The over performance is due to positive billing trend for Domestic Clients as property prices were adjusted by the revaluation of the property roll.	No remedial action as income is over budget.
	Sale of Goods and Rendering of Services	734 575	**Joburg Water:** The entity is over budget by R77 million (566%) this is due revenue generated from sales of scraped assets. **Pikitup:** The entity is over budget by R351 million (19%) this is mainly due to positive billing trend for Domestic Clients as property prices were adjusted by the revaluation of the property roll. **Metro Trading Company:** The entity is over budget by R 264 million, the over recovery is attributable to revenue deriving from related party projects. These projects included a revenue enhancement project for BRT and Metrobus project.	
	Interest earned from Receivables	98 122	**City Power & Joburg Water:** The over performance is due to an increase in the number of long overdue debtors. **Group Finance:** Due to interest charged on unfavourable sweeping bank balances of the entities.	JWater and RSSC have been working together to reduce the number of outstanding debtors. **Group Finance:** The Cash Flow is closely monitored at MOE's level to try and address these outcomes.
	Interest from Current and Non-Current Assets	60 514	The over performance is due to the slightly increasing cash balances.	No remedial action.

	Rental from Fixed Assets	(213 831)	The under recovery is due to the delays in the approval of reports by EAC that has resulted in the lease renewal period being longer than the average 3 months it takes for a lease to be renewed. Furthermore, the delays in council approvals for potential new leases has also stifled income received from the rental of facilities and equipment.	Need for greater speed and improved turnaround times for EAC approvals. To improve the revenue generation, JPC is currently performing a lease and land audit to ensure optimal utilisation of the City's properties.
	Operational Revenue	122 010	**City Power:** The over recovery of R103 million is due to revenue generated from COGTA (Gauteng Department of Co-operative Governance and Traditional Affairs), which relates to the Gauteng Energy Crisis Response Project.	
	Non-Exchange Revenue			
	Property rates	505 976	The year to actual is in line with the year-to-date budget. This line item is inclusive of revenue foregone. The YTD is over-budget by R 506 million (4%). Property Rates revenue for the month of March 2024 amounts to R1.3 billion after rebates. During the month of March, Journal adjustments amounting to R 71 million were processed in customer accounts. The journal adjustments are due to changes in	

			market value because of objections and valuation appeal board decisions.	
	Licence and permits	(707)	Due to under recovery is due low number of applications for business licences and permits received.	
	Transfers and subsidies - Operational	1 701 916	The over performance is attributable to grants of equitable share received as the final payment of grant tranches from the National Treasury. The grant is paid in three tranches within the financial year which is in (JULY, DECEMBER, and MARCH).	
	Interest	89 087	**Group Finance:** Relates to penalties imposed. This line is jointly impacted with entries and billing adjustments. Reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors. Customer Overall movement is informed by debtors ageing.	
	Expenditure By Type			
	Employee related costs	616 187	The line item is a slightly over expenditure due to the following: **Public Safety:** The department is over budget by R574 million (24%) this is mainly as a result of employees required to work overtime during the period under review. **City Power:** is over budget **by**	

			R90 million (7%) due to more employees working overtime to restore power in the affected areas because of load shedding.	
	Bulk purchases - electricity	(332 032)	The year to actual is in line with the year-to-date budget. The minor variance incurred is due to less units purchased from both Eskom and Kevin due to low demand. Load shedding and customers using alternative sources of energy also impacted the units purchased.	
	Inventory consumed	962 632	**JMPD:** The over expenditure is mainly due to acquisition of additional stationary under the category of stores and material. **MTC:** The over expenditure is attributable to higher installation and IT Support service expenses incurred in delivering on projects conducted on behalf of other departments and entities.	**MTC:** The expenditures will be offset by increased income as projects near completion.
	Debt impairment	1 759 437	**Joburg Water:** The over expenditure is due to a decrease on collection levels. The year-to-date collection level is 76.75% as compared to the budgeted payment level of 77.8% resulting in a higher contribution to Bad Debts.	A revised credit control strategy was developed (by Joburg Water and RSSC) to address the current collection challenges.
	Depreciation and amortisation	(446 199)	The under expenditure is as a result of capital projects that are still at the procurement stage as well as work in progress that will be capitalized once completed. The other	Expenditure will improve during the financial year when assets are capitalised.

			contributor is due to assets not yet capitalized due to projects that are still pending completion.	
	Interest	(60 754)	The year to actual is in line with the year-to-date budget.	
	Contracted services	(1 486 591)	**Transport Department:** Delays in paying compensation lump sum payable to the Rea Vaya Phase 1C (a) affected taxi operators due to delays is finalisation of the taxi operating licenses, reduction in Phase1 a () buses due to mechanical issues and delays in operationalisation of JITI. **City Manager**: The under expenditure is primarily due to ongoing investigations and audits related to UIFW and probity that have yet to be completed. Additionally, under spending on repairs and maintenance as a result of Head office (Metro Centre) not being operational. **GICT:** The under expenditure is due to current liquidity issues, payments are being processed late. The budget is however committed.	**Transport:** The department is in the process of following up on outstanding invoices and finalisation operational licenses for affected taxi operators to commence with the transaction of compensation payment as this is the bulk of expenditure budgeted for by the department. **City Manager:** The department will ensure funds are spent at the end of fiscal year.
	Transfers and subsidies	(30 435)	**Economic Development:** The Department appointed entities to implement PEP (Public employment programmes) grant, however there is a delay in signing of grant allocation reports from City Manager's office. **Group Finance:**	**Group Finance:** The expenditure is expected to improve in the coming months when claims are submitted from entities.

			Due to no major claims received from entities as well as due to subsidies being payable to entities either monthly or quarterly or yearly.	

Table SC3: Aged debtors' analysis

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

Description	NT Code	Budget Year 2023/24											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	680 972	592 548	456 138	1 388 572			2 635 206	13 830 112	19 583 549	17 853 891		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	727 672	345 575	245 628	761 796			1 224 651	5 667 670	8 972 992	7 654 118		
Receivables from Non-exchange Transactions - Property Rates	1400	775 790	541 890	448 049	1 127 845			1 795 796	8 014 861	12 704 232	10 938 502		
Receivables from Exchange Transactions - Waste Water Management	1500	381 754	310 506	212 860	656 479			1 204 238	6 387 526	9 153 363	8 248 243		
Receivables from Exchange Transactions - Waste Management	1600	192 162	137 757	119 011	322 933			575 766	4 036 974	5 384 603	4 935 673		
Receivables from Exchange Transactions - Property Rental Debtors	1700	(1 523)	10 855	10 790	21 369			21 243	1 095 221	1 157 956	1 137 833		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(204 419)	(138 593)	(55 605)	(238 759)			(225 361)	(654 105)	(1 516 843)	(1 118 225)		
Total By Income Source	2000	2 552 408	1 800 538	1 436 871	4 040 235	–	–	7 231 540	38 378 260	55 439 852	49 650 035	–	–
2022/23 - totals only		2 601 756	1 676 497	1 568 473	2 739 591			6 107 457	33 694 729	48 388 503	42 541 777		
Debtors Age Analysis By Customer Group													
Organs of State	2200	44 074	42 474	33 131	91 287			187 930	1 452 238	1 851 133	1 731 455		
Commercial	2300	609 303	379 946	263 556	760 249			1 189 972	5 659 415	8 862 440	7 609 636		
Households	2400	1 899 031	1 378 119	1 140 185	3 188 699			5 853 638	31 266 607	44 726 279	40 308 945		
Other	2500									–	–		
Total By Customer Group	2600	2 552 408	1 800 538	1 436 871	4 040 235	–	–	7 231 540	38 378 260	55 439 852	49 650 035	–	–

Table SC4: Aged creditors analysis

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

Description	NT Code	Budget Year 2023/24									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	374 974								374 974	1 997 071
PAYE deductions	0300									–	–
VAT (output less input)	0400									–	–
Pensions / Retirement deductions	0500									–	–
Loan repayments	0600									–	–
Trade Creditors	0700	2 318 126	61 895	5 913	51 897	30 550	(4 620)	162 322	248 901	2 874 983	3 839 585
Auditor General	0800									–	–
Other	0900	236 507	154 083	13 478	11 872	20 005	–	26 717	13	462 674	2 221 265
Total By Customer Type	**1000**	**2 929 606**	**215 978**	**19 391**	**63 768**	**50 554**	**(4 620)**	**189 040**	**248 913**	**3 712 631**	**8 057 920**

Table SC 10 : Parent (Core) municipality's Financial performance

JHB City Of Johannesburg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M09 March

Description	Ref	Budget Year 2023/24							
R thousands	1	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue									
Exchange Revenue									
Service charges - Electricity		–	–	–	–	–	–		–
Service charges - Water		–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–		–
Service charges - Waste management		–	–	–	–	–	–		–
Sale of Goods and Rendering of Services		–	–	(7)	(8)	–	(8)		–
Agency services		–	–	–	–	–	–		–
Interest		386 492	371 492	31 313	247 421	278 622	(31 201)	-11%	371 492
Interest earned from Receivables		–	–	–	–	–	–		–
Interest earned from Current and Non Current Assets		1 462 814	1 386 844	354 225	1 631 188	1 040 130			1 386 844
Dividends		147 420	147 420	28 230	148 948	110 565	38 383	35%	147 420
Rent on Land		–	–	–	–	–	–		–
Rental from Fixed Assets		–	–	–	–	–	–		–
Licence and permits		146 267	331 745	5 312	45 535	248 805	(203.270)	-82%	331 745
Operational Revenue		–	–	–	–	–	–		–
Non-Exchange Revenue		395 271	196 878	29 267	156 989	147 654	9 335	6%	196 878
Property rates		–	–	–	–	–			–
Surcharges and Taxes		(951 486)	(161 168)	80 060	(124 190)	(120 879)			(161 168)
Fines, penalties and forfeits		(10 870)	(3 433)	992	(1 867)	(2 574)	707	-27%	(3 433)
Licences or permits		(8 280 856)	(8 328 982)	(1 739 457)	(7 480 782)	(6 246 756)			(8 328 982)
Transfer and subsidies - Operational		(116 245)	(116 245)	(8 126)	(176 270)	(87 183)			(116 245)
Interest		(3 838 724)	(3 838 724)	(629 088)	(2 879 044)	(2 879 046)			(3 838 724)
Fuel Levy		–	–	–	–	–			–
Operational Revenue		(5 000)	–	–	–	–			(5 000)
Gains on disposal of Assets		–	–	–	–	–			–
Other Gains		–	–	–	–	–			–
Discontinued Operations		–	–	–	–	–			–
Total Revenue (excluding capital transfers and contributions)		**(11 060 188)**	**(10 211 050)**	**(1 876 546)**	**(8 589 069)**	**(7 658 316)**	**(930 753)**	**12%**	**(10 216 050)**
Expenditure By Type									
Employee related costs		(951 486)	(161 168)	80 060	(124 190)	(120 879)	(3 311)	3%	(161 168)
Remuneration of councillors		(10 870)	(3 433)	992	(1 867)	(2 574)	707	-27%	(3 433)
Bulk purchases - electricity		(8 280 856)	(8 328 982)	(1 739 457)	(7 480 782)	(6 246 756)	(1 234 026)	20%	(8 328 982)
Inventory consumed		(116 245)	(116 245)	(8 126)	(176 270)	(87 183)	(89 087)	102%	(116 245)
Debt impairment		(3 838 724)	(3 838 724)	(629 088)	(2 879 044)	(2 879 046)	3	0%	(3 838 724)
Depreciation and amortisation		–	–	–	–	–	–		–
Interest		(5 000)	–	–	–	–	–		(5 000)
Contracted services		–	–	–	–	–	–		–
Transfers and subsidies		–	–	–	–	–	–		–
Irrecoverable debts written off		–	–	–	–	–	–		–
Operational costs		–	–	–	–	–	–		–
Losses on disposal of Assets		–	–	–	–	–			–
Other Losses		(69 144)	(72 292)	(174 028)	(294 814)	(54 205)			(72 292)
Total Expenditure		**(13 272 325)**	**(12 520 844)**	**(2 469 648)**	**(10 956 967)**	**(9 390 643)**	**(1 566 324)**	**17%**	**(12 525 844)**
Surplus/(Deficit)		2 212 138	2 309 794	593 102	2 367 898	1 732 327	635 571	37%	2 309 794
Transfers and subsidies - capital (monetary allocations)		–	–	–	–	–	–		(72 292)
Transfers and subsidies - capital (in-kind)		(69 144)	(72 292)	(174 028)	(294 814)	(54 205)	(240 609)	444%	(1 668 461)
Surplus/(Deficit) after capital transfers & contributions		2 142 993	2 237 502	419 074	2 073 084	1 678 122	394 962	24%	569 040
Income Tax		4 849 009	4 781 416	192 049	2 574 102	3 592 121	(1 018 019)	-28%	4 781 416
Surplus/(Deficit) after Income tax		**(2 706 016)**	**(2 543 914)**	**227 025**	**(501 018)**	**(1 914 000)**	**1 412 981**	**-74%**	**(4 212 376)**

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M09 March

Description	Ref	Budget Year 2023/24							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity									
Pikitup		2 606 997	2 968 767	255 047	2 228 726	1 863 337	365 389	20%	2 968 767
City Power		23 707 579	19 941 538	1 634 801	14 624 368	17 112 742	(2 488 373)	-15%	19 941 538
Johannesburg Water		16 997 017	17 448 408	1 419 741	13 658 513	13 112 796	545 717	4%	17 448 408
Johannesburg Social Housing Company		303 597	233 954	14 349	166 424	175 473	(9 049)	-5%	233 954
Johannesburg Property Company		81 459	43 192	4 541	27 921	32 400	(4 479)	-14%	43 192
Metropolitan Trading Company		59 618	12 578	104 994	273 718	9 441	264 277	2799%	12 578
Metrobus		63 682	117 823	8 441	55 241	88 362	(33 121)	-37%	117 823
Johannesburg City Parks and Zoo		87 586	93 927	7 304	77 752	70 452	7 300	10%	93 927
JDA		75 926	60 790	5 198	38 656	45 594	(6 938)	-15%	60 790
Johannesburg Roads Agency		128 962	113 400	411 290	531 742	85 050	446 692	525%	113 400
Joburg City Theatres		67 394	40 013	5 818	59 469	30 015	29 454	98%	40 013
Joburg Market		646 656	671 071	56 511	521 260	503 307	17 953	4%	671 071
Joburg Tourism Company		3 483	3 699	547	11 545	2 772	8 773	316%	3 699
Total Operating Revenue	1	**44 829 956**	**41 749 160**	**3 928 582**	**32 275 335**	**33 131 741**	**(856 405)**	**-3%**	**41 749 160**
Expenditure By Municipal Entity									
Pikitup		3 764 315	4 082 547	392 183	3 051 987	2 641 753	410 234	16%	4 082 547
City Power		22 722 431	19 443 819	1 472 361	16 186 363	17 031 887	(845 525)	-5%	19 443 819
Johannesburg Water		14 964 254	15 706 833	1 451 263	12 857 975	11 780 135	1 077 840	9%	15 706 833
Johannesburg Social Housing Company		355 355	367 590	50 367	632 982	271 418	361 564	133%	367 590
Johannesburg Property Company		964 641	914 367	74 628	605 629	685 773	(80 144)	-12%	914 367
Metropolitan Trading Company		423 773	376 733	64 609	747 409	282 552	464 857	165%	376 733
Metrobus		601 623	641 511	41 092	531 915	481 131	50 784	11%	641 511
Johannesburg City Parks and Zoo		1 257 264	1 206 545	106 960	882 425	904 905	(22 480)	-2%	1 206 545
JDA		108 145	121 542	8 854	71 195	91 161	(19 966)	-22%	121 542
Johannesburg Roads Agency		1 438 437	1 411 418	131 842	993 793	1 058 562	(64 769)	-6%	1 411 418
Joburg City Theatres		262 776	252 593	22 829	195 972	189 459	6 513	3%	252 593
Joburg Market		558 591	584 998	38 144	371 777	438 759	(66 982)	-15%	584 998
Joburg Tourism Company		69 503	89 719	7 346	41 115	67 293	(26 178)	-39%	89 719
Total Operating Expenditure	2	**47 491 108**	**45 200 216**	**3 862 476**	**37 170 535**	**35 924 789**	**1 245 746**	**3%**	**45 200 216**

Table SC12: Monthly Budget Statement

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

	2022/23	Budget Year 2023/24							
Month R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July		114 633		208 254	208 254	114 633	(93 621)	-81,7%	3%
August		145 202		357 365	565 619	259 835	(305 784)	-117,7%	7%
Sepember		313 330		358 657	924 276	573 165	(351 111)	-61,3%	12%
October		634 303		363 278	1 287 554	1 207 468	(80 086)	-6,6%	17%
November		1 100 478		414 255	1 701 809	2 307 946	606 137	26,3%	22%
December		1 513 157		472 162	2 173 971	3 821 103	1 647 132	43,1%	28%
January		1 513 157		194 581	2 368 552	5 334 260	2 965 708	55,6%	31%
February		1 100 478		306 227	2 674 779	6 434 738	3 759 959	58,4%	35%
March		634 303	4 842 991	510 734	3 185 513	11 277 729	8 092 216	71,8%	42%
April		313 330	1 028 610			12 306 339	–		
May		145 202	685 407			12 991 746	–		
June		114 633	346 326			13 338 072	–		
Total Capital expenditure	–	7 642 206	6 903 334	3 185 513					