COJ: GOVERNANCE TECHNICAL CLUSTER	**2022-11-**
COJ: EMT	**2022-11-**
COJ: MAYORAL COMMITTEE	**2022-11-**
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 30 SEPTEMBER 2022

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 30 September 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 30 September 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 September 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 -4%, R734 million underperformance [September 2021: 0%]. The actual operating expenditure is under budget by 8%, R1.5 billion [September 2021: -5%]. The net result is an operating deficit of R370 million against a year-to-date (YTD) budgeted deficit of R1.1 billion.

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 R832 million (11%) of the approved budget.

The total opening and closing investment balances including cash for the month of September 2022 were R5 billion and R2.9 billion respectively. This shows a decrease of R2 billion during the month as indicated in Table 1 below.

Sep 22	OPENING	CLOSING
Operational Call Deposits	875 912 286,27	879 892 331,82
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	1 594 005 779,55	-236 008 449,74
Absa Primary Account Balance	1 641 616,10	51 658 250,76
TOTAL UNENCUMBERED	**2 471 559 681,92**	**695 542 132,84**
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	17 021 211,92	17 101 444,78
Non-Sweeping Bank Accounts	2 089 254 832,62	1 836 394 342,96
TOTAL ENCUMBERED	**2 506 783 120,82**	**2 254 002 864,02**
TOTAL INVESTMENTS	**4 978 342 802,74**	**2 949 544 996,86**

Table 1: Cash Balances as at 30 September 2022; Source – Bank Statements

Sep 22	OPENING	CLOSING
Cash and Cash Equivalents	2 036 274 767,90	2 220 387 098,71
Interest Rate swaps	-90 804 020,32	-168 277 655,08
Tradable Instruments Portfolio	1 056 436 805,64	1 048 253 228,35
TOTAL SINKING FUND INVESTMENTS	**3 001 907 553,22**	**3 100 362 671,98**

Table 1a: Sinking Fund Balance as at 30 September 2022: Source –Sinking Fund AFS and Bank Statements

- Total unencumbered balances decreased by R2 billion during the course of the month, which was primarily driven by the decrease in the STD Bank primary account.

- Total encumbered balances decreased by R253 million during this same period, with the highest decrease being in the non-sweeping's portfolio. The combined movement resulted in the overall total balance decrease of R1.8 billion.

- The Sinking Fund balances closed R98 million higher at R3.1 billion, with an increase of R184 million in the cash and cash equivalents portfolio. The tradable instruments portfolios decreased by R8.2 million. These movements are in respect of interest received and market movements. The interest rate swaps had a negative movement of R 77 million during the month of September.

- 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 obscure 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 and 2021/22 were R250 million and R312 million respectively. A contribution of R163 million was made during September 2022. 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 September amounted to R5.6 billion versus outflows of R7.6 billion (inclusive of payments for bulk purchases of electricity and water, as well as salaries city-wide). The resulting net movement was a decrease of R2 billion as depicted in Table 2 below.

Sep 22	
Description	**R**
Cash Collections	3 894 572 210,36
Revenue cash collections paid into Primary and Ordinary bank accounts	138 590 660,45
Direct Payments into MOE Revenue accounts	11 720 921,93
Prepaid Collections	147 550 110,45
Other Income (Interest Received, Vat Refund, Licensing Fees)	955 130 179,98
Positive Sweepings and Non-Sweeping Movements	403 840 534,95
Total Cash Inflows	5 551 404 618,12
Outflows	
Description	**R**
Operational and Capital Expenditure and Treasury Transactions*	-5 575 420 507,98
Negative Sweepings and Non-Sweeping Movements	-2 004 781 916,02
Total Cash Outflows	-7 580 202 424,00
Net Movement	-2 028 797 805,88

Summary Table 2 Cash Movements as at 30 September 2022

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

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 30 September 2022 for all MOEs.

As depicted in the sweeping statements for the month ended 30 September 2022, City Power, JDA, Metrobus, Joshco and Propcom Portfolio were overdrawn.

Entity	End of August Balance	Monthly Inflows	Monthly Outflows	Net Movement	End of September Balance
City Power	**-7 884 056 999,07**	1 393 391 316,67	-2 691 231 620,99	-1 297 840 304,32	**-9 181 897 303,39**
Joburg Water	649 126 642,52	874 978 008,55	-1 054 499 229,86	-179 521 221,31	469 605 421,21
Pikitup	375 492 217,64	136 969 313,35	-459 422 735,11	-322 453 421,76	53 038 795,88
Parks Zoo	906 154 745,28	119 043 107,51	-84 467 445,54	34 575 661,97	940 730 407,25
Fresh Produce	495 976 888,52	31 003 288,72	-23 060 957,66	7 942 331,06	503 919 219,58
JDA	**-803 941 493,27**	72 585 822,57	-96 529 715,80	-23 943 893,23	**-827 885 386,50**
Joshco	**-1 430 699 551,44**	340 021 470,50	-71 418 144,75	268 603 325,75	**-1 162 096 225,69**
Metro Bus	**-468 615 330,78**	52 325 669,99	-57 420 904,89	-5 095 234,90	**-473 710 565,68**
Propcom	270 205 499,20	64 037 244,49	-192 638 936,20	-128 601 691,71	141 603 807,49
Propcom Portfolio	**-209 986 938,52**	5 381 450,69	-3 369 210,29	2 012 240,40	**-207 974 698,12**
Roads	250 225 418,87	310 869 035,09	-229 623 938,45	81 245 096,64	331 470 515,51
MTC	150 058 193,47	74 824 686,60	-91 934 919,42	-17 110 232,82	132 947 960,65
Core	12 678 403 510,34	5 147 631 722,64	-5 596 242 184,30	-448 610 461,66	12 229 793 048,68
Total Sweepings and Balances	**4 978 342 802,74**			**-2 028 797 805,89**	**2 949 544 996,86**

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

Inflows for the month of September versus outflows resulted in a negative net movement of R2 billion.

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

YTD Net Movement			
Entity	**Jul 22**	**Aug 22**	**Sep 22**
City Power	-1 016 616 002,22	-85 114 672,61	-1 297 840 304,32
Joburg Water	-112 153 846,45	168 205 567,65	-179 521 221,31
Pikitup	66 833 386,61	-120 960 561,36	-322 453 421,76
Parks Zoo	16 082 749,85	48 162 906,21	34 575 661,97
Fresh Produce	90 653 691,79	-16 763 706,85	7 942 331,06
JDA	-186 482 791,05	7 602 954,68	-23 943 893,23
Joshco	-196 699 394,74	-101 236 488,22	268 603 325,75
Metro Bus	-44 153 197,52	51 726 518,30	-5 095 234,90
Propcom	-157 330 563,58	106 819 337,24	-128 601 691,71
Propcom Portfolio	-9 261 004,36	4 701 651,77	2 012 240,40
Roads	-48 436 355,23	21 395 556,96	81 245 096,64
MTC	-81 850 008,17	-53 999 951,69	-17 110 232,82

Table 3.1(a): Sweeping movements analysis

The above table reflects the MEs past 3 months net movement for the current financial year.

August 2022 Billing & September 2022 Collections; Year to Date Billing & Collections:

	Billing	**Collections (Note 1)**	**%**	**Total Billing**	**Total Collections**	**%**
	Aug 2022	**Sep 2022**		**YTD: Jun'22 to Aug'22**	**YTD: Jul'22 to Sep'22**	
	R 000's	**R 000's**		**R 000's**	**R 000's**	
Assessment Rates	1 247 699	1 204 830	96.6%	3 665 670	3 453 760	94.2%
Electricity	1 929 812	1 754 341	90.9%	5 650 087	5 324 587	94.2%
Water	1 333 014	1 159 359	86.9%	3 738 900	3 197 571	85.5%
Refuse	237 891	190 444	80.1%	716 931	562 441	78.5%
TOTAL	**4 748 416**	**4 308 974**	**90.7%**	**13 771 588**	**12 538 359**	**91.0%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R4.8 billion in August 2022 compared to R4.3 billion collected in September 2022. The year-to-date billing as at 31 August 2022 is R13.8 billion compared to R12.5 billion collected as at 30 September 2022.

Reconciliation between Treasury banking and RSSC collections

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

Reconciliation between Treasury banking and RSSC collections

Description	Sep 2022 R 000's	YTD R 000's
Balance as reported by Treasury	4 192 434	12 228 028
Deposits reflected by Treasury in previous month	41 353	45 868
Refunds, Deposits and Sundry Revenue	-83 853	-202 192
Water: Industrial Effluent and Cross-Boundary Sales	25 768	69 510
Difference in electricity and water prepaid sales	-2 616	3 564
Non-Cash Items:		
Staff Accounts	6 325	17 736
Departmental Settlements	129 563	375 845
Total Revenue as per Revenue Collection Report	**4 308 974**	**12 538 359**

The September 2022 deposits of approximately R41 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		Aug 2022	Sep 2022
Budget Billing	R 000	5 330 283	5 013 280
Actual Billing	R 000	4 748 416	5 167 300
Shortfall (-) / Surplus (+) in Billing	R 000	-581 867	154 020
Budget Collection	R 000		4 511 161
Actual Revenue Collection	R 000		4 308 974
Shortfall (-) / Surplus (+) in Collections	R 000		-202 187
Actual Billing vs. Budgeted Billing	%	89.1%	103.1%
Actual Collection vs. Budgeted Collection	%		95.5%
Budgeted Collection (Sep) vs. Budgeted Billing (Aug)	%		84.6%
Actual Collections (Sep) vs. Actual Billing (Aug)	%		90.7%

The actual billing of R4.7 billion for August 2022 was R582 million below the budgeted billing of R5.3 billion for August 2022. The actual collection of R4.3 billion for September 2022 was R202 million below the budgeted collection of R4.5 billion. The collection rate of 90.7% for September 2022 was 6.1% above the budgeted collection rate of 84.6%.

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 – 03 mSCOA data strings was submitted to the National Treasury on the 14th October 2022, with National Treasury verification period closing on the 02nd of November 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.

Annexure A

In-Year Report

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**	Ndas Neves **SENIOR LEGAL ADVISOR** **GROUP LEGAL AND CONTRACTS**
LUFUNO MASHAU **ACTING GROUP HEAD: RSSC**	21.11.2022 **DATE**
SYLVESTER MASHEGO **GROUP HEAD: TREASURY AND FINANCIAL STRATEGY AND PLANNING**	21.11.22 **DATE**
SINOVUYO MPAKAMA **ACTING GROUP CHIEF FINANCIAL OFFICER**	22 November 2022 **DATE**
Julie Suddaby **COUNCILLOR JULIE SUDDABY** **MMC GROUP FINANCE**	22 November 2022 **DATE**

Budget year: 2022/23

Reporting Period: Month 03

September 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 30 September 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 negative variance of R734 million against the YTD budget for the period ended 30 September 2022.

The operating expenditure is underspent by R1.5 billion, against year-to-date expenditure budget of R18.9 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 R832 million (11%) of the approved budget.

Capital Expenditure per funding source as at 30 September 2021:

Description (R million)	Budget 20/21	Total Exp	% Spent
CoJ Loans	3 032	219	7%
CRR / Cash	2 600	134	5%
Nat Grant	113	8	7%
Prov Grant	-	-	0%
USDG	1 213	195	16%
Other	553	17	3%
Total CoJ	7 511	574	8%

Capital Expenditure per funding source as at 30 September 2022:

Description (R million)	Budget 22/23	Total Exp	% Spent
CoJ Loans	1 830	299	16%
CRR / Cash	3 111	200	6%
Nat Grant	320	0	0%
Prov Grant	-	-	0%
USDG	1 205	229	19%
USIP	685	63	9%
Other	590	62	11%
Total CoJ	7 741	854	11%

COJ Loans, USDG and UISP funding sources had spending in the month under review, while there has been no spending in National grants. When compared to the previous year overall spending has increased by 3%.

Consolidated Summary - Capital Expenditure as 30 September 2022:

Description (R million)	Budget 22/23	Total Exp	% Spent
Economic Development	19	0	0%
EISD	32	-	0%
Transportation	519	-	0%
Community Development	100	-4	-4%
Health	122	-2	-1%
Social Development	128	8	6%
Forensic	6	-	0%
Ombudsman	1	-	0%
Office of the City Manager	26	0	0%
Speaker	3	0	14%
Group ICT	450	0	0%
Group Finance	40	-	0%
Group Corporate Services	205	0	0%
Housing	1 020	57	6%
Development Planning	7	1	16%
Public Safety	128	-	0%
Total Core Administration	2 806	60	2%

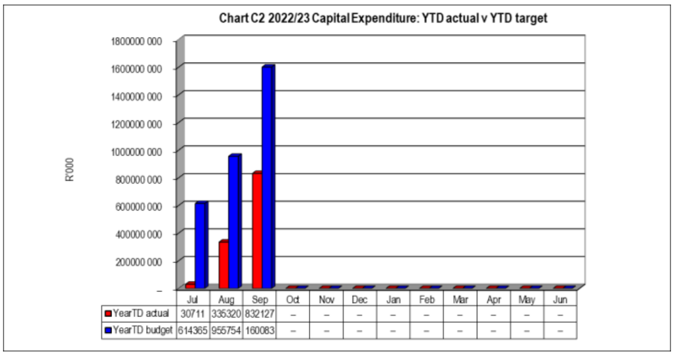
Description (R million)	Budget 22/23	Total Exp	% Spent
City Power	1 218	177	15%
Johannesburg Water	931	237	25%
Pikitup	144	21	14%
Jhb Roads Agency	1 095	76	7%
Metrobus	60	0	0%
Jhb City Parks and Zoo	95	5	5%
Jhb Development Agency	634	100	16%
Jhb Property Company	102	1	1%
Metro Trading Company	15	-	0%
Joburg Market	119	21	18%
JOSHCO	499	130	26%
Joburg City Theatres	11	3	26%
Joburg Tourism	13	0	0%
Total MEs	4 935	772	16%

The negative movement is due to accruals that have been reversed in the current month. In addition, a number of departments have not started spending while 3 municipal entities, namely Metrobus and Metro Trading Company have not started spending.

Joburg Tourism that was reported as overspent in August 2022, was an error in reporting and was rectified in the current month, hence the 0% expenditure.

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

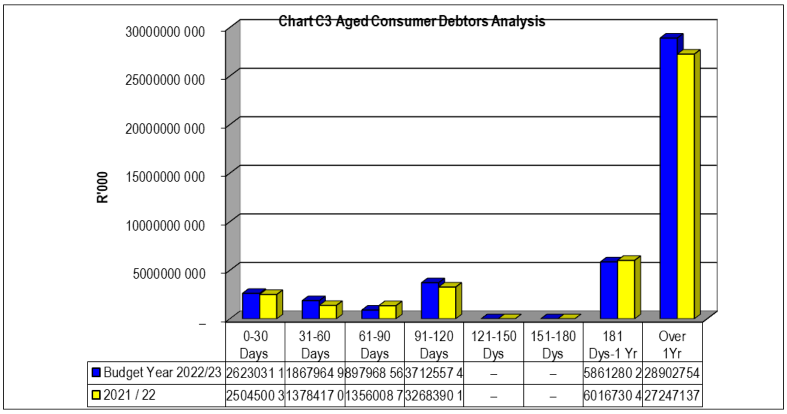
The cash flow of the City of Johannesburg, as depicted in Tables C1 and C7, indicates the following:

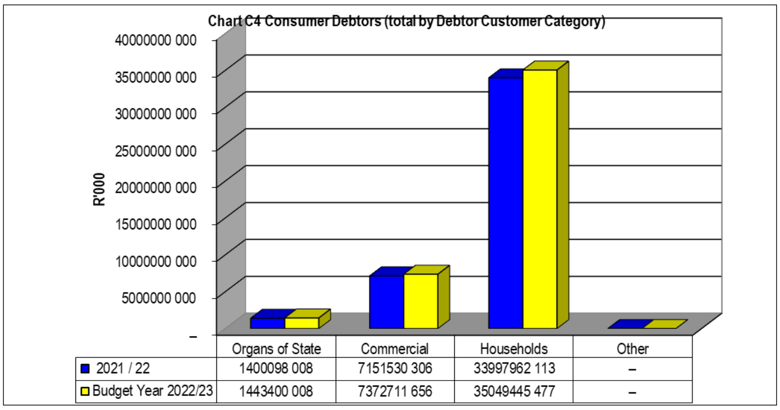
- Cash and Cash equivalents as at the end of September 2022 amount to R2.9 billion.
- The cash flow from operating activities is R844 million.
- The cash flow from investing activities amount to R1.5 billion; negative
- The cash flow from financing activities amount to R82 million; negative

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 R43.9 billion. Chart C3 below illustrates the Consumers debtors age analysis:





Interventions / Actions

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

(i) 33 960 accounts were identified for delivery of pre-termination notices, total value R7.4 billion of which R80.1 million were collected from 5 767 accounts.

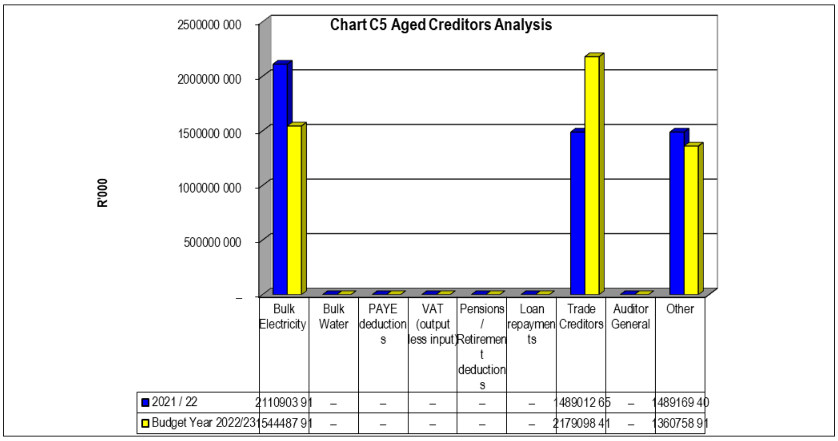
(ii) 60 768 accounts were identified for delivery of final notices, total value R4.6 billion of which R18.9 million were collected from 4 532 accounts.

(iii) 4 414 electricity accounts were identified for disconnections, total value R1.4 billion of which R25.3 million were collected from 1 047 accounts.

(iv) 12 589 water accounts were identified for disconnections, total value R2.7 billion of which R3.5 million were collected from 751 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.



<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 30 September 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 - M03 September

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	–	1 239 058	3 701 809	3 533 268	168 541	5%	14 133 073
Service charges	–	39 598 615	–	3 329 162	9 413 421	10 226 703	(813 282)	-8%	39 598 615
Investment revenue	–	193 489	–	10 003	27 436	48 375	(20 939)	-43%	193 489
Transfers and subsidies	–	7 619 945	–	345 872	3 481 673	1 921 613	1 560 060	81%	7 619 945
Other own revenue	–	8 479 118	–	54 213	490 740	2 119 509	(1 628 770)	-77%	8 479 118
	–	**70 024 240**	**–**	**4 978 309**	**17 115 079**	**17 849 468**	**(734 389)**	**-4%**	**70 024 240**
Total Revenue (excluding capital transfers and contributions)									
Employee costs	–	18 357 153	–	1 467 247	4 284 930	4 564 162	(279 232)	-6%	18 357 153
Remuneration of Councillors	–	185 164	–	14 587	43 019	46 290	(3 271)	-7%	185 164
Depreciation & asset impairment	–	4 549 947	–	322 782	968 793	1 137 211	(168 418)	-15%	4 549 947
Finance charges	–	2 889 039	–	228 824	661 668	722 259	(60 591)	-8%	2 889 039
Inventory consumed and bulk purchases	–	20 393 282	–	1 678 550	6 449 451	6 721 381	(271 930)	-4%	20 393 282
Transfers and subsidies	–	183 850	–	(2 104)	(69 293)	52 964	(122 258)	-231%	183 850
Other expenditure	–	23 090 584	–	2 106 801	5 146 391	5 748 123	(601 732)	-10%	23 090 584
Total Expenditure	**–**	**69 649 019**	**–**	**5 816 686**	**17 484 958**	**18 992 390**	**(1 507 432)**	**-8%**	**69 649 019**
Surplus/(Deficit)	**–**	**375 221**	**–**	**(838 377)**	**(369 879)**	**(1 142 922)**	**773 043**	**-68%**	**375 221**
Transfers and subsidies - capital (monetary allocations) (National / Pro	–	2 209 403	–	150 275	179 786	529 851	(350 065)	-66%	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	–	44 405	103 801	165 021	(61 220)	-37%	590 040
Surplus/(Deficit) after capital transfers & contributions	**–**	**3 174 664**	**–**	**(643 698)**	**(86 292)**	**(448 050)**	**361 758**	**-81%**	**3 174 664**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**3 174 664**	**–**	**(643 698)**	**(86 292)**	**(448 050)**	**361 758**	**-81%**	**3 174 664**
Capital expenditure & funds sources									
Capital expenditure	**–**	**7 740 924**	**–**	**496 807**	**832 128**	**7 740 924**	**(6 908 796)**	**-89%**	**7 740 924**
Capital transfers recognised	–	2 799 443	–	231 712	332 488	2 799 443	(2 466 955)	-88%	2 799 443
Borrowing	–	1 830 000	–	169 221	299 493	1 830 000	(1 530 507)	-84%	1 830 000
Internally generated funds	**–**	**3 111 481**	**–**	**95 874**	**200 147**	**3 111 481**	**(2 911 334)**	**-94%**	**3 111 481**
Total sources of capital funds	**–**	**7 740 924**	**–**	**496 807**	**832 128**	**7 740 924**	**(6 908 796)**	**-89%**	**7 740 924**
Financial position									
Total current assets	–	19 385 987	–		43 378 404				19 385 987
Total non current assets	–	90 220 558	–		34 760 643				90 220 558
Total current liabilities	–	17 354 987	–		36 396 744				17 354 987
Total non current liabilities	–	26 554 074	–		18 010 301				26 554 074
Community wealth/Equity	**–**	**68 786 887**	**–**		**34 775 338**				**68 786 887**
Cash flows									
Net cash from (used) operating	–	10 753 225	–	(1 680 148)	843 955	1 448 792	604 837	42%	10 753 225
Net cash from (used) investing	–	(9 585 281)	–	(291 799)	(1 595 370)	(11 764 699)	(10 169 330)	86%	(9 585 281)
Net cash from (used) financing	–	(1 843 331)	–	(56 851)	(81 824)	(918 333)	(836 509)	91%	(1 843 331)
Cash/cash equivalents at the month/year end	**–**	**6 866 943**	**–**	**2 949 545**	**2 949 545**	**(3 691 911)**	**(6 641 456)**	**180%**	**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	2 623 031	1 867 965	897 969	3 712 557	–	–	5 861 280	28 902 755	43 865 557
Creditors Age Analysis									
Total Creditors	4 639 459	12 219	16 756	53 613	185 335	2 174	120 126	54 662	5 084 345

Table C4 - Monthly budget statement – Revenue and expenditure

JHB City Of Johannesburg - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 Sept

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	–	1 239 058	3 701 809	3 533 268	168 541	5%	14 133 073
Service charges - electricity revenue		21 338 109	–	1 743 301	5 113 473	5 659 509	(546 036)	-10%	21 338 109
Service charges - water revenue		9 777 174	–	828 215	2 159 168	2 444 295	(285 127)	-12%	9 777 174
Service charges - sanitation revenue		6 085 363	–	549 628	1 528 731	1 521 342	7 389	0%	6 085 363
Service charges - refuse revenue		2 397 969	–	208 018	612 050	601 557	10 493	2%	2 397 969
Rental of facilities and equipment		515 995	–	26 399	79 495	129 001	(49 506)	-38%	515 995
Interest earned - external investments		193 489	–	10 003	27 436	48 375	(20 939)	-43%	193 489
Interest earned - outstanding debtors		414 979	–	52 733	145 530	103 747	41 783	40%	414 979
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		891 592	–	486	4 638	222 897	(218 259)	-98%	891 592
Licences and permits		9 180	–	3 742	4 677	2 295	2 382	104%	9 180
Agency services		367 039	–	39 424	103 028	91 761	11 267	12%	367 039
Transfers and subsidies		7 619 945	–	345 872	3 481 673	1 921 613	1 560 060	81%	7 619 945
Other revenue		6 273 346	–	(63 635)	157 017	1 568 059	(1 411 042)	-90%	6 273 346
Gains		6 987	–	(4 935)	(3 645)	1 749	(5 394)	-308%	6 987
Total Revenue (excluding capital transfers and contributions)		**70 024 240**	**–**	**4 978 309**	**17 115 079**	**17 849 468**	**(734 389)**	**-4%**	**70 024 240**
									–
Expenditure By Type									–
Employee related costs		18 357 153	–	1 467 247	4 284 930	4 564 162	(279 232)	-6%	18 357 153
Remuneration of councillors		185 164	–	14 587	43 019	46 290	(3 271)	-7%	185 164
Debt impairment		5 905 328	–	662 496	1 614 355	1 490 538	123 817	8%	5 905 328
Depreciation & asset impairment		4 549 947	–	322 782	968 793	1 137 211	(168 418)	-15%	4 549 947
Finance charges		2 889 039	–	228 824	661 668	722 259	(60 591)	-8%	2 889 039
Bulk purchases - electricity		15 363 589	–	1 197 301	5 128 448	5 465 403	(336 955)	-6%	15 363 589
Inventory consumed		5 029 694	–	481 249	1 321 003	1 255 978	65 025	5%	5 029 694
Contracted services		7 942 715	–	531 111	1 302 102	1 952 896	(650 795)	-33%	7 942 715
Transfers and subsidies		183 850	–	(2 104)	(69 293)	52 964	(122 258)	-231%	183 850
Other expenditure		6 402 790	–	664 649	1 492 816	1 594 748	(101 932)	-6%	6 402 790
Losses		2 839 751	–	248 544	737 119	709 941	27 178	4%	2 839 751
Total Expenditure		**69 649 019**	**–**	**5 816 686**	**17 484 958**	**18 992 390**	**(1 507 432)**	**-8%**	**69 649 019**
Surplus/(Deficit)		**375 221**	**–**	**(838 377)**	**(369 879)**	**(1 142 922)**	**773 043**	**(0)**	**375 221**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 209 403	–	150 275	179 786	529 851	(350 065)	**(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	–	44 405	103 801	165 021	(61 220)	**(0)**	590 040
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3 174 664**	**–**	**(643 698)**	**(86 292)**	**(448 050)**			**3 174 664**
Taxation		85 261	–	–	–	18 123	(18 123)	(0)	85 261
Surplus/(Deficit) after taxation		**3 089 403**	**–**	**(643 698)**	**(86 292)**	**(466 173)**			**3 089 403**
Attributable to minorities		–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3 089 403**	**–**	**(643 698)**	**(86 292)**	**(466 173)**			**3 089 403**
Share of surplus/ (deficit) of associate		–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3 089 403**	**–**	**(643 698)**	**(86 292)**	**(466 173)**			**3 089 403**

Table C6 – Financial Position

JHB City Of Johannesburg - Table C6 Consolidated Monthly Budget Statement - Financial Position - M03 September

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	–	2 069 653	3 693 550	1 623 897
Call investment deposits		3 173 393	–	879 892	3 173 393	2 293 501
Consumer debtors		8 881 841	–	8 352 298	8 881 841	529 543
Other debtors		3 294 555	–	31 075 706	3 294 555	(27 781 151)
Current portion of long-term receivables		–	–	616 637	–	(616 637)
Inventory		342 649	–	384 218	342 649	(41 569)
Total current assets		**19 385 987**	**–**	**43 378 404**	**19 385 987**	**(23 992 416)**
Non current assets					–	
Long-term receivables		112 281	–	2 209 817	112 281	(2 097 536)
Investments		97 269	–	–	97 269	97 269
Investment property		946 280	–	29 096	946 280	917 184
Investments in Associate		23 313	–	(0)	23 313	23 313
Property, plant and equipment		84 310 139	–	32 308 267	84 310 139	52 001 873
Agricultural		–	–	–	–	–
Biological assets		36 637	–	–	36 637	36 637
Intangible assets		1 921 015	–	115 235	1 921 015	1 805 780
Other non-current assets		2 773 624	–	98 229	2 773 624	2 675 395
Total non current assets		**90 220 558**	**–**	**34 760 643**	**90 220 558**	**55 459 915**
TOTAL ASSETS		**109 606 546**	**–**	**78 139 047**	**109 606 546**	**31 467 499**
LIABILITIES					–	
Current liabilities					–	
Bank overdraft		–	–	–	–	–
Borrowing		2 819 663	–	566 645	2 819 663	2 253 018
Consumer deposits		15 401	–	1 293 921	15 401	(1 278 519)
Trade and other payables		13 915 086	–	34 033 358	13 915 086	(20 118 272)
Provisions		604 837	–	502 821	604 837	102 016
Total current liabilities		**17 354 987**	**–**	**36 396 744**	**17 354 987**	**(19 041 757)**
Non current liabilities					–	
Borrowing		19 644 549	–	16 190 226	19 644 549	3 454 323
Provisions		6 909 525	–	1 820 075	6 909 525	5 089 450
Total non current liabilities		**26 554 074**	**–**	**18 010 301**	**26 554 074**	**8 543 774**
TOTAL LIABILITIES		**43 909 062**	**–**	**54 407 045**	**43 909 062**	**(10 497 983)**
NET ASSETS	2	**65 697 484**	**–**	**23 732 002**	**65 697 484**	**41 965 482**
COMMUNITY WEALTH/EQUITY					–	
Accumulated Surplus/(Deficit)		68 786 887	–	34 007 559	68 786 887	34 779 328
Reserves		–	–	767 779	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**68 786 887**	**–**	**34 775 338**	**68 786 887**	**34 779 328**

Table C7 – Cash flow

JHB City Of Johannesburg - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M03 September

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		1 095 626	3 328 220	3 225 874	102 346	3%	12 903 496
Service charges		35 414 559		3 096 808	9 117 036	9 169 019	(51 984)	-1%	35 414 559
Other revenue		7 941 178		1 263 968	3 249 612	1 985 015	1 264 597	64%	7 941 178
Transfers and Subsidies - Operational		7 619 945		–	3 771 339	1 921 613	1 849 726	96%	7 619 945
Transfers and Subsidies - Capital		2 799 443		–	996 582	694 872	301 710	43%	2 799 443
Interest		373 446		27 317	69 727	93 364	(23 637)	-25%	373 446
Dividends							–		
Payments									
Suppliers and employees		(53 225 953)		(7 120 830)	(19 510 830)	(14 865 741)	4 645 089	-31%	(53 225 953)
Finance charges		(2 889 039)		(41 421)	(70 503)	(722 259)	(651 756)	90%	(2 889 039)
Transfers and Grants		(183 850)		(1 617)	(107 228)	(52 964)	54 263	-102%	(183 850)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**10 753 225**	**–**	**(1 680 148)**	**843 955**	**1 448 792**	**604 837**	**42%**	**10 753 225**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(2 832 764)				(11 430 399)	11 430 399	-100%	(2 832 764)
Decrease (increase) in non-current receivables		–				–	–		–
Decrease (increase) in non-current investments		988 407				247 102	(247 102)	-100%	988 407
Payments									
Capital assets		(7 740 924)		(291 799)	(1 595 370)	(581 402)	1 013 968	-174%	(7 740 924)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(9 585 281)**		**(291 799)**	**(1 595 370)**	**(11 764 699)**	**(10 169 330)**	**86%**	**(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				38	(38)	-100%	152
Payments									
Repayment of borrowing		(3 673 484)		(56 851)	(81 824)	(918 371)	(836 547)	91%	(3 673 484)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(1 843 331)**		**(56 851)**	**(81 824)**	**(918 333)**	**(836 509)**	**91%**	**(1 843 331)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(675 387)**		**(2 028 798)**	**(2 028 798)**	**(11 234 240)**			**(675 387)**
Cash/cash equivalents at beginning:		7 542 330		4 978 343	4 978 343	7 542 330			7 542 330
Cash/cash equivalents at month/year end:		6 866 943		2 949 545	2 949 545	(3 691 911)			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	168 541	This line item is inclusive of revenue foregone. The YTD actual is over performed by R168.5 million (5%). Rates revenue for the month of September totals to R1.4 billion. Rates rebates for the month of September 2022 exceeded the budgeted amount by R9.2 million (5%) and R 25.8 million (4%) for the YTD. Revenue accruals to the value of R 14.6 million which were raised in the Financial Year 2021/2022, have been partially reversed in the month for an amount of R546 029. 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	(546 036)	The underperformance is mainly as a result of decreased consumption for all Industrial and Commercial customers. 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 initiatives 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	(285 127)	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 implemented by RSSC that revenue not billed will be identified and thus remedy the current revenue levels.
	Service charges - sanitation revenue	7 389	The year-to-date budget is in line with the year to date actual. The over performance is due increased billing on business customers as a result of more sewage water received and treated.	No remedial action

	Service charges - refuse revenue	10 493	. The over performance is as a result of an adjustment for domestic Income due to additional stands that were not billed previously.	
	Rental of facilities and equipment	(49 506)	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	(20 939)	Interest earned is below budget due to low surplus cash balance.	Cash management strategies are being implemented to ensure sufficient cash reserves are maintained.
	Interest earned - outstanding debtors	41 783	City Power: The over performance is due to an increase in the number of long overdue debtors. Group Finance: YTD actual is over performance by R9.8 million (37%). 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 journal adjustments processed reduced penalties imposed for the month to the value of R605 903 for the month and R1.9 million for the YTD.	City Power: Continued implementation of the Revenue Enhancement Strategy and respective initiatives aimed at reducing non-technical losses and increasing revenue in the next financial years. 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	(218 259)	The speed cameras contract has expired, and a new contract is still not in place, 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	2 382	The over performance is due to more business licence applications received. Licence and permits revenue is informed by business licence applications of businesses who seek to trade or export food items.	Budget / forecast will be adjusted accordingly to be in line with the growing demand.
	Agency services	11 267	The variance is incurred in Public Safety (head office) and is mainly attributable to collection on renewal of licenses, drivers licences as well as heavy duty trucks.	
	Transfers and subsidies	1 560 060	The over recovery 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	(1 411 042)	Group Finance - is under performance by R1.2 billion (103%). 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). EISD: The underperformance is as a result of the Kelvin Power Station contract that ended in November 2021 and the new contract is being negotiated which includes among other things the payment of R2.5 million per annum and half payment of the	EISD: This will be corrected when the new Kelvin Power Station contract is signed, and the outstanding debt is paid.

			outstanding capital debt and the balance be paid quarterly over the duration of the contract which will run over 24 months.	
2	**Expenditure By Type**			
	Employee related costs	(279 232)	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	(3 271)	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.	The salary adjustment will be implemented once the promulgation of public office bearers is announced by the President. The spending is projected to rise as a result of increases from the previous fiscal year, which were implemented in the current month of September 2022.
	Debt impairment	123 817	The under budget is due to the following: **Joburg Water:** The over expenditure is due to reduced payment levels. The payment level year to date is 79.2% as compared to the budgeted payment level of 80.4% resulting in a higher contribution to Bad Debts.	Water and RSSC have been working together to reduce the outstanding balance. The numerous meetings have been held with the departments in order to speed up the collection process. There is slow progress of pre-termination notices and disconnections on government accounts and that result to low collection.
	Depreciation & asset impairment	(168 418)	The under expenditure is mainly as a result of new assets that have not yet been capitalised in various departments and entities, as it is the beginning of the financial year.	
	Finance charges	(60 591)	The under expenditure is mainly as a result of long-term financing procurement procedures which has not yet taken place, as it is the first quarter of the new financial year.	The expenditure will improve in the following months.
	Bulk purchases	(336 955)	**City Power** - is under budget by R 336 million (6%). The under expenditure is due to less units purchased from both Eskom and Kevin due to low demand.	Performance on this item will be constantly monitored and necessary adjustment will be made during the budget revision process.
	Other materials	65 025	Due to the following entities: **Metro Trading Company:** The growth in other materials is attributable to the rise in initiatives that MTC has started on behalf of other agencies and entities (such as construction permits for GICT, Microsoft Azure Cloud services, and livestreaming services for council sessions). The considerable increase in projects at the end of the quarter was caused by several companies delaying the start of projects in the earlier months. Money has been spent on the purchase of supplies needed to provide the services, even if revenue billing milestones have not yet been met for us to bill the customer. **Joburg Water:** The over expenditure is as a result of increased usage of stationery and material as well as consumables which are required for machine repairs.	**Metro Trading Company:** These expenses will stabilize throughout the course of the months and come close to the anticipated budgeted levels. **Joburg Water:** Budget will be corrected during the 2022/23 revised budget should the trend continue.

	Contracted services	(650 795)	The under expenditure is mainly attributable to the following: **Johannesburg City Parks & Zoo:** The under expenditure is due to delays in receiving external and internal work orders for Centralised Horticulture Services. **Pikitup:** The under expenditure is due to delays in the tender process for external contractors required for recycling. **Transport:** Due to the delays in the payment of compensation lump sum payable to the Rea Vaya Phase 1C (a) affected taxi operators as a result of delays is finalisation of the taxi operating licenses and operationalisation of JITI and Phase 1 C(a). **EISD:** The under expenditure is as a result of no expenditure due to projects which are still on the planning stage of procurement. Furthermore, the negative figure is due to the reversed accrual and the department is processing payments.	Expenditure will improve in the upcoming months once the procurement process is complete. **Transport:** It is anticipated that there will be a significant expenditure increase as soon as phase 1Ca and JITI is operationalized.
	Transfers and subsidies	(122 258)	**Economic Development** - Reversals of accrual relating to Johannesburg Inner City Partnership/Public Employment Programme (JICP/PEP) project which is still in dispute.	
	Other expenditure	(101 932)	The underspending is mainly due to the following: **City Power -** Due to under spending on the following: • Advertising, marketing and public relations costs are less than the budget due to delays in the process of finalising the PR contract that is still underway; • Legal expenses are less than the budget due to most of the budget being held under commitments as most legal processes are still underway; • Diesel is less than the budget due to fewer vehicles being utilized during the period under review. . **Group Finance:** The under expenditure is attributable to important projects that have yet to be executed in line with the demand plan, such as State Employee Verification, Supplier Profiling, Market Research and Price Benchmarking System, and Valuations Panel - Work on Implementation. GV2023, Stand by Stand audit for Revenue enhancement, and Probatory for Banking Tender and timelines will have an impact on monthly variance because implementation occurs at different times throughout the fiscal year, and no significant repairs or maintenance were required in the second month of operation. **GICT:** The under expenditure emanates from the incorrect classification of expenditure, which some should have gone through to contracted services. **Community Services:** Mainly due to the procurement of good and services being in the initial stages.	The expenditure will accelerate later in the first quarter of the financial year. **City Power:** The actual is still to align with budget as the year progresses. **Group Finance:** Project plans are expected to be implemented in accordance with the authorized demand plan. Implementation is done in phases, with expenses spent as the tenders are granted and the services are performed. Monthly progress reports are issued. Financial underperformance to take shape on a quarterly basis offers a brighter picture from September onwards. **Community Development:** Expenditure will improve once the procurement process is complete.

Table SC3: Aged debtors' analysis

JHB City Of Johannesburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

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	720 437	591 850	265 992	1 112 584	–	–	1 967 206	9 835 668	14 493 737	12 915 458	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	940 811	468 419	212 661	1 002 824	–	–	1 135 731	4 023 480	7 783 925	6 162 034	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	405 292	340 705	151 062	738 805	–	–	1 174 737	6 050 473	8 861 074	7 964 016	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	405 847	330 288	137 570	599 280	–	–	1 121 340	4 861 790	7 456 114	6 582 410	–	–
Receivables from Exchange Transactions - Waste Management	1600	155 353	126 986	121 258	249 734	–	–	453 153	3 190 765	4 297 250	3 893 653	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	(4 708)	9 717	9 426	9 331	–	–	9 113	940 578	973 458	959 023	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	**2000**	**2 623 031**	**1 867 965**	**897 969**	**3 712 557**	**–**	**–**	**5 861 280**	**28 902 755**	**43 865 557**	**38 476 592**	**–**	**–**
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	35 581	51 455	26 326	78 965	–	–	145 464	1 105 609	1 443 400	1 330 039	–	–
Commercial	2300	806 726	431 460	174 808	708 128	–	–	1 043 998	4 207 591	7 372 712	5 959 717	–	–
Households	2400	1 780 725	1 385 050	696 835	2 925 464	–	–	4 671 818	23 589 554	35 049 445	31 186 836	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**2 623 031**	**1 867 965**	**897 969**	**3 712 557**	**–**	**–**	**5 861 280**	**28 902 755**	**43 865 557**	**38 476 592**	**–**	**–**

Table SC4: Aged creditors analysis

JHB City Of Johannesburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

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	1 544 488								**1 544 488**	2 110 904
Bulk Water	0200									**–**	–
PAYE deductions	0300									**–**	–
VAT (output less input)	0400									**–**	–
Pensions / Retirement deductions	0500									**–**	–
Loan repayments	0600									**–**	–
Trade Creditors	0700	1 999 736	4 360	2 389	12 919	684	2 174	102 172	54 662	**2 179 098**	1 489 013
Auditor General	0800									**–**	–
Other	0900	1 095 234	7 859	14 367	40 694	184 651	–	17 954	–	**1 360 759**	1 489 169
Total By Customer Type	**1000**	**4 639 459**	**12 219**	**16 756**	**53 613**	**185 335**	**2 174**	**120 126**	**54 662**	**5 084 345**	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) - M03 September

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	–	1 239 058	3 701 809	3 533 268	168 541	5%	14 133 073
Service charges - electricity revenue		–	–	–	–	–	–		–
Service charges - water revenue		–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–		–
Service charges - refuse revenue		–	–	1	4	–	4	#DIV/0!	–
Rental of facilities and equipment		181 295	–	4 082	12 604	45 324	(32 720)	-72%	181 295
Interest earned - external investments		173 003	–	5 498	16 667	43 251	(26 584)	-61%	173 003
Interest earned - outstanding debtors		1 429 430	–	193 890	463 484	357 360	106 124	30%	1 429 430
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		891 509	–	478	4 610	222 876	(218 266)	-98%	891 509
Licences and permits		9 180	–	3 477	3 947	2 295	1 652	72%	9 180
Agency services		367 039	–	30 837	88 756	91 761	(3 005)	-3%	367 039
Transfers and subsidies		7 619 367	–	345 800	3 480 975	1 921 469	1 559 506	81%	7 619 367
Other revenue		5 990 814	–	(101 392)	73 383	1 497 711	(1 424 328)	-95%	5 990 814
Gains		5 000	–	–	–	1 251	(1 251)	-100%	5 000
Total Revenue (excluding capital transfers and contributions)		**30 799 710**	**–**	**1 721 728**	**7 846 240**	**7 716 566**	**129 674**	**2%**	**30 799 710**
Expenditure By Type									–
Employee related costs		10 606 290	–	858 192	2 452 173	2 636 493	(184 320)	-7%	10 606 290
Remuneration of councillors		185 164	–	14 587	43 019	46 290	(3 271)	-7%	185 164
Debt impairment		1 682 590	–	257 878	415 945	420 651	(4 706)	-1%	1 682 590
Depreciation & asset impairment		3 068 154	–	221 707	664 810	767 046	(102 236)	-13%	3 068 154
Finance charges		2 857 130	–	205 593	596 610	714 282	(117 672)	-16%	2 857 130
Bulk purchases - electricity		–	–	–	–	–	–		–
Inventory consumed		50 757	–	819	3 071	12 685	(9 614)	-76%	50 757
Contracted services		3 754 971	–	150 746	316 031	909 581	(593 550)	-65%	3 754 971
Transfers and subsidies		5 734 517	–	337 102	1 342 135	1 440 633	(98 498)	-7%	5 734 517
Other expenditure		4 127 554	–	413 744	840 284	1 030 729	(190 445)	-18%	4 127 554
Losses		–	–	2 115	2 388	–	2 388	#DIV/0!	–
Total Expenditure		**32 067 127**	**–**	**2 462 483**	**6 676 466**	**7 978 390**	**(1 301 924)**	**-16%**	**32 067 127**
Surplus/(Deficit)		(1 267 417)	–	(740 754)	1 169 774	(261 824)	1 431 598	-547%	(1 267 417)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 527 683	–	103 534	99 675	381 921	(282 246)	-74%	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	–	11 545	12 405	43 812	(31 407)	-72%	175 240
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		435 506	–	(625 676)	1 281 854	163 909	1 117 945	682%	435 506
Taxation		–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**435 506**	**–**	**(625 676)**	**1 281 854**	**163 909**	**1 117 945**	**682%**	**435 506**

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M03 September

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										
Pikitup		–	2 432 093	–	210 289	621 068	609 807	11 261	2%	2 432 093
City Power		–	22 050 766	–	1 793 469	5 245 373	5 832 681	(587 308)	-10%	22 050 766
Johannesburg Water		–	16 425 832	–	1 453 802	3 829 881	4 106 460	(276 579)	-7%	16 425 832
Johannesburg Social Housing Company		–	290 492	–	20 396	59 796	72 624	(12 828)	-18%	290 492
Johannesburg Property Company		–	89 359	–	306	2 859	22 341	(19 482)	-87%	89 359
Metropolitan Trading Company		–	56 618	–	7 899	16 098	14 157	1 941	14%	56 618
Metrobus		–	90 475	–	10 060	15 388	22 617	(7 229)	-32%	90 475
Johannesburg City Parks and Zoo		–	86 125	–	6 353	17 769	21 534	(3 765)	-17%	86 125
JDA		–	82 771	–	8 598	14 292	20 694	(6 402)	-31%	82 771
Johannesburg Roads Agency		–	202 013	–	12 047	17 180	50 502	(33 322)		202 013
Joburg City Theatres		–	53 962	–	4 738	13 296	13 491	(195)	-1%	53 962
Joburg Market		–	570 894	–	48 388	139 993	142 725	(2 732)	-2%	570 894
Joburg Tourism Company		–	–	–	–	–	–	–		–
Total Operating Revenue	1	**–**	**42 431 400**	**–**	**3 576 346**	**9 992 992**	**10 929 633**	**(936 641)**	**-9%**	**42 431 400**
Expenditure By Municipal Entity										–
Pikitup		–	3 508 805	–	249 514	801 351	857 019	(55 669)	-6%	3 508 805
City Power		–	20 463 037	–	1 668 295	6 415 936	6 751 274	(335 338)	-5%	20 463 037
Johannesburg Water		–	13 935 429	–	1 224 520	3 734 256	3 483 861	250 395	7%	13 935 429
Johannesburg Social Housing Company		–	346 301	–	46 257	132 954	86 574	46 380	54%	346 301
Johannesburg Property Company		–	839 294	–	82 653	189 703	209 826	(20 123)	-10%	839 294
Metropolitan Trading Company		–	420 207	–	78 446	113 458	105 051	8 407	8%	420 207
Metrobus		–	634 761	–	47 201	135 616	158 685	(23 070)	-15%	634 761
Johannesburg City Parks and Zoo		–	1 282 410	–	88 272	247 614	320 604	(72 989)	-23%	1 282 410
JDA		–	113 701	–	6 986	19 534	28 428	(8 894)	-31%	113 701
Johannesburg Roads Agency		–	1 662 780	–	143 981	345 926	415 695			1 662 780
Joburg City Theatres		–	244 436	–	18 892	48 486	61 110	(8 894)	-15%	244 436
Joburg Market		–	458 810	–	38 311	106 861	114 705	(69 769)	-61%	458 810
Joburg Tourism Company		–	79 192	–	414	787	19 800	(12 624)	-64%	79 192
Total Operating Expenditure	2	**–**	**43 989 163**	**–**	**3 693 741**	**12 292 481**	**12 612 632**	**(320 151)**	**-3%**	**43 989 163**

Table SC12: Monthly Budget Statement

JHB City Of Johannesburg - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M03 Septeml

Month	Budget Year 2022/23							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend								
July	645 077	–	30 712	30 712	614 365	583 653	-95%	0%
August	645 077	–	304 609	335 321	955 755	620 434	-65%	4%
September	645 077	–	496 807	832 128	1 600 832	768 704	-48%	11%
October	645 077	–	–	–	–			0%
November	645 077	–	–	–	–			0%
December	645 077	–	–	–	–			0%
January	645 077	–	–	–	–			0%
February	645 077	–	–	–	–			0%
March	645 077	–	–	–	–			0%
April	645 077	–	–	–	–			–
May	645 077	–	–	–	–			–
June	645 077	–	–	–	–			–
Total Capital expenditure	**7 740 924**	**–**	**832 128**					