CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 JULY 2022

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 JULY 2022

1. STRATEGIC THRUST

The City identified Seven (7) Priority Areas that the SDBIP, IDP and budget aim to achieve. The applicable Priority for this Report is:

- A well-run City.

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 July 2022, 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 July 2022 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 18%, R1.1 billion over performance [July 2021: 18%], the over performance is due to grants received from National Treasury and other funds which are transferred in three instalments. The first tranche of equitable share to the amount of R2.4 billion was received in July, whereas the budget is on a pro-rata basis over 12 months. The actual operating expenditure is under budget by 12%, R763 million [July 2021: -10%]. The net result is an operating surplus of R1.3 billion against a year-to-date (YTD) budgeted surplus of R593 million.

The approved Capital budget for the 2022/23 financial year amounts to R7.7 billion. The total actual expenditure (excluding commitments) to date amounts to R31 million (0.4%) of the approved budget.

The total opening and closing investment balances including cash for the month of July 2022 were R3.8 billion and R4.2 billion respectively. This shows an increase of R408 million during the month as indicated in Table 1 below.

Jul 22	OPENING	CLOSING
Operational Call Deposits	379 933 023,08	872 232 116,54
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	1 067 932 103,49	944 952 440,86
Absa Primary Account Balance	52 102 283,99	689 372,27
TOTAL UNENCUMBERED	**1 499 967 410,56**	**1 817 873 929,67**
Contingency Reserve Fund	136 177 076,28	136 177 076,28
Unfunded Liability Fund	2 030 000,00	2 030 000,00
COID	262 300 000,00	262 300 000,00
Capital Grants		
Capital Replacement Reserve	16 882 031,54	16 948 634,62
Non-Sweeping Bank Accounts	1 865 426 972,08	1 955 183 289,71
TOTAL ENCUMBERED	**2 282 816 079,90**	**2 372 639 000,61**
TOTAL INVESTMENTS	**3 782 783 490,46**	**4 190 512 930,28**

Table 1: Cash Balances as at 31 July 2022; Source – Bank Statements

Jul 22	OPENING	CLOSING
Cash and Cash Equivalents	2 012 099 308,66	2 019 267 893,10
Interest Rate swaps	-108 980 914,31	-42 959 510,94
Tradable Instruments Portfolio	1 051 931 398,92	1 060 928 215,24
TOTAL SINKING FUND INVESTMENTS	**2 955 049 793,27**	**3 037 236 597,40**

Table 1a: Sinking Fund Balance as at 31 July 2022: Source –Sinking Fund AFS and Bank Statements

- Total unencumbered balances increased by R318 million during the course of the month, which was primarily driven by an increase in the operational call deposits portfolio.

- Total encumbered balances increased by R89. 8 million during this same period, with the most increase being in the non-sweeping's portfolio. The combined movement resulted in the overall total balance increase of R408 million.

- The Sinking Fund balances closed R82 million higher at R3 billion, with an increase of R7.1 million in the cash and cash equivalents portfolio. The tradable instruments portfolios increased by R8.9 million. These movements are in respect of interest received and market movements. The interest rate swaps had a positive movement of R 66 million during the month of July.

- Contributions into the Fund were stopped around May 2018. The reason for this was that the Fund was being investigated by GFIS and they wanted minimal movements within the Fund accounts as this could've obscured the context of certain transactions which needed to be investigated. The pause in contributions was for a total period of about 2 years. When it started being visible that the funding position of the fund was being severely compromised as a result of the pause in contributions, these were resumed in 2020/21.

- Total contributions in 2020/21 were R250 million. Contributions for the 2021/22 financial year amounted to R312 million. The Fund remains adequately funded for the next three years; however, it is noted that the City will not be able to miss any contributions going forward if we are to maintain the positive funding status.

Cash movements analysis:

Inflows for the month of July amounted to R7.4 billion versus outflows of R7 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 R408 million as depicted in Table 1.1 below.

Jul 22	
Description	**R**
Cash Collections	3 321 236 575,14
Revenue cash collections paid into Primary and Ordinary bank accounts	62 102 765,46
Direct Payments into MOE Revenue accounts	8 909 673,12
Prepaid Collections	169 942 773,56
Operating Grants and Subsidies	2 932 874 000,00
Other Income (Interest Received, Vat Refund, Licensing Fees)	505 863 164,99
Positive Sweepings and Non-Sweeping Movements	365 532 457,68
Total Cash Inflows	7 366 461 409,95
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-5 142 900 454,07
Negative Sweepings and Non-Sweeping Movements	-1 815 831 516,07
Total Cash Outflows	-6 958 731 970,14
Net Movement	407 729 439,81

Summary Table 1.1 Cash Movements as at 31 July 2022

- Treasury transactions include loan repayments and finance charges as per the Redemption Schedule.

- Other income includes, amongst others: licensing fees amounting to R144 million, VAT Refund of R98.5 million and interest received for the amount of R19.2 million.

- The USDG and ISUPG were not transferred in July as indicated on the National Treasury Payment Schedule, as the Minister of Human Settlements had not approved the business plans for these grants. Since then, the Minister granted approvals and payment in respect of the USDG was subsequently received on the 11th of August. However, the ISUPG is still outstanding and is expected to be received later during August.

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 July 2022 for all MOEs.

As depicted in the sweeping statements for the month ended 31 July 2022, City Power, JDA, Metrobus, Joshco and Propcom Portfolio were overdrawn.

Entity	End of June Balance	Monthly Inflows	Monthly Outflows	Net Movement	End of July Balance
City Power	**-6 782 326 324,26**	1 317 925 219,94	-2 334 541 222,16	-1 016 616 002,22	**-7 798 942 326,47**
Joburg Water	593 074 921,32	931 214 697,21	-1 043 368 543,66	-112 153 846,45	480 921 074,87
Pikitup	429 619 392,39	514 573 634,00	-447 740 247,39	66 833 386,61	496 452 779,00
Parks Zoo	841 909 089,22	124 510 578,72	-108 427 828,87	16 082 749,85	857 991 839,07
Fresh Produce	422 086 903,58	122 426 707,44	-31 773 015,65	90 653 691,79	512 740 595,37
JDA	**-625 061 656,90**	15 662 780,90	-202 145 571,95	-186 482 791,05	**-811 544 447,95**
Joshco	-1 132 763 668,48	23 393 024,73	-220 092 419,47	-196 699 394,74	-1 329 463 063,22
Metro Bus	**-476 188 651,56**	3 699 290,51	-47 852 488,03	-44 153 197,52	**-520 341 849,08**
Propcom	320 716 725,54	8 634 793,31	-165 965 356,89	-157 330 563,58	163 386 161,96
Propcom Portfolio	**-205 427 585,93**	8 336 148,39	-17 597 152,75	-9 261 004,36	**-214 688 590,29**
Roads	277 266 217,14	187 599 585,69	-236 035 940,92	-48 436 355,23	228 829 861,91
MTC	285 908 153,33	70 442 383,73	-152 292 391,90	-81 850 008,17	204 058 145,16
Core	9 833 969 975,07	7 200 010 472,21	-5 112 867 697,33	2 087 142 774,88	11 921 112 749,96
Total Sweepings and Balances	3 782 783 490,46			407 729 439,81	4 190 512 930,28

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

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

YTD Net Movement	
Entity	**Jul 22**
City Power	-1 016 616 002,22
Joburg Water	-112 153 846,45
Pikitup	66 833 386,61
Parks Zoo	16 082 749,85
Fresh Produce	90 653 691,79
JDA	-186 482 791,05
Joshco	-196 699 394,74
Metro Bus	-44 153 197,52
Propcom	-157 330 563,58
Propcom Portfolio	-9 261 004,36
Roads	-48 436 355,23
MTC	-81 850 008,17

The R1 billion increase in the City Power overdraft is as a result of the higher winter tariff on bulk purchases from Eskom. The cost is approximately R2 billion per month whilst cash collected from revenue has been on average R1.5 billion per month. The difference between bulk purchases and Revenue is the main driver for the increase in the overdraft. Revenue receipts in July was R1.2 billion whereas bulk purchases cost was R2 billion. Total payments in the month of July amounted to R2.7 billion whereas total receipts amounted to R1.6 billion.

June 2022 Billing & July 2022 Collections; Year to Date Billing & Collections:

	Billing Jun 2022 R 000's	Collections (Note 1) Jul 2022 R 000's	%	Total Billing YTD: Jun'22 to Jun'22 R 000's	Total Collections YTD: Jul'22 to Jul'22 R 000's	%
Assessment Rates	1 112 567	943 157	84.8%	1 112 567	943 157	84.8%
Electricity	1 696 074	1 383 651	81.6%	1 696 074	1 383 651	81.6%
Water	1 008 571	842 319	83.5%	1 008 571	842 319	83.5%
Refuse	253 804	161 984	63.8%	253 804	161 984	63.8%
TOTAL	**4 071 016**	**3 331 111**	**81.8%**	**4 071 016**	**3 331 111**	**81.8%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R4.1 billion in June 2022 compared to R3.3 billion collected in July 2022. This lower than the budgeted collection of 90.9%.

The collection rate of 81.8% in July was due to delayed billing experienced due to financial year-end process. The collection is expected to show a cummulative recovery during the month of August 2022.

Reconciliation between Treasury banking and RSSC collections

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

Table 2: Reconciliation between Treasury banking and RSSC collections

Description	Jul 2022 R 000's	YTD R 000's
Balance as reported by Treasury	3 562 192	3 562 192
Deposits reflected by Treasury in previous month	-324 261	-324 261
Refunds, Deposits and Sundry Revenue	-54 335	-54 335
Water: Industrial Effluent and Cross-Boundary Sales	13 674	13 674
Difference in electricity and water prepaid sales	7 997	7 997
Non-Cash Items:		
Staff Accounts	5 237	5 237
Departmental Settlements	120 607	120 607
Total Revenue as per Revenue Collection Report	**3 331 111**	**3 331 111**

The July 2022 deposits of approximately R324 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		Jun 2022	Jul 2022
Budget Billing	R 000	5 155 082	5 192 660
Actual Billing	R 000	4 071 016	4 952 156
Shortfall (-) / Surplus (+) in Billing	R 000	-1 084 066	-240 504
Budget Collection	R 000		4 684 344
Actual Revenue Collection	R 000		3 331 111
Shortfall (-) / Surplus (+) in Collections	R 000		-1 353 233
Actual Billing vs. Budgeted Billing	%	79.0%	95.4%
Actual Collection vs. Budgeted Collection	%		71.1%
Budgeted Collection (Jul) vs. Budgeted Billing (Jun)	%		90.9%
Actual Collections (Jul) vs. Actual Billing (Jun)	%		81.8%

The actual billing of R4.1 billion for June 2022 was R1.1 billion below the budgeted billing of R5.2 billion. The actual collection of R3,3 billion for July 2022 was R1.4 billion below the budgeted collection of R4.7 billion. The collection rate of 81.8% for July 2022 was 9.1% below the budgeted collection rate of 90.9%.

Actual billing for June of R4.07 billion was R1.08 billion below budgeted billing of R5.15 billion. The variance contribution was largely due to water reading period which had a cut-off date of 30 June 2022 due to financial year-end cut-off. The cut-off at year-end is enforced in order to ensure that only consumption up to 30 June 2022 is accounted for in the revenue for the year. For business customers, these cut-offs also affected sewer revenue which is billed based on actual water usage. Joburg Water also raises a revenue accrual journal in their separate annual financial statements related to the month of June to accrue for accounts that were estimated as at 30 June 2022, but subsequent actual readings received during the July to August 2022 periods. These accrual in the current year was +- R300 million which reduces the variance reported in this section 71 report.

The budget collection for the year is 90.9%, the current collection levels are below the budgeted collection. Interventions need to be put in place to intensify collection efforts and close any billing shortfalls that have arisen thus far to avoid a downward budget revision during the adjustment budget period.

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 August 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 – 01 mSCOA data strings was submitted to the National Treasury on the 15th August 2022.

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:

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	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.

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011 021 3350

CHARITY-ANN WURAYAYI
GROUP HEAD GROUP ACCOUNTING

SENIOR LEGAL ADVISOR
GROUP LEGAL AND CONTRACTS

03.11.2022
DATE

LUFUNO MASHAU
ACTING GROUP HEAD: RSSC

03.11.2022
DATE

SINOVUYO MPAKAMA /SYLVESTER MASHEGO
GROUP HEAD: TREASURY AND FINANCIAL STRATEGY AND PLANNING

03 November 2022
DATE

SINOVUYO MPAKAMA
ACTING GROUP CHIEF FINANCIAL OFFICER

Julie Suddaby

COUNCILLOR JULIE SUDDABY
MMC GROUP FINANCE

3 November 2022
DATE

Annexure A

In-Year Report

Budget year: 2022/23

Reporting Period: Month 01

July 2022

PART 1: IN-YEAR REPORT

1.1 Mayor's Report

On 27 May 2022, Council approved the 2021/22 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 July 2022 are summarised as follows:

Consolidated Monthly budget statement - summary

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

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

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

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

The operating revenue that was realized, excluding capital transfers and contributions, reflects a positive variance of R1.1 billion against the YTD budget for the period ended 31 July 2022.

The operating expenditure is underspent by R763 million, against year-to-date expenditure budget of R6.5 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R7.7 billion. The actual year to date expenditure (excluding commitments) amounts to R31 million (0.4%) of the approved budget. The actual year to date including commitments amounts to R322 million (4%) of the approved budget.

Capital Expenditure per funding source as at 31 July 2021:

Description (R million)	Budget 20/21	YTD Exp	Commit- ments	Total Exp	% Spent
CoJ Loans	3 032	27	1	28	1%
CRR / Cash	2 600	18	22	41	2%
Nat Grant	113	-	-	-	0%
Prov Grant	-	-	-	-	0%
USDG	1 213	10	-	10	1%
Other	553	4	9	14	2%
Total CoJ	7 511	59	33	92	1%

Capital Expenditure per funding source as at 31 July 2022:

Description (R million)	Budget 22/23	YTD Exp	Commit- ments	Total Exp	% Spent
CoJ Loans	1 830	4	96	100	5%
CRR / Cash	3 098	-6	160	154	5%
Nat Grant	320	-	-	-	0%
Prov Grant	-	-	-	-	0%
USDG	1 205	27	-	27	2%
USIP	685	2	-	2	0%
Other	590	3	36	39	7%
Total CoJ	7 728	31	292	322	4%

COJ Loans, cash and USDG funding sources have the spending in the month under review, while there has been no spending in the other grants namely: National and Provincial grants and USIP. When compared to the previous year overall spending (including commitments) has increased by 3%.

Consolidated Summary - Capital Expenditure as 31 July 2022:

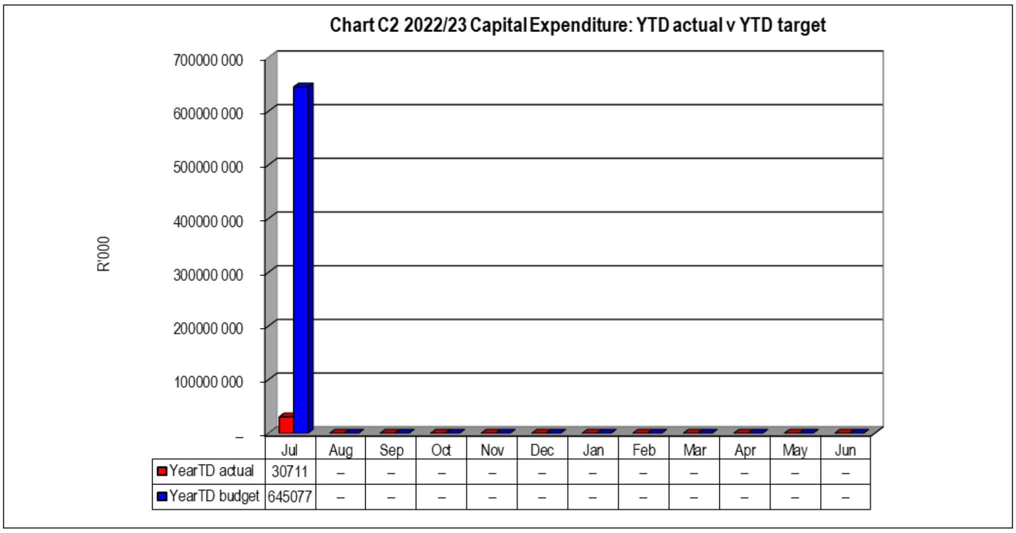
Description (R million)	Budget 22/23	YTD Exp	Commit- ments	Total Exp	% Spent
Economic Development	19	0	-	0	0%
EISD	32	-	-	-	0%
Transportation	519	-	-	-	0%
Community Development	100	-32	23	-9	-9%
Health	122	-	-	-	0%
Social Development	128	-6	8	2	2%
Forensic	6	-	0	0	1%
Ombudsman	1	-	-	-	0%
Office of the City Manager	26	-	0	0	1%
Speaker	3	-	-	-	0%
Group ICT	450	-	67	67	15%
Group Finance	40	-	-	-	0%
Group Corporate Services	205	-	0	0	0%
Housing	1 020	-	-	-	0%
Development Planning	7	-	1	1	13%
Public Safety	128	-	-	-	0%
Total Core Administration	2 806	-38	99	61	2%

Description (R million)	Budget 22/23	YTD Exp	Commit- ments	Total Exp	% Spent
City Power	1 218	2	111	113	9%
Johannesburg Water	931	63	2	64	7%
Pikitup	144	-	-	-	0%
Jhb Roads Agency	1 095	1	64	65	6%
Metrobus	60	-	-	-	0%
Jhb City Parks and Zoo	95	1	15	16	17%
Jhb Development Agency	634	-	-	-	0%
Jhb Property Company	102	-	-	-	0%
Metro Trading Company	15	-	-	-	0%
Joburg Market	119	2	-	2	2%
JOSHCO	499	-	-	-	0%
Joburg City Theatres	11	-	-	-	0%
Total MEs	4 922	69	192	261	5%

The negative movement is due to accruals that have been reversed in the current month.

Table SC12(Annexure) provides an illustration of actual capital expenditure compared to the budget target on a monthly and year-to-date basis.

The Chart below is an illustration of the Capital expenditure YTD actual vs YTD budget target:



Cash Flow

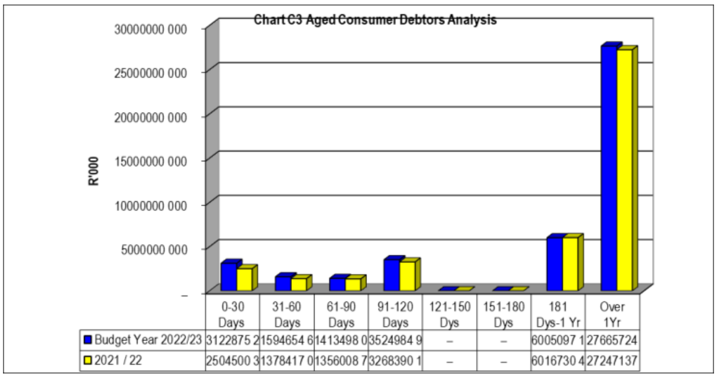
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

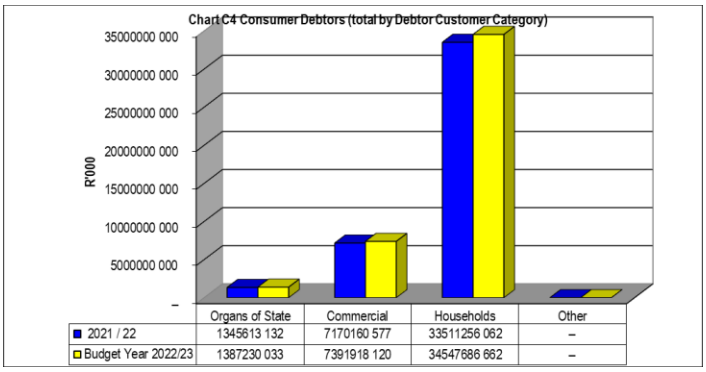
- Cash and Cash equivalents as at the end of July 2022 amount to R4.2 billion.
- The cash flow from operating activities is R1.3 billion.
- The cash flow from investing activities amount to R820 million; negative
- The cash flow from financing activities amount to R25 million; negative

Debtor Age Analysis

The debtors' report, as reflected in Tables C1 and SC3 has been prepared based on the format required to be lodged electronically with the National Treasury. This format provides an extended age analysis, as well as age analysis by debtor type. It must be noted that SAP system is currently not configured to provide service charges figures for the periods over 90 days, however 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 R43.3 billion. Chart C3 below illustrates the Consumers debtors age analysis:





Interventions / Actions

The following interventions / actions were implemented during July 2022 to increase collection levels:

(i) 8 101 accounts were identified for delivery of pre-termination notices, total value R2.3 billion of which R66.7 million were collected from 1 572 accounts.

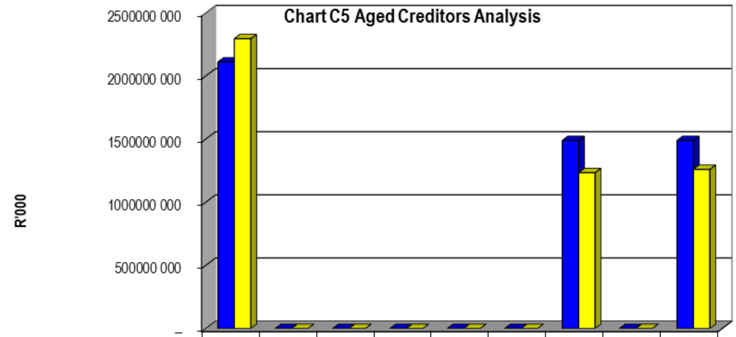
(ii) 15 200 accounts were identified for delivery of final notices, total value R4.5 billion of which R13.3 million were collected from 1 517 accounts.

(iii) 1 496 electricity accounts were identified for disconnections, total value R60.5 million of which R23 million were collected from 531 accounts.

(iv) 5 014 water accounts were identified for disconnections, total value R2.3 billion of which R38.5 million were collected from 1 578 accounts.

<u>Creditors' age analysis</u>

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
2021 / 22	2110903 91	–	–	–	–	–	1489012 65	–	1489169 40
Budget Year 2022/23	2295256 29	–	–	–	–	–	1233796 62	–	1260339 70

<u>Parent (Core) municipality's financial performance (Table SC10)</u>

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. 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, and capital expenditure for these entities. The reasons for the variance are captured in Table SC1.

1.3 In-year budget statement tables

The financial results for the period ended 31 July 2022 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.

PART 2: SUPPORTING SCHEDULES

Table C1 – Monthly budget statement summary

JHB City Of Johannesburg - Table C1 Consolidated Monthly Budget Statement Summary - M01 July

Description	2021 / 22	Budget Year 2022/23							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	14 133 073	–	1 259 235	1 259 235	1 177 756	81 479	7%	14 133 073
Service charges	–	39 598 615	–	3 071 485	3 071 485	3 421 005	(349 519)	-10%	39 598 615
Investment revenue	–	193 489	–	8 048	8 048	16 125	(8 077)	-50%	193 489
Transfers and subsidies	–	7 619 945	–	2 455 702	2 455 702	619 218	1 836 484	297%	7 619 945
Other own revenue	–	8 479 118	–	231 034	231 034	706 503	(475 469)	-67%	8 479 118
Total Revenue (excluding capital transfers and contributions)	**–**	**70 024 240**	**–**	**7 025 503**	**7 025 503**	**5 940 607**	**1 084 897**	**18%**	**70 024 240**
Employee costs	–	18 357 153	–	1 376 254	1 376 254	1 524 259	(148 005)	-10%	18 357 153
Remuneration of Councillors	–	185 164	–	14 191	14 191	15 430	(1 239)	-8%	185 164
Depreciation & asset impairment	–	4 549 947	–	317 533	317 533	379 070	(61 538)	-16%	4 549 947
Finance charges	–	2 889 039	–	225 779	225 779	240 753	(14 974)	-6%	2 889 039
Inventory consumed and bulk purchases	–	20 393 282	–	2 354 445	2 354 445	2 460 247	(105 801)	-4%	20 393 282
Transfers and subsidies	–	183 850	–	6 304	6 304	14 538	(8 234)	-57%	183 850
Other expenditure	–	23 090 584	–	1 475 650	1 475 650	1 899 140	(423 490)	-22%	23 090 584
Total Expenditure	**–**	**69 649 019**	**–**	**5 770 155**	**5 770 155**	**6 533 436**	**(763 281)**	**-12%**	**69 649 019**
Surplus/(Deficit)	**–**	**375 221**	**–**	**1 255 348**	**1 255 348**	**(592 830)**	**1 848 178**	**-312%**	**375 221**
Transfers and subsidies - capital (monetary allocations) (National / Pro	–	2 209 403	–	(10 048)	(10 048)	159 117	(169 165)	-106%	2 209 403
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	590 040	–	31 412	31 412	53 643	(22 231)	-41%	590 040
Surplus/(Deficit) after capital transfers & contributions	**–**	**3 174 664**	**–**	**1 276 712**	**1 276 712**	**(380 070)**	**1 656 782**	**-436%**	**3 174 664**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**3 174 664**	**–**	**1 276 712**	**1 276 712**	**(380 070)**	**1 656 782**	**-436%**	**3 174 664**
Capital expenditure & funds sources									
Capital expenditure	**–**	**7 740 924**	**–**	**32 827**	**32 827**	**116 114**	**(83 286)**	**-72%**	**7 740 924**
Capital transfers recognised	–	2 799 443	–	32 532	32 532	2 799 443	(2 766 911)	-99%	2 799 443
Borrowing	–	1 830 000	–	3 894	3 894	1 830 000	(1 826 106)	-100%	1 830 000
Internally generated funds	**–**	**3 111 481**	**–**	**(5 714)**	**(5 714)**	**3 111 481**	**(3 117 195)**	**-100%**	**3 111 481**
Total sources of capital funds	**–**	**7 740 924**	**–**	**30 712**	**30 712**	**7 740 924**	**(7 710 212)**	**-100%**	**7 740 924**
Financial position									
Total current assets	–	19 385 987	–		48 907 186				19 385 987
Total non current assets	–	90 220 558	–		34 761 483				90 220 558
Total current liabilities	–	17 354 987	–		38 304 344				17 354 987
Total non current liabilities	–	26 554 074	–		17 519 221				26 554 074
Community wealth/Equity	**–**	**68 786 887**	**–**		**21 261 163**				**68 786 887**
Cash flows									
Net cash from (used) operating	–	10 753 225	–	1 252 421	1 252 421	252 218	(1 000 202)	-397%	10 753 225
Net cash from (used) investing	–	(9 585 281)	–	(819 718)	(819 718)	(269 810)	549 908	-204%	(9 585 281)
Net cash from (used) financing	–	(1 843 331)	–	(24 973)	(24 973)	(306 111)	(281 138)	92%	(1 843 331)
Cash/cash equivalents at the month/year end	**–**	**6 866 943**	**–**	**4 190 513**	**4 190 513**	**7 218 627**	**3 028 114**	**42%**	**6 866 943**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	3 122 875	1 594 655	1 413 498	3 524 985	–	–	6 005 097	27 665 725	43 326 835
Creditors Age Analysis									
Total Creditors	4 211 623	217 056	37 137	31 915	179 947	3 867	52 182	55 666	4 789 393

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	Budget Year 2022/23							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source									
Property rates		14 133 073	–	1 259 235	1 259 235	1 177 756	81 479	7%	14 133 073
Service charges - electricity revenue		21 338 109	–	1 722 307	1 722 307	1 898 607	(176 299)	-9%	21 338 109
Service charges - water revenue		9 777 174	–	661 180	661 180	814 765	(153 585)	-19%	9 777 174
Service charges - sanitation revenue		6 085 363	–	494 798	494 798	507 114	(12 316)	-2%	6 085 363
Service charges - refuse revenue		2 397 969	–	193 200	193 200	200 519	(7 319)	-4%	2 397 969
Rental of facilities and equipment		515 995	–	23 837	23 837	43 000	(19 163)	-45%	515 995
Interest earned - external investments		193 489	–	8 048	8 048	16 125	(8 077)	-50%	193 489
Interest earned - outstanding debtors		414 979	–	50 165	50 165	34 582	15 583	45%	414 979
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		891 592	–	1 493	1 493	74 299	(72 806)	-98%	891 592
Licences and permits		9 180	–	446	446	765	(319)	-42%	9 180
Agency services		367 039	–	27 534	27 534	30 587	(3 053)	-10%	367 039
Transfers and subsidies		7 619 945	–	2 455 702	2 455 702	619 218	1 836 484	297%	7 619 945
Other revenue		6 273 346	–	127 517	127 517	522 686	(395 169)	-76%	6 273 346
Gains		6 987	–	41	41	583	(542)	-93%	6 987
Total Revenue (excluding capital transfers and contributions)		**70 024 240**	**–**	**7 025 503**	**7 025 503**	**5 940 607**	**1 084 897**	**18%**	**70 024 240**
									–
Expenditure By Type									–
Employee related costs		18 357 153	–	1 376 254	1 376 254	1 524 259	(148 005)	-10%	18 357 153
Remuneration of councillors		185 164	–	14 191	14 191	15 430	(1 239)	-8%	185 164
Debt impairment		5 905 328	–	449 471	449 471	497 282	(47 811)	-10%	5 905 328
Depreciation & asset impairment		4 549 947	–	317 533	317 533	379 070	(61 538)	-16%	4 549 947
Finance charges		2 889 039	–	225 779	225 779	240 753	(14 974)	-6%	2 889 039
Bulk purchases - electricity		15 363 589	–	1 950 022	1 950 022	2 042 454	(92 432)	-5%	15 363 589
Inventory consumed		5 029 694	–	404 424	404 424	417 793	(13 369)	-3%	5 029 694
Contracted services		7 942 715	–	446 558	446 558	633 941	(187 384)	-30%	7 942 715
Transfers and subsidies		183 850	–	6 304	6 304	14 538	(8 234)	-57%	183 850
Other expenditure		6 402 790	–	335 802	335 802	531 270	(195 468)	-37%	6 402 790
Losses		2 839 751	–	243 819	243 819	236 647	7 172	3%	2 839 751
Total Expenditure		**69 649 019**	**–**	**5 770 155**	**5 770 155**	**6 533 436**	**(763 281)**	**-12%**	**69 649 019**
Surplus/(Deficit)		**375 221**	**–**	**1 255 348**	**1 255 348**	**(592 830)**	**1 848 178**	**(0)**	**375 221**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 209 403	–	(10 048)	(10 048)	159 117	(169 165)	**(0)**	2 209 403
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		590 040	–	31 412	31 412	53 643	(22 231)	**(0)**	590 040
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3 174 664**	**–**	**1 276 712**	**1 276 712**	**(380 070)**			**3 174 664**
Taxation		85 261	–	–	–	6 041	(6 041)	(0)	85 261
Surplus/(Deficit) after taxation		**3 089 403**	**–**	**1 276 712**	**1 276 712**	**(386 111)**			**3 089 403**
Attributable to minorities		–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3 089 403**	**–**	**1 276 712**	**1 276 712**	**(386 111)**			**3 089 403**
Share of surplus/ (deficit) of associate		–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3 089 403**	**–**	**1 276 712**	**1 276 712**	**(386 111)**			**3 089 403**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Consolidated Monthly Budget Statement - Financial Position - M01 July

Description	Ref	Budget Year 2022/23				
		Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	Variance
R thousands	1					
ASSETS						
Current assets						
Cash		3 693 550	–	4 190 513	3 693 550	(496 963)
Call investment deposits		3 173 393	–	3 318 281	3 173 393	(144 888)
Consumer debtors		8 881 841	–	9 191 251	8 881 841	(309 410)
Other debtors		3 294 555	–	30 837 196	3 294 555	(27 542 641)
Current portion of long-term receivables		–	–	979 965	–	(979 965)
Inventory		342 649	–	389 980	342 649	(47 331)
Total current assets		**19 385 987**	**–**	**48 907 186**	**19 385 987**	**(29 521 199)**
Non current assets					–	
Long-term receivables		112 281	–	2 026 423	112 281	(1 914 142)
Investments		97 269	–	–	97 269	97 269
Investment property		946 280	–	29 618	946 280	916 662
Investments in Associate		23 313	–	(0)	23 313	23 313
Property, plant and equipment		84 310 139	–	32 329 717	84 310 139	51 980 422
Agricultural		–	–	–	–	–
Biological assets		36 637	–	–	36 637	36 637
Intangible assets		1 921 015	–	152 788	1 921 015	1 768 227
Other non-current assets		2 773 624	–	222 936	2 773 624	2 550 688
Total non current assets		**90 220 558**	**–**	**34 761 483**	**90 220 558**	**55 459 076**
TOTAL ASSETS		**109 606 546**	**–**	**83 668 669**	**109 606 546**	**25 937 877**
LIABILITIES					–	
Current liabilities					–	
Bank overdraft		–	–	–	–	–
Borrowing		2 819 663	–	687 674	2 819 663	2 131 989
Consumer deposits		15 401	–	1 279 395	15 401	(1 263 994)
Trade and other payables		13 915 086	–	35 852 880	13 915 086	(21 937 794)
Provisions		604 837	–	484 395	604 837	120 442
Total current liabilities		**17 354 987**	**–**	**38 304 344**	**17 354 987**	**(20 949 357)**
Non current liabilities					–	
Borrowing		19 644 549	–	14 914 887	19 644 549	4 729 662
Provisions		6 909 525	–	2 604 334	6 909 525	4 305 192
Total non current liabilities		**26 554 074**	**–**	**17 519 221**	**26 554 074**	**9 034 854**
TOTAL LIABILITIES		**43 909 062**	**–**	**55 823 565**	**43 909 062**	**(11 914 503)**
NET ASSETS	2	**65 697 484**	**–**	**27 845 104**	**65 697 484**	**37 852 380**
COMMUNITY WEALTH/EQUITY					–	
Accumulated Surplus/(Deficit)		68 786 887	–	20 487 876	68 786 887	48 299 011
Reserves		–	–	773 287	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**68 786 887**	**–**	**21 261 163**	**68 786 887**	**48 299 011**

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	Budget Year 2022/23							
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		12 903 496	–	1 229 843	1 229 843	1 075 291	154 552	14%	12 903 496
Service charges		35 414 559	–	2 549 576	2 549 576	3 068 018	(518 442)	-17%	35 414 559
Other revenue		7 941 178	–	1 084 876	1 084 876	661 672	423 204	64%	7 941 178
Transfers and Subsidies - Operational		7 619 945	–	2 448 966	2 448 966	619 218	1 829 748	295%	7 619 945
Transfers and Subsidies - Capital		2 799 443	–	483 908	483 908	212 760	271 148	127%	2 799 443
Interest		373 446	–	19 246	19 246	31 121	(11 875)	-38%	373 446
Dividends			–				–		
Payments			–						
Suppliers and employees		(53 225 953)	–	(6 533 679)	(6 533 679)	(5 160 570)	1 373 108	-27%	(53 225 953)
Finance charges		(2 889 039)	–	(29 082)	(29 082)	(240 753)	(211 671)	88%	(2 889 039)
Transfers and Grants		(183 850)	–	(1 234)	(1 234)	(14 538)	(13 304)	92%	(183 850)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**10 753 225**	**–**	**1 252 421**	**1 252 421**	**252 218**	**(1 000 202)**	**-397%**	**10 753 225**
									–
CASH FLOWS FROM INVESTING ACTIVITIES									–
Receipts									
Proceeds on disposal of PPE		(2 832 764)	–			(236 064)	236 064	-100%	(2 832 764)
Decrease (increase) in non-current receivables		–	–				–		–
Decrease (increase) in non-current investments		988 407	–			82 367	(82 367)	-100%	988 407
Payments									
Capital assets		(7 740 924)		(819 718)	(819 718)	(116 114)	703 604	-606%	(7 740 924)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(9 585 281)**	**–**	**(819 718)**	**(819 718)**	**(269 810)**	**549 908**	**-204%**	**(9 585 281)**
CASH FLOWS FROM FINANCING ACTIVITIES									–
Receipts									
Short term loans		–		–	–	–	–		–
Borrowing long term/refinancing		1 830 000		–	–	–	–		1 830 000
Increase (decrease) in consumer deposits		152		–	–	13	(13)	-100%	152
Payments									
Repayment of borrowing		(3 673 484)		(24 973)	(24 973)	(306 124)	(281 151)	92%	(3 673 484)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(1 843 331)**	**–**	**(24 973)**	**(24 973)**	**(306 111)**	**(281 138)**	**92%**	**(1 843 331)**
									–
NET INCREASE/ (DECREASE) IN CASH HELD		**(675 387)**		**407 729**	**407 729**	**(323 703)**			**(675 387)**
Cash/cash equivalents at beginning:		7 542 330		3 782 783	3 782 783	7 542 330			7 542 330
Cash/cash equivalents at month/year end:		6 866 943		4 190 513	4 190 513	7 218 627			6 866 943

PART 3: ADDITIONAL SUPPORTING SCHEDULES

Table SC1: Variance reasons

Ref	Description	YTD variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	**Revenue By Source**			
	Property rates	81 479	This line item is inclusive of revenue foregone. The Rates revenue for the month amounted to R1.5 billion compared to budgeted amount of R1.4 billion resulting in variance of R89 million. Rates rebates for the month and YTD exceeded the budgeted amount by R7.7 million (3.83%). A total of 848 902 rebates were granted for the month. The overall rates revenue variance net of Rebates amounts to R81.4 million for the month. Revenue accruals to the value of R14.61 million were raised in the Financial Year 2021/2022. The revenue accruals are only reversed when the billing is realised in the Billing system. These are monitored monthly. This is done to ensure that the revenue is recognised in the correct accounting period and to avoid duplication of revenue.	No action is required by property branch.
	Service charges - electricity revenue	(176 299)	The under budget is mainly as a result of decreased consumption for all Industrial and Commercial customers has decreased. This can be attributed to customers changing from conventional to prepaid.	City Power has responded to these challenges associated with non-technical losses and revenue with the Revenue Enhancement Strategy. The strategy aims to reduce non-technical losses to12% and increase revenue in the current financial year. It has focused initiatives to improve revenue through accounting for revenue completeness and revenue accuracy. At the core of the Revenue Enhancement Strategy is a new data analytics capability, continuous processes improvement and governance, use of

				technology, training of staff and management of various stakeholders. Below are the initiative in assisting with the reduction of non-technical losses. • Simulated billing and consumption analysis; Customer and meter data clean-up; Alarms automation. • Improve collection; System updates; Alarms enhancement and COJ revenue enhancement
	Service charges - water revenue	(153 585)	The underperformance is as a result of a decreased water consumption in business and households due to lower demands.	It is expected that with the stand by stand audit that was currently implemented by RSSC that revenue not billed will be identified and thus remedy the current revenue levels.
	Service charges - sanitation revenue	(12 316)	The underperformance is due decreased billing to business customers as a result of lesser sewage water received and treated.	No remedial action
	Service charges - refuse revenue	(7 319)	The underperformance is as a result of billing for landfill fees not being processed in time for month end closure.	The delay in processing will be corrected in August 2022
	Rental of facilities and equipment	(19 163)	Delays in the approval of reports by EAC has resulted in the lease renewal period being longer than the average 3 months it takes for a lease to be renewed. Delays in council approvals for potential new leases has also stifled income received from the rental of facilities and equipment.	Highlight the need for greater speed and turnaround times for EAC approvals with the relevant officials.
	Interest earned - external investments	(8 077)	Interest earned is below budget due to low surplus cash balance. The investments were R1.2 billion for end of July.	Cash management strategies are being implemented to ensure sufficient cash reserves are maintained.

	Interest earned - outstanding debtors	15 583	This line is jointly impacted with entries and billing adjustments in revenue and property environment. Reversal of penalties imposed is also used as a bargaining tool in settlement agreements with debtors.	Group Finance. The penalties imposed is due to non-collection of overdue debt by customers which attract interest. RSSC should tighten efforts to collect long outstanding debts.
	Fines, penalties, and forfeits	(72 806)	The speed contract has expired, and a new contract is still not in place yet, JMPD could only recognise revenue on Bylaws e.g., illegal dumping, illegal connection, land invaders etc. (section 56's, Aarto 01 and Aarto 03 citations).	User department to speed up procurement process and while ensuring payments on all outstanding invoices
	Licences and permits	(319)	The underperformance is due to low company license fees collected which are related to atmospheric emissions e.g., Exceed Oil CC, First Refiners as well as Energy Joburg. Energy Joburg was appointed as the preferred implementer for the waste-to-energy project at 10 landfill sites.	The revenue will be recognised when it is received.
	Agency services	(3 053)	The variance is incurred in Public Safety (head office) and is mainly attributable to under collection on renewal of licenses, drivers licences as well as heavy duty trucks.	
	Transfers and subsidies	1 836 484	The over performance is due to grants received from National Treasury and other funds will be transferred in three instalments. The equitable share to the amount of R2.4 billion was received in July.	No remedial action required
	Other revenue	(395 169)	Group Finance - has underperformed by R354 million (87%) The variance is attributable to fuel levy which is not yet received from National Treasury. It was formerly classified as grants and subsidies; however, the mSCOA 6.6.1 specifies that it must now be classified as other revenue (NT instructions). Metro Trading Company - has underperformed by R11 million (5%). The variation	Metro Trading Company: SLAs must be finalized before projects that produce income can begin.

			is caused by intercompany elimination journals, which are presently being processed. The entity is still in the planning phase, and expenditures will begin later this month when the SLAs are established.	
2	**Expenditure By Type**			
	Employee related costs	(148 005)	The under expenditure incurred in most departments and entities is attributable to vacant positions that will be filled during the current financial year.	Human Resources process to be followed to appoint staff for new facilities in process.
	Remuneration of councillors	(1 239)	The variance is due to remunerations of public office bearers for the new financial year not yet announced by the President and will be implemented once the recommendations have been published in the Government Gazette.	
	Debt impairment	(47 811)	The negative variance is due to City Power's decrease in collection level. The year to date collection level is 92.1% which was used to determine the debt impairment reported is based on the actual billing against the target level of 96.5%.	Continued implementation of the Revenue Enhancement Strategy and respective initiatives aimed at reducing non-technical losses and increasing revenue in the next financial years.
	Depreciation & asset impairment	(61 538)	The under expenditure is mainly as a result prior year accrual still being processed, as well as new assets that have not yet been capitalised in various departments and entities.	
	Finance charges	(14 974)	The under expenditure is mainly as a result of long-term financing procurement procedures which has not yet taken place, as it is the beginning of the new financial year.	The expenditure will improve in the following months.

	Bulk purchases	(92 432)	City Power - is under budget by R 92 million (5%). The under expenditure is due to lower purchases from Eskom due to a decreased demand.	No remedial action.
	Other materials	(13 369)	Due to the following entities: Johannesburg Property Company: New cleaning materials are currently in progress of being purchased and distributed to relevant departments Community Development: Mainly due to the procurement of good and services being in the initial stages. Johannesburg Civic Theatre: Mainly due to this Item being utilised as and where required.	
	Contracted services	(187 384)	The under expenditure is mainly attributable to the following: Johannesburg City Parks & Zoo: due to delays in receiving external and internal work orders for Centralised Horticulture Services. Pikitup: due to delays in the tender process for external contractors required for recycling. Metro Trading Company: due to fewer consultants utilised in July. Consultants are used on a case-by-case basis when required. Transport: Due to delays in submitting invoices for standing contracts, compensation lump sum payable to the Rea Vaya Phase 1C (a) affected taxi operators and operationalisation of JITI and Phase 1 C(a).	Expenditure will improve in the upcoming months once the procurement process is complete.
	Transfers and subsidies	(8 234)	Economic Development - Due to the funds committed not yet transferred to Johannesburg City Parks & Zoo, as it is the beginning of the financial year.	
	Other expenditure	(195 468)	The underspending is mainly due to the following: City Power - • Software licenses - inter-company are less than the budget as software licenses are not due for payment yet as they are paid per annum; • Departmental charges, rates and services are less than	The expenditure will accelerate later in the first quarter of the financial year.

			the budget due to less requests made on vegetation and grass cutting budget; • Fleet lease is less than the budget as fewer motor vehicles were utilized to date. Pikitup: The under expenditure is due most items in this category, having not been spent in the first month of the financial year. The largest under spending for the month is an amount for the rehabilitation of landfills which was not processed as the valuation is currently still being calculated as part of the 2021/22 financial year end, once this is completed the July 2022 cost will be processed (backdated). City Manager: This is mainly due to no expense incurred in the first month of operations as a result of community-based planning and the youth program which had not yet officially begun. Group Finance: Due to under spending on monthly operating expenditures such as fleet and contractor cell phones being paid in arrears, therefore July bills will be paid in August.	

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2022/23											
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	710 823	443 887	468 633	1 081 545			2 032 868	9 373 933	14 111 690	12 488 346	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 133 559	446 372	331 050	943 961			1 209 473	3 733 197	7 797 612	5 886 631	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	623 939	292 335	254 312	666 507			1 154 489	5 808 929	8 800 511	7 629 925	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	438 055	288 515	259 029	592 504			1 115 603	4 725 695	7 419 402	6 433 802	–	–
Receivables from Exchange Transactions - Waste Management	1600	221 308	114 178	91 334	231 362			483 629	3 100 107	4 241 918	3 815 099	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	(4 808)	9 367	9 140	9 106			9 034	923 864	955 702	942 003	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	**2000**	**3 122 875**	**1 594 655**	**1 413 498**	**3 524 985**	**–**	**–**	**6 005 097**	**27 665 725**	**43 326 835**	**37 195 807**	**–**	**–**
2021/22 - totals only		2 504 500	1 378 417	1 356 009	3 268 390	–	–	6 016 730	27 247 137	41 771 184	**36 532 258**	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	53 528	28 395	32 014	53 491	–	–	175 495	1 044 307	1 387 230	1 273 293	–	–
Commercial	2300	973 414	350 288	316 684	696 264	–	–	1 065 735	3 989 532	7 391 918	5 751 532	–	–
Households	2400	2 095 934	1 215 971	1 064 801	2 775 230	–	–	4 763 866	22 631 885	34 547 687	30 170 981	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**3 122 875**	**1 594 655**	**1 413 498**	**3 524 985**	**–**	**–**	**6 005 097**	**27 665 725**	**43 326 835**	**37 195 807**	**–**	**–**

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description R thousands	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	2 295 256								**2 295 256**	2 110 904
Bulk Water	0200									–	–
PAYE deductions	0300									–	–
VAT (output less input)	0400									–	–
Pensions / Retirement deductions	0500									–	–
Loan repayments	0600									–	–
Trade Creditors	0700	933 996	176 178	5 355	4 313	2 951	3 674	51 663	55 666	**1 233 797**	1 489 013
Auditor General	0800									–	–
Other	0900	982 370	40 878	31 782	27 601	176 996	193	519	–	**1 260 340**	1 489 169
Total By Customer Type	**1000**	**4 211 623**	**217 056**	**37 137**	**31 915**	**179 947**	**3 867**	**52 182**	**55 666**	**4 789 393**	5 089 086

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

JHB City Of Johannesburg - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M01 July

Description	Ref	Budget Year 2022/23							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1							%	
Revenue By Source									
Property rates		14 133 073	–	1 259 235	1 259 235	1 177 756	81 479	7%	14 133 073
Service charges - electricity revenue		–	–	–	–	–	–		–
Service charges - water revenue		–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–		–
Service charges - refuse revenue		–	–	1	1	–	1	#DIV/0!	–
Rental of facilities and equipment		181 295	–	4 518	4 518	15 108	(10 590)	-70%	181 295
Interest earned - external investments		173 003	–	5 663	5 663	14 417	(8 754)	-61%	173 003
Interest earned - outstanding debtors		1 429 430	–	110 743	110 743	119 120	(8 377)	-7%	1 429 430
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		891 509	–	1 488	1 488	74 292	(72 804)	-98%	891 509
Licences and permits		9 180	–	218	218	765	(547)	-72%	9 180
Agency services		367 039	–	27 534	27 534	30 587	(3 053)	-10%	367 039
Transfers and subsidies		7 619 367	–	2 455 085	2 455 085	619 170	1 835 915	297%	7 619 367
Other revenue		5 990 814	–	82 384	82 384	499 237	(416 853)	-83%	5 990 814
Gains		5 000	–	–	–	417	(417)	-100%	5 000
Total Revenue (excluding capital transfers and contributions)		**30 799 710**	**–**	**3 946 869**	**3 946 869**	**2 550 869**	**1 396 000**	**55%**	**30 799 710**
Expenditure By Type									–
Employee related costs		10 606 290	–	778 859	778 859	883 927	(105 069)	-12%	10 606 290
Remuneration of councillors		185 164	–	14 191	14 191	15 430	(1 239)	-8%	185 164
Debt impairment		1 682 590	–	21 564	21 564	140 217	(118 653)	-85%	1 682 590
Depreciation & asset impairment		3 068 154	–	217 537	217 537	255 682	(38 145)	-15%	3 068 154
Finance charges		2 857 130	–	206 193	206 193	238 094	(31 901)	-13%	2 857 130
Bulk purchases - electricity		–	–	–	–	–	–		–
Inventory consumed		50 757	–	217	217	4 225	(4 008)	-95%	50 757
Contracted services		3 754 971	–	130 125	130 125	286 767	(156 642)	-55%	3 754 971
Transfers and subsidies		5 734 517	–	538 901	538 901	477 094	61 807	13%	5 734 517
Other expenditure		4 127 554	–	142 358	142 358	343 743	(201 385)	-59%	4 127 554
Losses		–	–	37	37	–	37	#DIV/0!	–
Total Expenditure		**32 067 127**	**–**	**2 049 981**	**2 049 981**	**2 645 179**	**(595 198)**	**-23%**	**32 067 127**
Surplus/(Deficit)		(1 267 417)	–	1 896 888	1 896 888	(94 310)	1 991 198	-2111%	(1 267 417)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 527 683	–	(10 048)	(10 048)	127 307	(137 355)	-108%	1 527 683
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		175 240	–	–	–	14 604	(14 604)	-100%	175 240
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		435 506	–	1 886 839	1 886 839	47 601	1 839 238	3864%	435 506
Taxation		–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**435 506**	**–**	**1 886 839**	**1 886 839**	**47 601**	**1 839 238**	**3864%**	**435 506**

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M01 July

Description	Ref	2021 / 22	Budget Year 2022/23							
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										
City Power		–	22 056 766	–	1 764 708	1 764 708	1 937 966	(173 258)	-9%	22 056 766
Johannesburg Water		–	16 447 673	–	1 177 680	1 177 680	1 370 640	(192 960)	-14%	16 447 673
Pikitup		–	3 683 830	–	298 748	298 748	307 581	(8 833)	-3%	3 683 830
Johannesburg Roads Agency		–	1 710 372	–	125 847	125 847	142 531	(16 684)	-12%	1 710 372
Metrobus		–	693 402	–	56 599	56 599	57 783	(1 184)	-2%	693 402
Johannesburg City Parks and Zoo		–	1 306 915	–	98 466	98 466	108 910	(10 444)	-10%	1 306 915
JDA		–	124 057	–	3 446	3 446	10 339	(6 893)	-67%	124 057
Johannesburg Property Company		–	958 934	–	49 930	49 930	79 912	(29 982)	-38%	958 934
Metropolitan Trading Company		–	583 352	–	8 258	8 258	48 613	(40 355)	-83%	583 352
Joburg Market		–	595 390	–	44 716	44 716	49 616	(4 900)		595 390
Johannesburg Social Housing Company		–	348 080	–	20 264	20 264	29 007	(8 743)	-30%	348 080
Joburg City Theatres		–	244 807	–	21 082	21 082	20 401	681	3%	244 807
Expenditure By Municipal Entity		–	–	–	–	–	–	–		–
Total Operating Revenue	1	**–**	**48 753 578**	**–**	**3 669 744**	**3 669 744**	**4 163 299**	**(493 555)**	**-12%**	**48 753 578**
Expenditure By Municipal Entity										–
City Power		–	20 640 708	–	2 395 551	2 395 551	2 481 151	(85 600)	-3%	20 640 708
Johannesburg Water		–	11 747 184	–	1 060 983	1 060 983	978 933	82 050	8%	11 747 184
Pikitup		–	3 394 982	–	243 729	243 729	272 023	(28 294)	-10%	3 394 982
Johannesburg Roads Agency		–	1 710 372	–	92 205	92 205	142 531	(50 326)	-35%	1 710 372
Metrobus		–	693 402	–	42 861	42 861	57 782	(14 921)	-26%	693 402
Johannesburg City Parks and Zoo		–	1 308 630	–	98 446	98 446	109 053	(10 607)	-10%	1 308 630
JDA		–	124 057	–	9 316	9 316	10 339	(1 023)	-10%	124 057
Johannesburg Property Company		–	958 934	–	53 278	53 278	79 912	(26 634)	-33%	958 934
Metropolitan Trading Company		–	583 322	–	8 258	8 258	48 610	(40 352)	-83%	583 322
Joburg Market		–	468 726	–	26 458	26 458	39 061			468 726
Johannesburg Social Housing Company		–	348 080	–	32 371	32 371	29 006	(12 603)	-43%	348 080
Joburg City Theatres		–	244 807	–	21 082	21 082	20 401	3 365	16%	244 807
Surplus/ (Deficit) for the yr/period		–	–	–	–	–	–	681	#DIV/0!	–
Total Operating Expenditure	2	**–**	**42 223 204**	**–**	**4 084 537**	**4 084 537**	**4 268 802**	**(184 265)**	**-4%**	**41 978 397**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M01 July

Month	2021 / 22	Budget Year 2022/23							
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	–	645 077	–	30 712	30 712	645 077	614 365	95%	0%
August	–	645 077	–	–		–	–		
September	–	645 077	–	–		–	–		
October	–	645 077	–	–		–	–		
November	–	645 077	–	–		–	–		
December	–	645 077	–	–		–	–		
January	–	645 077	–	–		–	–		
February	–	645 077	–	–		–	–		
March	–	645 077	–	–		–	–		
April	–	645 077	–	–		–	–		
May	–	645 077	–	–		–	–		
June	–	645 077	–	–		–	–		
Total Capital expenditure	**–**	**7 740 924**	**–**	**30 712**					