COJ: GOVERNANCE TECHNICAL CLUSTER	**2022-02-**
COJ: EMT	**2022-02-**
COJ: GOVERNANCE SUB- MAYORAL COMMITTEE	**2022-02-**
COJ: MAYORAL COMMITTEE	**2022-02-**
GROUP ACCOUNTING	

CITY OF JOHANNESBURG

GROUP FINANCE

SECTION 71 REPORT

PERIOD ENDED 31 DECEMBER 2021

CITY OF JOHANNESBURG MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

1. STRATEGIC THRUST

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 December 2021, 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 December 2021 in the prescribed format. Material variances will be briefly referred to in this report. Reasons for variances are provided for material variances that are below 5% for revenue and above 5% for expenditure.

The actual year-to-date revenue variance is -2%, R758 million under performance [December 2020: 2%], the actual operating expenditure is under budget by 4%, R1.2 billion [December 2020: 5%]. The net result is an operating deficit of R757 million against a year-to-date (YTD) budgeted deficit of R302 million.

The approved Capital budget for the 2021/22 financial year amounts to R8.2 billion. The total actual expenditure (excluding commitments) to date amounts to R1.7 billion (20%) of the approved budget.

The total opening and closing investment balances including cash for the month of December 2021 were R3.5 billion and R3.9 billion respectively. This shows an increase of R421 million on during the month as indicated in Table 1 below.

Dec 21	OPENING	CLOSING
Operational Call Deposits	307 741 345	38 951 947
Operational Term Deposits	-	-
Standard Bank Primary Account Balance	393 512 491	709 647 268
Absa Primary Account Balance	398 017 038	411 253 219
TOTAL UNENCUMBERED	**1 099 270 874**	**1 159 852 434**
Contingency Reserve Fund	136 177 076	136 177 076
Unfunded Liability Fund	2 030 000	2 030 000
COID	200 300 000	200 300 000
Capital Grants	-	-
Capital Replacement Reserve	16 491 775	16 541 251
Non-Sweeping Bank Accounts	2 064 486 384	2 424 660 231
TOTAL ENCUMBERED	**2 419 485 236**	**2 779 708 558**
TOTAL INVESTMENTS	**3 518 756 110**	**3 939 560 992**

Table 1: Cash Balances as at 31 December 2021; Source – Bank Statements

Dec 21	OPENING	CLOSING
Cash and Cash Equivalents	1 738 654 434	1 854 729 952
Tradable Instruments Portfolio	1 087 407 694	1 091 425 726
TOTAL SINKING FUND INVESTMENTS	**2 826 062 128**	**2 946 155 678**

Table 1a: Sinking Fund Balance as at 31 December 2021: Source –Sinking Fund AFS and Bank Statements

- Total unencumbered balances increased by R61 million during the month, which was primarily driven by an increase in the primary account as a result of operational movements in the month mainly due to grants received during this month in line with the DORA payment schedule.

- Total encumbered balances increased by R360 million during this same period, with the most increase being in the non-sweeping's portfolio which includes accounts held for specific purposes eg developers contributions.

- The combined movement resulted in the overall total balance increase of R421 million. The Sinking Fund balances closed R120 million higher at R2.9 billion, with an increase in both the cash and cash equivalents and tradable instruments portfolios.

Cash movements analysis:

Inflows for the month of December amounted to R7.4 billion (inclusive of R3billion received in grants and transfers) versus outflows of R7 billion (inclusive of payments for bulk purchases water and electricity and salaries citywide). The resulting net movement was an increase of R421 million made up as depicted in Table 1.1.

Dec 21	
Description	**R '000**
Cash Collections	3 428 682
Revenue cash collections paid into Primary and Ordinary bank accounts	38 107
Direct Payments into MOE Revenue accounts	10 610
Prepaid Collections	158 870
Operating Grants and Subsidies	3 047 972
Other Income (Interest Received, Vat Refund, Licensing Fees)	487 127
Positive Sweepings and Non-Sweeping Movements	260 852
Total Cash Inflows	7 432 220
Outflows	
Description	**R '000**
Operational and Capital Expenditure and Treasury Transactions*	-6 561 277
Negative Sweepings and Non-Sweeping Movements	-450 138
Total Cash Outflows	-7 011 414
Net Movement	420 805

Summary Table 1.1 Cash Movements as at 31 December 2021

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

- Other income includes licensing fees amounting to R134 million and interest received for the amount of R15 million.

It is important to note that the R3 billion grant inflow in the month of December represents the second of three tranches of grant funding the last of which is due in February/March 2022. In the absence of these grant inflows, the inflows from operations would not have been sufficient to cover the monthly outflows. This risk needs to be monitored and managed during the adjustment budget process.

November 2021 Billing & December 2021 Collections; Year to Date Billing & Collections:

	Billing	Collections (Note 1)	%	Total Billing	Total Collections	%
	Nov 2021	Dec 2021		YTD: Jun'21 to Nov'21	YTD: Jul'21 to Dec'21	
	R 000's	R 000's		R 000's	R 000's	
Assessment Rates	1 145 486	1 217 170	106.3%	6 917 237	6 444 270	93.2%
Electricity	1 470 030	1 561 368	106.2%	10 719 451	9 818 768	91.6%
Water	1 424 212	1 072 137	75.3%	8 284 912	6 097 047	73.6%
Refuse	297 575	191 988	64.5%	1 391 769	1 045 444	75.1%
TOTAL	**4 337 303**	**4 042 663**	**93.2%**	**27 313 369**	**23 405 529**	**85.7%**
Note 1: Receipts are generally allocated to services in proportion to the total debt outstanding on an account.						

The city billed R4.3 billion in November 2021 compared to R4 billion collected in December 2021. The year-to-date billing as at 31 December 2021 is R27.3 billion compared to R23.4 billion collected as at 31 December 2021.

Reconciliation between Treasury banking and RSSC collections

Description	**Dec 2021**	**YTD**
	R 000's	**R 000's**
Balance as reported by Treasury	3 636 269	22 924 072
Deposits reflected by Treasury in previous month	311 604	69 023
Refunds, Deposits and Sundry Revenue	-50 203	-303 766
Water: Industrial Effluent and Cross-Boundary Sales	12 884	106 614
Difference in electricity and water prepaid sales	-15 056	-13 457
Non-Cash Items:		
Staff Accounts	4 562	31 072
Departmental Settlements	142 603	591 971
Total Revenue as per Revenue Collection Report	**4 042 663**	**23 405 529**

The December deposits of approximately R312 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		Nov 2021	Dec 2021
Budget Billing	R 000	4 685 022	4 899 463
Actual Billing	R 000	4 337 303	4 401 776
Shortfall (-) / Surplus (+) in Billing	R 000	-347 719	-497 687
Budget Collection	R 000		4 462 652
Actual Revenue Collection	R 000		4 042 663
Shortfall (-) / Surplus (+) in Collections	R 000		-419 989
Actual Billing vs. Budgeted Billing	%	92.6%	89.8%
Actual Collection vs. Budgeted Collection	%		90.6%
Budgeted Collection (Dec) vs. Budgeted Billing (Nov)	%		95.3%
Actual Collections (Dec) vs. Actual Billing (Nov)	%		93.2%

In the month of Novemnber the City billed 92.6% of planned billing. Billing less than the planned billing puts the City on the back foot in terms of expected collection as the City cannot collect what has not been billed. In December 90.6% of the budgeted collection was actually collected and this under performance.

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 – 06 mSCOA data strings was submitted to the National Treasury on the 14th December 2021.

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

10. KEY PERFORMANCE INDICATOR

In-year budget monitoring in compliance with the MFMA.

It is recommended that

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

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Assistant Director: Financial Analysis
011 358 3407

CHARITY-ANN WURAYAYI
GROUP HEAD GROUP ACCOUNTING

SENIOR LEGAL ADVISOR
GROUP LEGAL AND CONTRACTS

10.03.2022
DATE

LUFUNO MASHAU
ACTING GROUP HEAD: RSSC

10 March 2022
DATE

SINOVUYO MPAKAMA
GROUP HEAD: TREASURY AND FINANCIAL STRATEGY AND PLANNING

11 March 2022
DATE

MANENZHE MANENZHE
GROUP CHIEF FINANCIAL OFFICER

Julie Suddaby

11 March 2022
DATE

COUNCILLOR JULIE SUDDABY
MMC GROUP FINANCE

Annexure A

In-Year Report

Budget year: 2021/22

Reporting Period: Month 06

December 2021

PART 1: IN-YEAR REPORT

1.1 Mayor’s Report

On 27 May 2021, 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 December 2021 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 R758 million against the YTD budget for the period ended 31 December 2021.

The operating expenditure is underspent by R1.2 billion, against year-to-date expenditure budget of R32.9 billion.

Summary of Capital Expenditure

The following tables show the total budget (including that of the municipal entities) of R8.2 billion. The actual year to date expenditure (excluding commitments) amounts to R1.7 billion (20%) while total expenditure including commitments to date amounts to R2.7 billion (33%) of the approved budget.

Capital Expenditure per funding source as at 31 December2020:

Description (R million)	Budget 2019/20	YTD Exp	Commit-ments	Total Exp	% Spent
CoJ Loans	2,988	1,237	248	1,485	50%
CRR / Cash	1,578	524	270	794	50%
Nat Grant	777	24	124	148	19%
Prov Grant	-	-	-	-	0%
USDG	1,968	877	79	956	49%
Other	442	166	118	284	64%
Total CoJ	7,754	2,828	839	3,668	47%

Capital Expenditure per funding source as at 31 December 2021:

Description (R million)	Budget 21/22	YTD Exp	Commit-ments	Total Exp	% Spent
CoJ Loans	3 032	500	344	844	28%
CRR / Cash	2 600	512	386	899	35%
Nat Grant	113	27	-	27	24%
Prov Grant	-	-	-	-	0%
USDG	1 213	399	99	498	41%
USIP	646	108	70	178	27%
Other	553	113	94	206	37%
Total CoJ	8 157	1 659	993	2 652	33%

The total capital expenditure as at 31 December 2021 was only 33% (including commitments) compared to 47% at the same period in the previous year. This is indicative of a very slow start to the spending for the current year which puts projects at risk of not being able to spend the full allocation for the year.

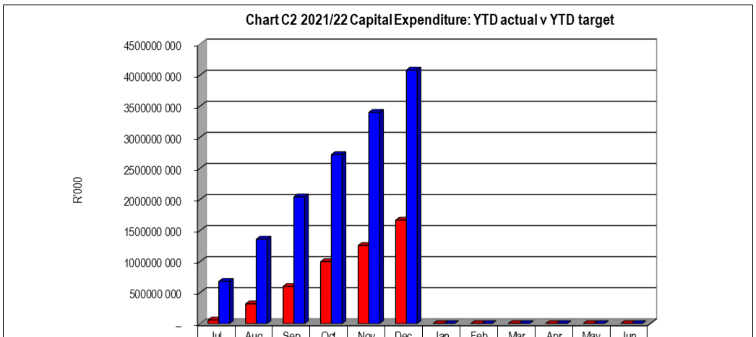
Consolidated Summary - Capital Expenditure as 31 December 2021:

Description (R million)	Budget 21/22	YTD Exp	Commit-ments	Total Exp	% Spent
Economic Development	13	3	3	6	45%
EISD	68	-	-	-	0%
Transportation	400	35	1	36	9%
Community Development	144	8	102	110	77%
Health	119	4	13	17	14%
Social Development	76	9	64	73	96%
Forensic	5	0	0	0	7%
Ombudsman	1	-	-	-	0%
Office of the City Manager	613	-26	125	99	16%
Speaker	5	0	-	0	2%
Group ICT	556	-84	321	237	43%
Group Finance	28	-	0	0	0%
Group Corporate Services	355	0	0	0	0%
Housing	1 159	290	47	338	29%
Development Planning	150	62	1	64	43%
Public Safety	169	48	4	52	31%
Total Core Administration	3 861	351	681	1 032	27%

Description (R million)	Budget 21/22	YTD Exp	Commit-ments	Total Exp	% Spent
City Power	950	214	230	445	47%
Johannesburg Water	1 141	332	-	332	29%
Pikitup	180	56	24	80	44%
Jhb Roads Agency	733	323	31	355	48%
Metrobus	148	9	-	9	6%
Jhb City Parks and Zoo	103	17	8	26	25%
Jhb Development Agency	214	63	-	63	29%
Jhb Property Company	57	17	-	17	30%
Metro Trading Company	34	22	15	37	111%
Joburg Market	80	28	-	28	35%
JOSHCO	648	222	-	222	34%
Joburg City Theatres	12	4	4	7	62%
Total MEs	4 297	1 307	312	1 620	38%

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

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	59428	318707	598489	997941	125715	166438	–	–	–	–	–	–
YearTD budget	679789	135957	203936	271915	339894	407873	–	–	–	–	–	–

<u>Interventions to improve Capex Spending</u>

<u>The midterm adjustment process</u>

The midterm adjustment process presents an ideal opportunity to address one of the prominent root causes of poor performance through reallocations from projects that cannot practically spend their allocations. The approach is defined below:

a. Budget Reduction Logic

- Step 1 – exclude any requests for new projects (projects not funded in previous or current MTREF).
- Step 2 – accept all voluntary budget reductions submitted by Departments/Entities.
- Step 3 – ‘Force’ budget reduction based on FIDPM Stage.

NB: Step 1 – 3 creates a ‘pool of funding’ for potential reallocation or overall reduction of CAPEX budget.

b. Confirmation of 21/22 CAPEX overall budget indicative

- Step 4 – Group Finance to confirm budget based on financial performance (is a reduction on the cards?)

c. Budget Increase Logic:

- Step 5 – allocate potential available funding on the following basis (subject to Mayoral Committee strategic direction):
    - Projects are linked to existing infrastructure (to address infrastructure backlog).
    - Projects demonstrate good expenditure to date and progressing well.

- Projects can reach practical completion in 21/22 but have a budget shortfall or no funding in 21/22.
- Projects are strategic and are implementation ready (at stage 4).

Notes:

- If a new project is identified and no work is done, allocate only stage 1 (potentially to stage 4) funding as funds will be available only from March 2022.
- Multiple scenarios are being prepared i.e., 1) where there is an overall CAPEX reduction; 2) where there is no reduction to the original R8.1 billion.

Cash Flow

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

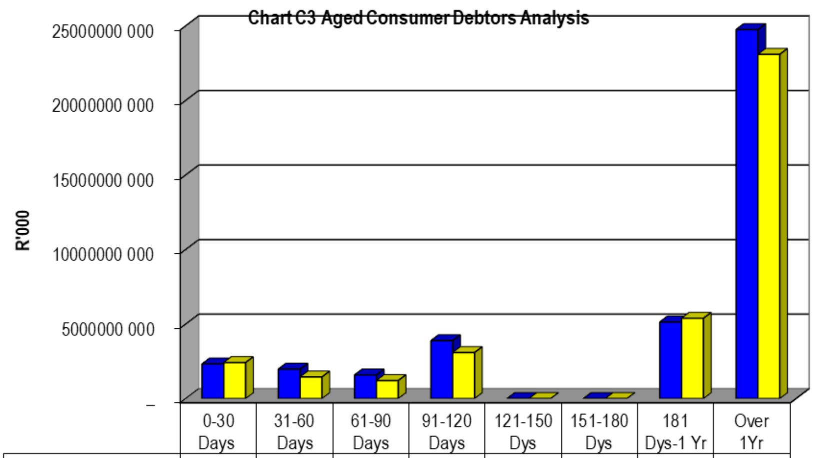
- Cash and Cash equivalents as at the end of December 2021 amount to R3.9 billion;
- The cash flow from operating activities is R1.4 billion;
- The cash flow from investing activities amount to R3.5 billion, negative
- The cash flow from financing activities amount to R598 million, negative.

The cashflow movements are largely indicative of reducing cash available primarily what comes from operations. Performance for the remainder of the year will need to be monitored closely to ensure the City remains within available resources.

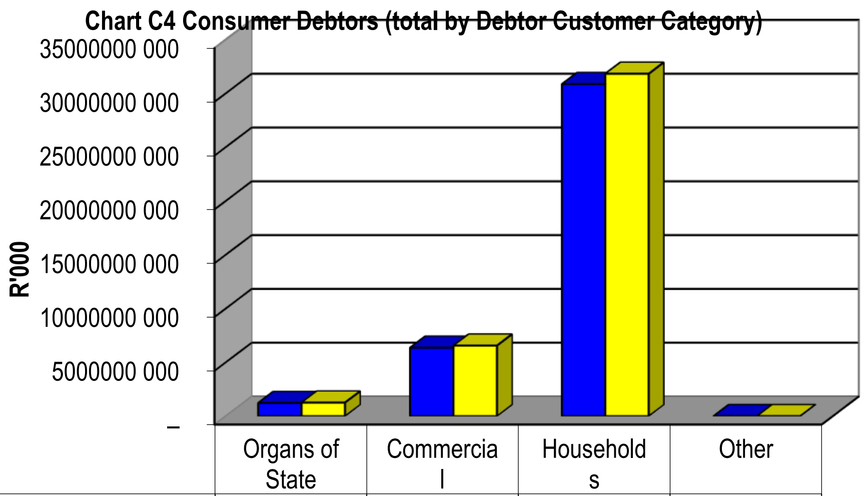
Debtor Age Analysis

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 R39.6 billion. Chart C3 below illustrates the Consumers debtors age analysis:



	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Budget Year 2021/22	2317659 9	1973174 7	1584175 4	3880805 2	–	–	5133583 4	24747568
2020 / 21	2418647 2	1448607 0	1206234 2	3085721 7	–	–	5387094 7	23085347



	Organs of State	Commercia l	Household s	Other
2020 / 21	1221551 791	6359208 269	30867097 886	–
Budget Year 2021/22	1259331 744	6555884 813	31821750 398	–

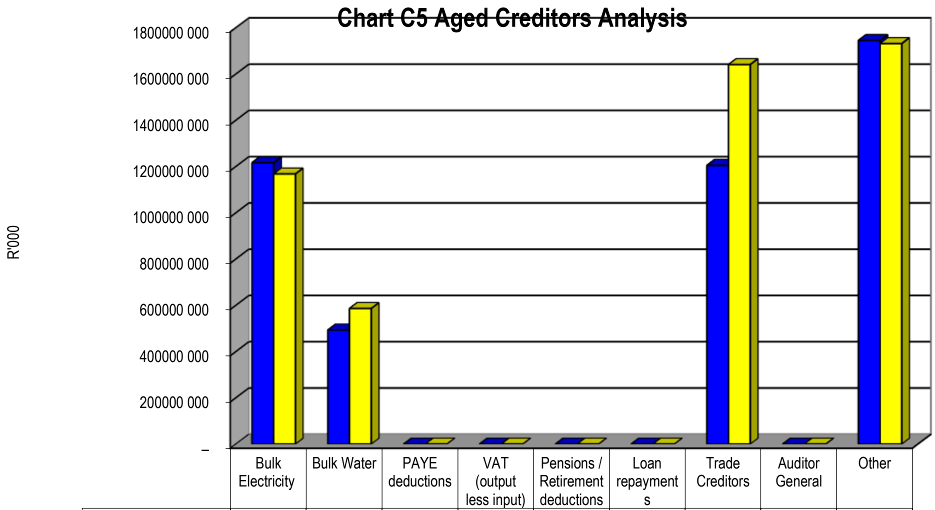
Interventions / Actions

The following interventions / actions were implemented during December 2021 to increase collection levels:

- 2 662 accounts were identified for delivery of pre-termination notices, total value R1.2 billion of which R30.1 million were collected from 321 accounts.
- 1 768 accounts were identified for delivery of final notices, total value R812 million of which R12.9 million were collected from 361 accounts.
- 70 electricity accounts were identified for disconnections, total value R298 million of which R10.4 million were collected from 42 accounts.
- 86 water accounts were identified for disconnections, total value R21.4 million of which R1 million were collected from 22 accounts

Creditors' age analysis

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



	Bulk Electricity	Bulk Water	PAYE deductions	VAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Auditor General	Other
2020 / 21	1216407 000	493312 000	–	–	–	–	1205141 000	–	1744990 000
Budget Year 2021/22	1167713 976	586310 590	–	–	–	–	1640776 219	–	1731552 625

Parent (Core) municipality's financial performance (Table SC10)

This disclosure is required by the National Treasury. Municipalities that have municipal entities should provide the monthly statement of financial performance for the parent municipality only.

Summary of municipal entities (Table SC11)

The City of Joburg has 12 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 December 2021 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 - M06 December

Description	Budget Year 2021/22							
R thousands	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance								
Property rates	13 479 333	–	1 189 796	6 773 148	6 739 666	33 482	0%	13 479 333
Service charges	36 859 015	–	2 705 707	17 537 824	18 462 898	(925 073)	-5%	36 859 015
Investment revenue	330 905	–	3 103	59 514	164 219	(104 705)	-64%	330 905
Transfers and subsidies	10 724 018	–	2 495 183	6 201 619	5 406 995	794 624	15%	10 724 018
Other own revenue	4 453 511	–	564 813	1 598 452	2 154 457	(556 004)	-26%	4 453 511
Total Revenue (excluding capital transfers and contributions)	**65 846 782**	**–**	**6 958 602**	**32 170 558**	**32 928 235**	**(757 677)**	**-2%**	**65 846 782**
Employee costs	17 118 019	–	1 590 992	8 756 185	8 988 205	(232 021)	-3%	17 118 019
Remuneration of Councillors	187 015	–	12 205	79 515	93 507	(13 993)	-15%	187 015
Depreciation & asset impairment	4 332 706	–	313 117	1 867 463	2 163 323	(295 861)	-14%	4 332 706
Finance charges	3 177 846	–	16 098	1 075 043	1 587 896	(512 853)	-32%	3 177 846
Inventory consumed and bulk purchases	21 396 860	–	1 497 586	11 158 390	10 408 216	750 174	7%	21 396 860
Transfers and subsidies	512 293	–	8 443	30 997	261 864	(230 867)	-88%	512 293
Other expenditure	18 393 924	–	832 274	8 445 496	9 123 690	(678 194)	-7%	18 393 924
Total Expenditure	**65 118 662**	**–**	**4 270 716**	**31 413 089**	**32 626 703**	**(1 213 614)**	**-4%**	**65 118 662**
Surplus/(Deficit)	**728 120**	**–**	**2 687 886**	**757 470**	**301 532**	**455 938**	**151%**	**728 120**
Transfers and subsidies - capital (monetary allocations) (National / Pro	1 972 300	–	91 562	544 384	1 000 261	(455 877)	-46%	1 972 300
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)	553 178	–	36 630	196 101	194 350	1 751	1%	553 178
Surplus/(Deficit) after capital transfers & contributions	**3 253 598**	**–**	**2 816 078**	**1 497 955**	**1 496 143**	**1 812**	**0%**	**3 253 598**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**3 253 598**	**–**	**2 816 078**	**1 497 955**	**1 496 143**	**1 812**	**0%**	**3 253 598**
Capital expenditure & funds sources								
Capital expenditure	**8 157 478**	**–**	**407 237**	**1 658 628**	**8 157 478**	**(6 498 850)**	**-80%**	**8 157 478**
Capital transfers recognised	2 525 478	–	147 480	646 614	2 525 478	(1 878 864)	-74%	2 525 478
Borrowing	3 032 000	–	71 348	499 728	3 032 000	(2 532 272)	-84%	3 032 000
Internally generated funds	**2 600 000**	**–**	**188 409**	**512 286**	**2 600 000**	**(2 087 714)**	**-80%**	**2 600 000**
Total sources of capital funds	**8 157 478**	**–**	**407 237**	**1 658 628**	**8 157 478**	**(6 498 850)**	**-80%**	**8 157 478**
Financial position								
Total current assets	17 735 260	–		49 127 854				17 735 260
Total non current assets	89 277 813	–		94 821 983				89 277 813
Total current liabilities	17 208 272	–		44 764 953				17 208 272
Total non current liabilities	27 966 068	–		41 300 586				27 966 068
Community wealth/Equity	**61 838 733**	**–**		**60 861 978**				**61 838 733**
Cash flows								
Net cash from (used) operating	6 261 667	–	1 157 646	1 380 051	3 295 527	1 915 476	58%	4 683 783
Net cash from (used) investing	(8 120 901)	–	(306 321)	(3 451 520)	(4 337 040)	(885 520)	20%	1 778 114
Net cash from (used) financing	1 721 018	–	(430 520)	(597 791)	(655 491)	(57 700)	9%	1 859 915
Cash/cash equivalents at the month/year end	**4 701 465**	**–**	**3 939 561**	**3 939 561**	**3 142 677**	**(796 884)**	**-25%**	**8 321 812**
Debtors & creditors analysis	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis								
Total By Income Source	1 973 175	1 584 175	3 880 805	–	–	5 133 583	24 747 568	39 636 967
Creditors Age Analysis								
Total Creditors	74 624	41 085	29 402	98 812	16 844	50 998	244 781	5 126 353

Table C4 - Monthly budget statement – Revenue and expenditure

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

Description	Ref	Budget Year 2021/22							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source									
Property rates		13 479 333	–	1 189 796	6 773 148	6 739 666	33 482	0%	13 479 333
Service charges - electricity revenue		20 163 994	–	1 363 670	9 140 802	10 116 428	(975 626)	-10%	20 163 994
Service charges - water revenue		8 908 587	–	675 884	4 181 803	4 454 294	(272 490)	-6%	8 908 587
Service charges - sanitation revenue		5 544 750	–	480 347	3 001 322	2 772 375	228 947	8%	5 544 750
Service charges - refuse revenue		2 241 684	–	185 806	1 213 897	1 119 801	94 096	8%	2 241 684
Rental of facilities and equipment		486 989	–	44 810	179 965	229 868	(49 903)	-22%	486 989
Interest earned - external investments		330 905	–	3 103	59 514	164 219	(104 705)	-64%	330 905
Interest earned - outstanding debtors		429 081	–	45 611	196 759	214 557	(17 798)	-8%	429 081
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		1 118 233	–	900	26 054	559 116	(533 062)	-95%	1 118 233
Licences and permits		8 741	–	150	3 761	4 370	(610)	-14%	8 741
Agency services		350 061	–	34 313	177 126	175 030	2 096	1%	350 061
Transfers and subsidies		10 724 018	–	2 495 183	6 201 619	5 406 995	794 624	15%	10 724 018
Other revenue		2 027 406	–	438 908	1 017 704	966 015	51 689	5%	2 027 406
Gains		33 000	–	122	(2 917)	5 500	(8 417)	-153%	33 000
Total Revenue (excluding capital transfers and contributions)		**65 846 782**	**–**	**6 958 602**	**32 170 558**	**32 928 235**	**(757 677)**	**-2%**	**65 846 782**
									–
Expenditure By Type									–
Employee related costs		17 118 019	–	1 590 992	8 756 185	8 988 205	(232 021)	-3%	17 118 019
Remuneration of councillors		187 015	–	12 205	79 515	93 507	(13 993)	-15%	187 015
Debt impairment		5 183 337	–	238 029	3 448 438	2 581 725	866 712	34%	5 183 337
Depreciation & asset impairment		4 332 706	–	313 117	1 867 463	2 163 323	(295 861)	-14%	4 332 706
Finance charges		3 177 846	–	16 098	1 075 043	1 587 896	(512 853)	-32%	3 177 846
Bulk purchases - electricity		13 700 479	–	882 973	7 486 860	6 567 985	918 875	14%	13 700 479
Inventory consumed		7 696 381	–	614 613	3 671 530	3 840 231	(168 702)	-4%	7 696 381
Contracted services		6 499 742	–	149 172	1 991 360	3 120 240	(1 128 881)	-36%	6 499 742
Transfers and subsidies		512 293	–	8 443	30 997	261 864	(230 867)	-88%	512 293
Other expenditure		6 710 513	–	445 228	3 003 103	3 421 557	(418 454)	-12%	6 710 513
Losses		331	–	(154)	2 596	168	2 428	1450%	331
Total Expenditure		**65 118 662**	**–**	**4 270 716**	**31 413 089**	**32 626 703**	**(1 213 614)**	**-4%**	**65 118 662**
Surplus/(Deficit)		**728 120**	**–**	**2 687 886**	**757 470**	**301 532**	**455 938**	**0**	**728 120**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 972 300	–	91 562	544 384	1 000 261	(455 877)	**(0)**	1 972 300
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		553 178	–	36 630	196 101	194 350	1 751	**0**	553 178
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**3 253 598**	**–**	**2 816 078**	**1 497 955**	**1 496 143**			**3 253 598**
Taxation		225 944	–	40 976	40 976	112 972	(71 996)	(0)	225 944
Surplus/(Deficit) after taxation		**3 027 654**	**–**	**2 775 102**	**1 456 978**	**1 383 171**			**3 027 654**
Attributable to minorities		–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**3 027 654**	**–**	**2 775 102**	**1 456 978**	**1 383 171**			**3 027 654**
Share of surplus/ (deficit) of associate		–	–	–	–	–			–
Surplus/ (Deficit) for the year		**3 027 654**	**–**	**2 775 102**	**1 456 978**	**1 383 171**			**3 027 654**

Table C6 – Financial Position

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

Description	Ref	Budget Year 2021/22				
R thousands	1	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	Variance
ASSETS						
Current assets						
Cash		2 673 159	–	3 900 609	2 673 159	(1 227 450)
Call investment deposits		2 028 306	–	38 952	2 028 306	1 989 354
Consumer debtors		8 250 858	–	21 374 971	8 250 858	(13 124 113)
Other debtors		4 414 989	–	22 654 444	4 414 989	(18 239 455)
Current portion of long-term receivables		–	–	732 484	–	(732 484)
Inventory		367 949	–	426 394	367 949	(58 446)
Total current assets		**17 735 260**	**–**	**49 127 854**	**17 735 260**	**(31 392 594)**
Non current assets					–	
Long-term receivables		83 899	–	3 223 307	83 899	(3 139 408)
Investments		1 108 368	–	–	1 108 368	1 108 368
Investment property		1 655 336	–	8 732	1 655 336	1 646 604
Investments in Associate		25 027	–	(0)	25 027	25 027
Property, plant and equipment		80 309 661	–	83 016 246	80 309 661	(2 706 586)
Agricultural		–	–	–	–	–
Biological assets		640 631	–	(782)	640 631	641 413
Intangible assets		3 076 820	–	(2 465 532)	3 076 820	5 542 351
Other non-current assets		2 378 072	–	11 040 011	2 378 072	(8 661 939)
Total non current assets		**89 277 813**	**–**	**94 821 983**	**89 277 813**	**(5 544 170)**
TOTAL ASSETS		**107 013 073**	**–**	**143 949 837**	**107 013 073**	**(36 936 764)**
LIABILITIES					–	
Current liabilities					–	
Bank overdraft		–	–	–	–	–
Borrowing		3 681 062	–	959 731	3 681 062	2 721 332
Consumer deposits		20 300	–	1 284 424	20 300	(1 264 124)
Trade and other payables		13 096 159	–	41 560 768	13 096 159	(28 464 609)
Provisions		410 750	–	960 030	410 750	(549 279)
Total current liabilities		**17 208 272**	**–**	**44 764 953**	**17 208 272**	**(27 556 681)**
Non current liabilities					–	
Borrowing		21 105 197	–	37 710 030	21 105 197	(16 604 833)
Provisions		6 860 871	–	3 590 556	6 860 871	3 270 314
Total non current liabilities		**27 966 068**	**–**	**41 300 586**	**27 966 068**	**(13 334 519)**
TOTAL LIABILITIES		**45 174 340**	**–**	**86 065 539**	**45 174 340**	**(40 891 199)**
NET ASSETS	2	**61 838 733**	**–**	**57 884 298**	**61 838 733**	**3 954 435**
COMMUNITY WEALTH/EQUITY					–	
Accumulated Surplus/(Deficit)		61 838 733	–	59 902 752	61 838 733	1 935 981
Reserves		–	–	959 226	–	(959 226)
TOTAL COMMUNITY WEALTH/EQUITY	2	**61 838 733**	**–**	**60 861 978**	**61 838 733**	**976 755**

Table C7 – Cash flow

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

Description	Ref	Budget Year 2021/22							
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		61 824 894		7 401 781	35 556 280	31 157 942			61 494 190
Property rates		12 325 853		1 021 651	5 944 089	6 162 926	(218 838)	-4%	12 325 853
Service charges		33 332 217		2 614 618	16 979 983	16 698 835	281 148	2%	33 332 217
Other revenue		2 750 139		702 763	4 242 224	1 499 829	2 742 396	183%	6 671 414
Transfers and Subsidies - Operational		10 724 018		3 043 472	6 628 823	5 406 995	1 221 828	23%	6 802 944
Transfers and Subsidies - Capital		1 972 300		4 500	1 650 193	1 194 611	455 582	38%	1 972 300
Interest		720 367		14 776	110 968	194 746	(83 778)	-43%	389 462
Dividends		–					–		–
Payments									(56 810 407)
Suppliers and employees		(51 873 087)		(5 449 425)	(32 943 593)	(26 012 654)	6 930 939	-27%	(53 120 268)
Finance charges		(3 177 846)		(794 099)	(1 215 634)	(1 587 896)	(372 262)	23%	(3 177 846)
Transfers and Grants		(512 293)		(611)	(17 002)	(261 864)	(244 862)	94%	(512 293)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**6 261 667**	**–**	**1 157 646**	**1 380 051**	**3 295 527**	**1 915 476**	**58%**	**4 683 783**
									–
CASH FLOWS FROM INVESTING ACTIVITIES									–
Receipts									1 778 114
Proceeds on disposal of PPE		585 847				16 335	(16 335)	-100%	585 847
Decrease (increase) in non-current receivables							–		83 899
Decrease (increase) in non-current investments		(549 270)				(274 635)	274 635	-100%	1 108 368
Payments									–
Capital assets		(8 157 478)		(306 321)	(3 451 520)	(4 078 739)	(627 219)	15%	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(8 120 901)**	**–**	**(306 321)**	**(3 451 520)**	**(4 337 040)**	**(885 520)**	**20%**	**1 778 114**
									–
CASH FLOWS FROM FINANCING ACTIVITIES									–
Receipts									3 011 700
Short term loans		–		–	–	–	–		–
Borrowing long term/refinancing		3 032 000			–	–	–		3 032 000
Increase (decrease) in consumer deposits		201				100	(100)	-100%	(20 300)
Payments									(1 151 785)
Repayment of borrowing		(1 311 183)		(430 520)	(597 791)	(655 592)	(57 801)	9%	(1 151 785)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**1 721 018**	**–**	**(430 520)**	**(597 791)**	**(655 491)**	**(57 700)**	**9%**	**1 859 915**
									–
NET INCREASE/ (DECREASE) IN CASH HELD									**8 321 812**
Cash/cash equivalents at beginning:		4 839 681		3 518 756	3 518 756	4 839 681			–
Cash/cash equivalents at month/year end:		4 701 465		3 939 561	3 939 561	3 142 677			8 321 812

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**			
	Service charges - electricity revenue	(975 626)	The underperformance is due to decreased tariffs and consumption for all Industrial and Commercial customers as a result of changing consumption patterns under Covid 19 restrictions.	City Power has responded to these challenges associated with revenue and non-technical losses with a Revenue Enhancement Strategy. The strategy aims to reduce non-technical losses and increase revenue. It has very 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. • Prepaid Project (smart meter roll-out) • New Services Connections • Post Billing Process Optimization • Alarms

	Service charges - water revenue	(272 490)	The underperformance is mainly due to a reduction in consumption of water by business and households as a result of changes in the patterns under Covid 19 restrictions.	It is expected that with the stand by stand audit that is currently underway through RSSC, revenue currently not included will be identified and added to the revenue base.
	Service charges - sanitation revenue	228 947	The favourable variance is mainly due to increased billing to business customers as a result of increased sewage water received and treated. Furthermore, the overperformance is due to additional revenue from the outcomes of stand-by-stand audits.	No remedial action.
	Service charges - refuse revenue	94 096	The over recovery is as a result of increased billing for Domestic RCR for the billing of revenue for non-sectional title properties that were previously billed incorrectly (Project Legogo)	No remedial action.
	Rental of facilities and equipment	(49 903)	The underperformance is due to a decrease in the intake of new occupants and lease renewals for council owned business due to the impact of Covid 19. In addition, there are delay in EAC approvals for rental equipment.	Consider budget adjustment in the adjustment budget
	Interest earned - external investments	(104 705)	The underperformance is mainly attributable to the interest rate cut, as well as the interest earned which is below the target whilst compared to the budget. The interest rate drop from over a year ago continues to be the most significant driver to the growing budget gap. In addition, cash and cash equivalents have decreased resulting in less interest earned.	This line-item budget will be reviewed at the adjustment budget process.
	Interest earned - outstanding debtors	(17 798)	**Joburg Water** - The under recovery is as a result of information received from COJ Revenue which shows a	Joburg Water has requested RSSC to investigate why the interest on outstanding debtors is low whilst there

			decreasing interest earned while long term debtors are increasing.	is growth with defaulting debtors, and the entity still expect feedback in this regard.
	Fines, penalties, and forfeits	(533 062)	The underperformance is as a result of speed camera contract that has expired. Furthermore, the revenue from August to date cannot be recognised due to missing information from Opus as a result of enaties system crush.	The Public safety department is currently processing payments of outstanding invoices for the expired speed cameras contract. In addition, a new Service Level Agreement for speed cameras is currently being signed off.
	Licences and permits	(610)	The underperformance is due to revenue not collected for licence fees from companies for landfill gas.	No remedial action.
	Transfers and subsidies	794 624	The over recovery is mainly as a result of the second tranche of equitable share received in the month under review.	No action is required however the monthly projections needs to be reviewed in line with National Treasury Payments.
	Other revenue	51 689	**Joburg Water** - is over budget by R43 million (100%). This is as a result of the bulk contributions that has been received to date for water and sewer. **Environment Infrastructure & Services Department** - is over by R9 million (106%). This is due to concession fees from Kelvin Power Station. The revenue is received quarterly but recognised monthly. **Development Planning** - is over budget by R 6 million (15%). The favourable variance is due to increased collections for building application fees.	**Environment Infrastructure & Services Department** - The over variance will offset over time. **Development Planning** - The department will monitor trend and adjustments be made during the annual budget review process.
2	**<u>Expenditure By Type</u>**			
	Employee related costs	(232 021)	The under expenditure is attributable to vacant positions that will be filled during the current financial year. As well as a decrease in overtime and acting allowance.	Human Resources processes currently underway to fill vacancies (Subject to approval by City Manager approval due to moratorium).

	Remuneration of councillors	(13 993)	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.
	Debt impairment	866 712	The over expenditure is due to the following: **City Power**: is over budget by R492 million (214%). This is due a decrease in collection level. The YTD collection level of 91.02% was used to determine the debt impairment reported is based on the actual billing against the target level of 97%. **Johannesburg Water** is over budget by R248 million (18%) - The variance is due to reduced payment levels. The YTD payment level is 71.2% as compared to the budgeted payment level of 79.8%, resulting in a higher contribution to Bad Debts. **Group Finance**: is over budget by R139 million (34%). A YTD entry of R656 million was processed in the month of December 2021. The Bad Debt Provision is calculated in arrears monthly when possible. This item is a non-cash flow item and is computed in line with GRAP 104 (Financial Instruments) which requires that objective evidence be assessed as to the recoverability of the financial assets (i.e., whether the financial assets is impaired or not).	**City Power**: Budget will be reviewed during the revised budget process. **Joburg Water:** The Entity 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. **Group Finance:** The Budgeted amount is based on the budgeted collection rate, and when the collection rate is below the target, there will be an over expenditure in this line item. Revenue Shared Service Centre (RSSC) is the custodian of the Credit Control management process and efforts should be made to collect all amounts billed including long outstanding debt.
	Depreciation & asset impairment	(295 861)	The under expenditure is attributable to the following department and entities: Group Finance, Joburg Water and	The budget will be reviewed during the adjustment budget process.

			Metro Trading Company. This is mainly due to assets that have been purchased but not yet capitalised since capital projects have not yet been completed.	
	Finance charges	(512 853)	The under expenditure is mainly as a result of long-term borrowings which have not yet been drawn down in the current financial year.	The department will review the expenditure during the adjustment budget process.
	Bulk purchases	918 875	**City Power** - The bulk purchases from Kelvin were more than budget as a result of seasonal variation in unit prices that results in misalignment with budgeted amounts	This line item will be assessed during the mid year budget review to consider if a budget revision is necessary based on projections to year end.
	Other materials	(168 702)	The variance is due to the following entities: **Joburg Water -** is under budget by R142 million (4 %). This is as a result of less stationery and material used as a result of Covid-19 impact. **Group Finance** - is under budget by R16 million (99%). Due to resurgence of Covid 19, most employees continue to work from home resulting in less stationery and covid-19 PPEs items required. **Metro Bus** - is under budget by R17 million (24%) due to under spending on diesel, compressed natural gas (CNG), COVID expenditure and repairs and maintenance to the bus fleet due to rotation of staff at the workshops and late finalisation of tenders for the bus spare parts	**Group Finance**: The expenditure is expected to increase when employees return to work and demand for stationery and personal protective equipment increases. **Metro Bus**: The workshops and stores had significant down time however activities on bus maintenance have now resumed.
	Contracted services	(1 128 881)	The underspending is mainly attributable to the following: **City Power** - is under budget by R192 million (25%) - Due to under spending on consultant fees as a result of slow utilization of consultants in the current year, cut off fees is	**City Power**: Budget will be reviewed during the revised budget process. **Community Development:** The department appointed JPC and expect progress in February 2022. **Group Information Communication**

			less than budget as a result of fewer cuts off, further under spending on security costs due to covid 19 isolation and quarantine health protocols which may have negatively affected the availability and accessibility of certain security services. **Community Development** - is under budget by R96 million (96%) -The underspending is mainly due to the delays in the procurement of goods and services required for repairs and maintenance of community facilities. **Johannesburg Road Agency** - is under budget by R140 million (61%). Due to underspending on contractors that are assisting in road maintenance, potholes, and traffic signals. **Group Information Communication Technology** - is under budget by R54 million (38%) - The under expenditure is mainly attributable to Information Technology invoices that have not yet been received and processed to date. **Housing Department** - is under budget by R369 million (355%): the under expenditure is mainly as a result of the reversal of accruals that did not have budget in the previous financial year.	**Technology:** The spending will increase when the work is completed and verified by the city officials. This will occur in the next quarter of the financial year. Renewal of contracts is also being fast tracked. **Johannesburg Road Agency**: The Entity requested to reduce the budget during the adjustment process. **Housing Department:** Paying of invoices will reduce the variance.
	Transfers and subsidies	(230 867)	Transport Department - the under expenditure is relates to phase 1c taxi compensation that was moved to contracted services to ensure correct expenditure classification.	Remaining budget that will not be spent will be appropriated to the GL accounts where expenditure will incur
	Other expenditure	(418 454)	The underspending is mainly due to the following: **City Manager**: is under budget by R56 million (16%) as a result of savings on training, conference seminars due to covid-19	**City Manager**: The department intends to review its budget during the adjustment budget process in Jan/Feb 2022 and intends to surrender some funds

			restrictions, as well as under spending on youth and community-based planning programmes being placed on halt. In addition, the Formula 1 Grand Prix, and ladies Joburg Open is scheduled to take place in March 2022. **Metro Bus**: is under budget by R 21 million (36%). Due to under spending on recruitment fees, municipal services, uniform as these are bought on a need basis. In addition, savings on hiring of buses were realised since the contract came to an end and was not renewed. Furthermore, under spending on IT software: Oracle is no longer being used after it crashed, migrating to SAP is still in process, SAGE accounting system is temporarily being utilised. **Community Development**: is under budget by R146 million (58%). Mainly due to internal charges by JMPD for the guarding of property not yet processed, under spending on grass cutting due to Service Level Agreement delays with Johannesburg City Parks, other savings on municipal services, book purchases and group activities due to COVID 19 delays. **Group Information Communication Technology** - is under budget by R58 million (50%) - The under expenditure is mainly attributable to software licences to be paid in the coming months, as well as savings on rental fees. **City Power**: is under budget by R119 million (19%). Due to under spending on the following: a) Advertising, marketing, and public relations costs - due to delays in the approval process for communications activities from the Group	after consultation with its senior managers. **Community Development:** Expenditure is expected to improve in the 3rd quarter as all other stakeholders have been consulted to expedite processes for the delivery of services. **Group Information Communication Technology**: purchase orders already issued, and spending is expected to occur over the coming months. **City Power**: Budget will be reviewed during the revised budget process. **Group Finance**: The expenditure is expected to increase in the coming months.

			Communications Office. b) Departmental charges, rates, and services: due to less requests made on vegetation and grass cutting budget. c) License and registration due to fewer renewal of licences and PDPs to date. **Group Finance**: is under budget by R 69 million (36%). The variance is primarily due to the following: a) pretermination notice tender that has not yet been approved, which will reduce Attcol spending. b) distribution of customer statements could not be issued by South African Post Office since they were busy with the procurement process, resulting in minimal movement on postage and printing publishing line items (used for SAPO contract). c) Audit fees are statutory payments that are processed in accordance with the receipt of audit invoices.	

Table SC3: Aged debtors' analysis

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

Description	NT Code	Budget Year 2021/22											
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	596 745	582 453	427 596	1 198 757			1 794 619	8 142 048	12 742 218	11 135 424	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	675 689	560 692	542 394	1 059 177			941 016	3 484 820	7 263 787	5 485 013	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	347 328	292 906	273 888	757 909			1 182 475	5 113 746	7 968 251	7 054 129	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	497 289	422 420	238 837	584 391			840 044	4 287 210	6 870 191	5 711 645	–	–
Receivables from Exchange Transactions - Waste Management	1600	205 846	105 890	92 874	255 128			367 282	2 872 782	3 899 802	3 495 192	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	(5 237)	8 813	8 586	25 444			8 149	846 962	892 717	880 554	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	**2000**	**2 317 660**	**1 973 175**	**1 584 175**	**3 880 805**	**–**	**–**	**5 133 583**	**24 747 568**	**39 636 967**	**33 761 957**	**–**	**–**
2021/22 - totals only		2 418 647	1 448 607	1 206 234	3 085 722	–	–	5 387 095	23 085 348	36 631 653	**31 558 164**	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	3 062	51 994	30 263	100 119	–	–	161 970	911 923	1 259 332	1 174 012	–	–
Commercial	2300	519 801	454 443	285 152	770 682	–	–	875 550	3 650 256	6 555 885	5 296 489	–	–
Households	2400	1 794 797	1 466 738	1 268 760	3 010 004	–	–	4 096 063	20 185 389	31 821 750	27 291 455	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**2 317 660**	**1 973 175**	**1 584 175**	**3 880 805**	**–**	**–**	**5 133 583**	**24 747 568**	**39 636 967**	**33 761 957**	**–**	**–**

Table SC4: Aged creditors analysis

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

Description R thousands	NT Code	Budget Year 2021/22									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	1 167 714								**1 167 714**	1 216 407
Bulk Water	0200	586 311								**586 311**	493 312
PAYE deductions	0300									–	–
VAT (output less input)	0400									–	–
Pensions / Retirement deductions	0500									–	–
Loan repayments	0600									–	–
Trade Creditors	0700	1 486 467	34 011	10 831	4 749	(17 877)	264	40 335	81 994	**1 640 776**	1 205 141
Auditor General	0800									–	–
Other	0900	1 329 314	40 613	30 254	24 653	116 689	16 580	10 663	162 788	**1 731 553**	1 744 990
Total By Customer Type	**1000**	**4 569 806**	**74 624**	**41 085**	**29 402**	**98 812**	**16 844**	**50 998**	**244 781**	**5 126 353**	4 659 850

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) - M06 December

Description	Ref	Budget Year 2021/22							
		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		13 479 333	–	1 189 796	6 773 148	6 739 666	33 482	0%	13 479 333
Service charges - electricity revenue		–	–	–	–	–	–		–
Service charges - water revenue		–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–		–
Service charges - refuse revenue		–	–	1	61	–	61	#DIV/0!	–
Rental of facilities and equipment		172 663	–	4 446	26 655	72 210	(45 555)	-63%	172 663
Interest earned - external investments		312 900	–	335	34 682	156 450	(121 768)	-78%	312 900
Interest earned - outstanding debtors		1 465 249	–	37 996	561 336	732 641	(171 306)	-23%	1 465 249
Dividends received		–	–	–	–	–	–		–
Fines, penalties and forfeits		1 118 155	–	893	25 999	559 077	(533 079)	-95%	1 118 155
Licences and permits		8 741	–	81	2 693	4 370	(1 677)	-38%	8 741
Agency services		350 061	–	26 382	152 529	175 030	(22 501)	-13%	350 061
Transfers and subsidies		10 723 467	–	2 494 085	6 199 351	5 406 719	792 632	15%	10 723 467
Other revenue		2 523 061	–	124 104	773 104	1 233 445	(460 341)	-37%	2 523 061
Gains		33 000	–	–	–	5 500	(5 500)	-100%	33 000
Total Revenue (excluding capital transfers and contributions)		**30 186 630**	**–**	**3 878 120**	**14 549 557**	**15 085 110**	**(535 552)**	**-4%**	**30 186 630**
Expenditure By Type									–
Employee related costs		9 953 708	–	944 459	5 201 632	5 295 372	(93 740)	-2%	9 953 708
Remuneration of councillors		187 015	–	12 205	79 515	93 507	(13 993)	-15%	187 015
Debt impairment		1 619 517	–	9 082	911 478	809 026	102 452	13%	1 619 517
Depreciation & asset impairment		2 901 906	–	211 498	1 270 273	1 450 768	(180 495)	-12%	2 901 906
Finance charges		3 304 453	–	8 058	1 061 982	1 652 227	(590 244)	-36%	3 304 453
Bulk purchases - electricity		–	–	–	–	–	–		–
Inventory consumed		222 758	–	6 694	19 029	107 108	(88 079)	-82%	222 758
Contracted services		2 759 683	–	(135 686)	570 483	1 343 041	(772 557)	-58%	2 759 683
Transfers and subsidies		5 777 409	–	428 656	2 573 246	2 888 726	(315 480)	-11%	5 777 409
Other expenditure		4 727 750	–	161 852	1 513 596	2 323 397	(809 801)	-35%	4 727 750
Losses		–	–	38	407	–	407	#DIV/0!	–
Total Expenditure		**31 454 199**	**–**	**1 646 856**	**13 201 642**	**15 963 172**	**(2 761 530)**	**-17%**	**31 454 199**
Surplus/(Deficit)		(1 267 569)	–	2 231 264	1 347 915	(878 063)	2 225 978	-254%	(1 267 569)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 307 239	–	53 815	403 379	646 319	(242 940)	-38%	1 307 239
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		88 700	–	–	–	44 350	(44 350)	-100%	88 700
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		128 370	–	2 285 079	1 751 294	(187 393)	1 938 688	-1035%	128 370
Taxation		–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**128 370**	**–**	**2 285 079**	**1 751 294**	**(187 393)**	**1 938 688**	**-1035%**	**128 370**

Table SC11: Summary of municipal entities performance

JHB City Of Johannesburg - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M06 December

Description	Ref	Budget Year 2021/22							
R thousands		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity									
City Power		21 024 468	–	1 422 339	9 399 937	10 485 837	(1 085 899)	-10%	21 024 468
Johannesburg Water		15 012 320	–	1 214 087	7 399 630	7 506 160	(106 530)	-1%	15 012 320
Pikitup		3 409 192	–	283 369	1 789 133	1 703 025	86 108	5%	3 409 192
Johannesburg Roads Agency		1 576 064	–	127 217	723 073	788 032	(64 959)	-8%	1 576 064
Metrobus		767 489	–	71 319	354 313	383 744	(29 432)	-8%	767 489
Johannesburg City Parks and Zoo		1 207 251	–	94 161	573 890	582 478	(8 588)	-1%	1 207 251
JDA		123 391	–	11 398	45 335	49 846	(4 511)	-9%	123 391
Johannesburg Property Company		1 014 692	–	169 585	472 387	423 005	49 381	12%	1 014 692
Metropolitan Trading Company		556 548	–	242 596	538 140	277 146	260 994	94%	556 548
Joburg Market		553 649	–	48 109	279 288	276 824	2 464		553 649
Johannesburg Social Housing Company		257 576	–	41 662	150 010	128 788	21 222	16%	257 576
Joburg City Theatres		217 839	–	29 765	129 008	117 351	11 657	10%	217 839
Expenditure By Municipal Entity		–	–	–	–	–	–		–
Total Operating Revenue	1	**45 502 640**	**–**	**3 725 842**	**21 725 136**	**22 604 887**	**(879 751)**	**-4%**	**45 502 640**
Expenditure By Municipal Entity									–
City Power		19 378 544	–	1 263 669	9 887 536	9 455 187	432 349	5%	19 378 544
Johannesburg Water		13 407 802	–	1 121 705	6 751 577	6 748 354	3 223	0%	13 407 802
Pikitup		3 078 269	–	339 257	1 654 715	1 541 733	112 982	7%	3 078 269
Johannesburg Roads Agency		1 576 035	–	130 134	657 379	812 948	(155 569)	-19%	1 576 035
Metrobus		767 489	–	81 710	296 013	394 893	(98 880)	-25%	767 489
Johannesburg City Parks and Zoo		1 206 979	–	94 204	583 908	543 684	40 224	7%	1 206 979
JDA		123 391	–	9 101	56 584	63 725	(7 141)	-11%	123 391
Johannesburg Property Company		1 014 692	–	57 989	312 456	446 164	(133 708)	-30%	1 014 692
Metropolitan Trading Company		556 518	–	156 617	288 012	277 151	10 860	4%	556 518
Joburg Market		444 892	–	39 500	228 658	227 808			444 892
Johannesburg Social Housing Company		257 576	–	41 128	213 460	133 015	850	1%	257 576
Joburg City Theatres		217 839	–	29 765	129 162	121 321	80 445	66%	217 839
Surplus/ (Deficit) for the yr/period		–	–	–	–	–	7 841	#DIV/0!	–
Total Operating Expenditure	2	**41 812 187**	**–**	**3 335 014**	**20 930 297**	**20 644 662**	**285 635**	**1%**	**41 812 187**

Table SC12: Monthly Budget Statement

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

Month	Budget Year 2021/22							
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	679 790	–	59 429	59 429	679 790	620 361	91%	1%
August	679 790	–	259 279	318 708	1 359 580	1 040 872	76,6%	4%
September	679 790	–	279 782	598 490	2 039 370	1 440 880	70,7%	7%
October	679 790	–	393 690	992 180	2 719 159	1 726 980	63,5%	12%
November	679 790	–	259 211	1 251 391	3 398 949	2 147 558	63%	15%
December	679 790	–	407 237	1 658 628	4 078 739	2 420 111	59,3%	20%
January	679 790	–	–		–	–		
February	679 790	–	–		–	–		
March	679 790	–	–		–	–		
April	679 790	–	–		–	–		
May	679 790	–	–		–	–		
June	679 790	–	–		–	–		
Total Capital expenditure	**8 157 478**	**–**	**1 658 628**					