

Capital Projects

Capital Expenditure

Projects Capital expenditure incurred to date is R133 180 000.00 and an amount of R116 922 723.52 has been received from CAM. The adjusted budget allocated for the year amounts to R133 180 000.00 for the year 2015/2016.

The Progress on the 2014/2015 CAPEX Budget

Project Name	Full Year Approved Capex Budget 2015/16	YTD Actuals Jul-15 To Jun-16	Percentage Spent YTD
Computer Equipment New Computer Upgrades BRAAMFONTEIN WERF EXT.1 F City Wide	4 000 000.00	4 000 000.00	100%
Erf 43-46 Victoria Ext 3(Paterson Park Node) New Housing Development VICTORIA EXT.3 E Regional	5 500 000.00	5 500 000.00	100%
FMMU - Public Conveniences New Public toilets JOHANNESBURG F Ward	6 500 000.00	6 500 000.00	100%
Jabulani CBD Precinct development New Operational Capex JABULANI D Ward	7 364 000.00	7 364 000.00	100%
Land Regularisation Renewal Operational Capex JOHANNESBURG F City Wide	4 900 000.00	4 900 000.00	100%
Office Space Optimisation Program New Precinct Redevelopment JOHANNESBURG F City Wide	30 000 000.00	30 000 000.00	100%
Orlando Ekhaya Waterfront Development Renewal Park ORLANDO EKHAYA D Regional	4 436 000.00	4 436 000.00	100%
Randburg CBD Renewal Building Alteration Renewal Building Alterations FERNDAL E Regional	1 000 000.00	1 000 000.00	100%
Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex JOHANNESBURG F Ward	7 400 000.00	7 400 000.00	100%
Rissik Street Post Office Restoration Project New Heritage JOHANNESBURG F Regional	20 000 000.00	20 000 000.00	100%
Rosebank Linear Park Redevelopment New Precinct Redevelopment ROSEBANK B Regional	2 000 000.00	2 000 000.00	100%
Sandown Extension 49 Erf 575RE Renewal Building Alterations SANDOWN EXT.49 E	25 000 000.00	25 000 000.00	100%
Site Development Projects New Land Preparation JOHANNESBURG F City Wide	12 393 000.00	12 393 000.00	100%
Watt Street Inter-change New Housing Development WYNBERG E Regional	2 387 000.00	2 386 559.15	100%
Total	132 880 000.00	132 879 559.15	100%

Capital Projects continued

Current Ratio (Liquidity)

Definition: The ratio is mainly used to give an idea of a company's ability to pay back its short-term liabilities (eg. debt and payables) with its short-term assets (eg. cash and receivables). The higher the current ratio, the more capable the company is of paying its obligations.

The ratios below are units of measurement currently being used by the City of Johannesburg (CoJ) to measure the financial position and performance of the various entities. The focus of this report will be on liquidity and efficiency ratios. A comparative of three years has been provided to observe the trends.

Debtors Collection Period

Definition: Measures the number of days a business takes to efficiently collect its receivables. CoJ-JPC Portfolio collection period is 50 days as compared to the industry norm of 60 days and this also takes into account debtors that are deemed irrecoverable. A bad debts report was prepared and submitted to Core Accounting. Weekly follow ups on the said report are performed as it has to be presented to Mayoral Committee for approval.

Financial Ratios	Norm	2015/16	2014/15	2013/14
Current Ratio	2:1	0.91:1	0.93:1	1.21:1
Solvency Ratio	1:1	1.29:1	1.14:1	1.28:1
Cash Coverage Ratio	1:1	2.16:1	-3.54:1	-6.93:1
Creditors Payment Days	30 days	62 days	30 days	31 days
Debtors Collection Days	60 days	67 days	303 days	376 days

Performance Monitoring Against the Scorecard

For the financial year ending 30 June 2016, JPC achieved 92% of the approved scorecard. JPC did not make any scorecard amendments to the targets for the period under review, as would be necessary at times, in line with the MFMA.

1. Sustainable human settlements

1.1 Develop and implement a comprehensive Facilities Management framework for City owned properties

Current Year 2015/2016		Prior Year 2014/2015	
Annual Target	Actual	Annual Target	Actual
100 % of targeted facilities redeveloped, and / or refurbished against Master Plan	100% of targeted facilities redeveloped, and / or refurbished against Master Plan	N/A	N/A

Target achieved as a 100% targeted facilities was redeveloped, and / or refurbished.

The target to transfer 13 000 properties was very ambitious; however, JPC managed to transfer a total of 3 065 properties which is the first compared to the prior years. There were challenges relating to Township Establishment that impeded the entity's ability to transfer title for identified properties. JPC is having engagements with the Department of Housing to assist in speeding up the process. There are a number of properties that will be transferred early in the next financial year of which the bulk of the preparations were undertaken in the reporting period.