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Joburg|Market

INTERGRATED ANNUAL REPORT

2023-2024



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COMPANY INFORMATION: JOBURG MARKET (SOC) LTD

Country of Incorporation and Domicile:	South Africa
Registration Number:	2000/023383/07
Registered Address:	Market Main Building 4 Fortune Road (Off Heidelberg Road) City Deep 2049
Postal Address:	P O Box 86007 City Deep 2049
Municipal Erf Number:	Erf 117 & 118 City Deep
Telephone Number:	(011) 992-8000
Fax Number:	(011) 613-7381
Website:	www.joburgmarket.co.za
Bankers:	Standard Bank
Auditors:	Auditor-General of South Africa
E-mail:	info@joburgmarket.co.za
Anti-Fraud Hotline:	0800 002 587
GPS Coordinates:	S26° 13' 678" E28° 04' 866"



GLOSSARY OF TERMS

ACRONYM	DETAIL
AGM	Annual General Meeting
ARC	Audit and Risk Committee
AGSA	Auditor-General of South Africa
BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COJ	City of Johannesburg
COBIT	Control Objectives for information Technology
CUM	Cumulatively
DED	Department of Economic Development
DOH	Department of Health
DOL	Department of Labour
DSD	Department of Social Development – City of Johannesburg
EAP	Employee Assistance Programme
EISD	Environment and Infrastructure Services Department
EPWP	Expanded Public Works Programme
GAP	Good Agricultural Practice
GDS	Growth and Development Strategy
GRAS	Group Risk and Assurance Services
HR	Human Resources
IDP	Integrated Development Plan
ITL	Information Technology Infrastructure Library
JDA	Joburg Development Agency
JM	Joburg Market
KPA	Key Performance Area
KPI	Key Performance Indicator
LLF	Local Labour Forum
MFMA	Municipal Finance Management Act, 56 of 2003
MMC	Member of the Mayoral Committee
MSA	Municipal Systems Act
NAMC	National Agricultural Marketing Council
NDAFF	National Department of Agriculture, Forestry and Fisheries
NDP	National Development Plan
NGO	Non-Governmental Organisation
NPO	Non-Profit Organisation
OPEX	Operational Expenditure
REMSEC	Remuneration & Social and Ethics Committee
RSA	Republic of South Africa
SADC	South African Development Community
SANAS	South African National Accreditation System
SCM	Supply Chain Management
SDA	Service Delivery Agreement
SDBIP	Service Delivery and Budget Implementation Plan
SMME	Small Medium and Micro Enterprise
SLA	Service Level Agreement
SPS	Sales Processing System
UIFW	Unauthorised, irregular, fruitless and wasteful expenditure
YTD	Year to date

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Introduction

In terms of the Constitution of South Africa (1996), Joburg Market (JM) delivers a Schedule 4B functional area service. The City of Johannesburg (COJ) is its sole shareholder. This report outlines JM's operational context, strategy, performance, risks, governance, and future outlook.

The integrated report seeks to meet stakeholder information requirements holistically and as such this primary report includes information on materiality, financial results, fresh produce market services, corporate governance, performance objectives and outcomes. This report covers the JM financial year which represents the period 1 July 2023 to 30 June 2024. The last annual integrated report published by JM was the Joburg Market 2022/23 integrated report, published in 2023 and available at www.joburgmarket.co.za. As indicated above JM is a municipal owned entity and no other entities are covered in the report. Mention is made of our contracted service providers and fresh produce market service providers in relation to our business model and use of resources. There were no significant changes during the reporting period in the size, structure, material aspects and boundaries or JM's Supply chain.

No material restatements of information reported in previous reports are contained in this report. JM aims to apply best practice in integrated reporting

within the boundaries of the regulatory framework applicable to it as a Municipal Entity and as governed inter alia under the legislation quoted below.

The report aligns with applicable frameworks including:

- International standards on integrated reporting
- National Treasury Circular 63 (MFMA)
- The MFMA in terms of Sections 46, 65(1) (a) and 121(2) c
- Section 18(1) (d) of the MSA
- The South African Statements of Generally Recognised Accounting Practice (GRAP)
- King IV™ Code of Governance for South Africa
- National Treasury Guidelines and Regulations
- Batho Pele Principles
- National Treasury Circular 88 (MFMA)
- National Development Plan
- Integrated Development Plan
- Joburg 2040 Growth and Development Strategy
- The Companies Act, 2008

We continue aligning with guidelines from the Integrated Reporting Committee of South Africa. The report focuses on material issues influencing JM's ability to create value across six capitals: financial, social, human, intellectual, manufactured, and natural.





ABOUT THE REPORT

JM produces a single annual integrated report aligned with National Treasury regulations. It includes governance disclosures and summarised financial statements. The report is shared electronically with stakeholders.

Integrated reporting information linkages:

- For reporting feedback and AGM-related questions: MlanduK@joburg.org.za for the attention of Mlandu Kona
- Stakeholder questions: for the attention of Hope Mabaso at HMabaso@joburgmarket.co.za
- Media questions: **TMaakwe@joburgmarket.co.za** for the attention of Tshegofatso Maakwe.

The JM Materiality Determination Process

JM ensures reliable and transparent reporting to its shareholder and stakeholders. The Board is accountable for the integrity of this report and determining the material matters impacting JM's value creation and sustainability.

Material matters are those affecting JM's strategy, governance, performance, or use of the six capitals. Identified material issues were prioritised based on their relevance to stakeholders and impact on business performance.

JM's Impact on the Capitals

JM aligns with the International Integrated Reporting Framework by incorporating the six capitals into its business model. These capitals are interrelated and contribute to value creation, through inputs and outcomes in JM's operations, in different ways:

- **Financial Capital:** JM relies on shareholder equity and retained earnings to operate. Financial performance impacts the availability of capital. The company is also investing in sustainable initiatives like renewable energy and waste-to-energy solutions, including phased solar implementation and exploring tri-generation options.
- **Human Capital:** Employees and contractors are central to JM's success. The company invests in training, skills development, and transformation (race, gender, disability). It also focuses on fair pay, workforce optimization, and wellness to attract and retain talent. Benefits include housing and study assistance, provident and medical aid funds, as well as wellness centre access and participation in health awareness events.
- **Social and Relationship Capital:** JM builds strong relationships with stakeholders—customers, suppliers, communities, and the public. Its operations support economic growth, job creation, skills development, and empowerment. Corporate Social Investment (CSI) initiatives further uplift disadvantaged communities.
- **Intellectual Capital:** This includes staff expertise and proprietary IT systems. JM's SMART MARKET concept and purpose-built computerized trading platform provide a competitive edge. Organisational knowledge and innovation in operating methods are also key components.

JM's efforts across these capitals contribute to sustainable value creation and are detailed throughout this integrated report.

STEP ONE: Identifying Material Matters

Material matters were drawn from strategic documents, stakeholder engagements, risk registers, complaints logs, and business context analysis. Issues discussed frequently in Board meetings also informed the process.

Key 2023/24 Matters:

- **OHASA Compliance:** Health and safety standards were upheld through training, audits, and improved firefighting infrastructure. Vandalism prevention on fire safety systems remains a focus.
- **HIV/AIDS Support:** Annual World Aids Day events continued, with services including counselling, BP monitoring, and health testing.
- **CAPEX:** JM spent R121.5 million of its allocated capital budget, achieving 100% spending through strong project controls and monitoring.
- **OPEX:** JM achieved 100.1% of its R555.6 million operational budget, reflecting improved operational efficiency.
- **Litigation:** A legal matter involving SMEC remains unresolved. Legal counsel continues to work toward resolution, with potential exposure estimated at R1.08 million.
- **Staff Morale:** No formal survey was conducted in 2023/24. A morale assessment is planned for 2024/25.

ABOUT THE REPORT

STEP TWO: Material Aspects and Mitigation

Identified aspects were tested against the strategic risk register. Their impact and time frame were assessed, and mitigation strategies developed. Refer to Table 1 in the full report for details.

No	Material Matter	Associated Strategic risk	Mitigation	How and when	Current impact on value creation	Timeframe of impact
1	Challenging Macro-economic factors	Business failure And, Financial instability (going concern)	1. Pursuance of service excellence 2. Improve on key ratios and good going concern 3. Prioritising of CAPEX expenses 4. Develop counter strategies to address the impact of the emergence of private Markets 5. Curbing of the diversion of fruit commodities from JM	New Customer Charter. Full roll out to be achieved by 30 June 2023 Promote trading on JM as reliable one-stop-shopping facility Refine SCM processes to improve CAPEX and Repairs & Maintenance programme execution Effective application of Bylaw licencing system by 31 May 2023	Negative	Short, Medium and long term
2	Disasters	Incidence of fire	6. Fire prevention plans and procedures	Implement with aid of JM risk control measures and the new Bylaws - January 2022 with full roll out by 31 May 2023	Negative	Short and medium term
3	Growth of the core business of JM	Failure to implement the Smart Market Strategy	7. Refining trading floors and site management 8. Efficient consignment control practises 9. Promoting JM to current and potential users 10. Upgrade and extend physical facilities	Implement with aid of JM risk control measures and the new Bylaws - January 2022 with full roll out by 31 May 2023 Smart Market consignment control plan will be aligned with the Smart Market masterplan to be completed by April 2023 Smart Market Promotional programme – Commenced May 2022 and will continue until June 2024 Smart Market floor space upgrade first works – July 2023	Negative	Short, Medium and long term

ABOUT THE REPORT

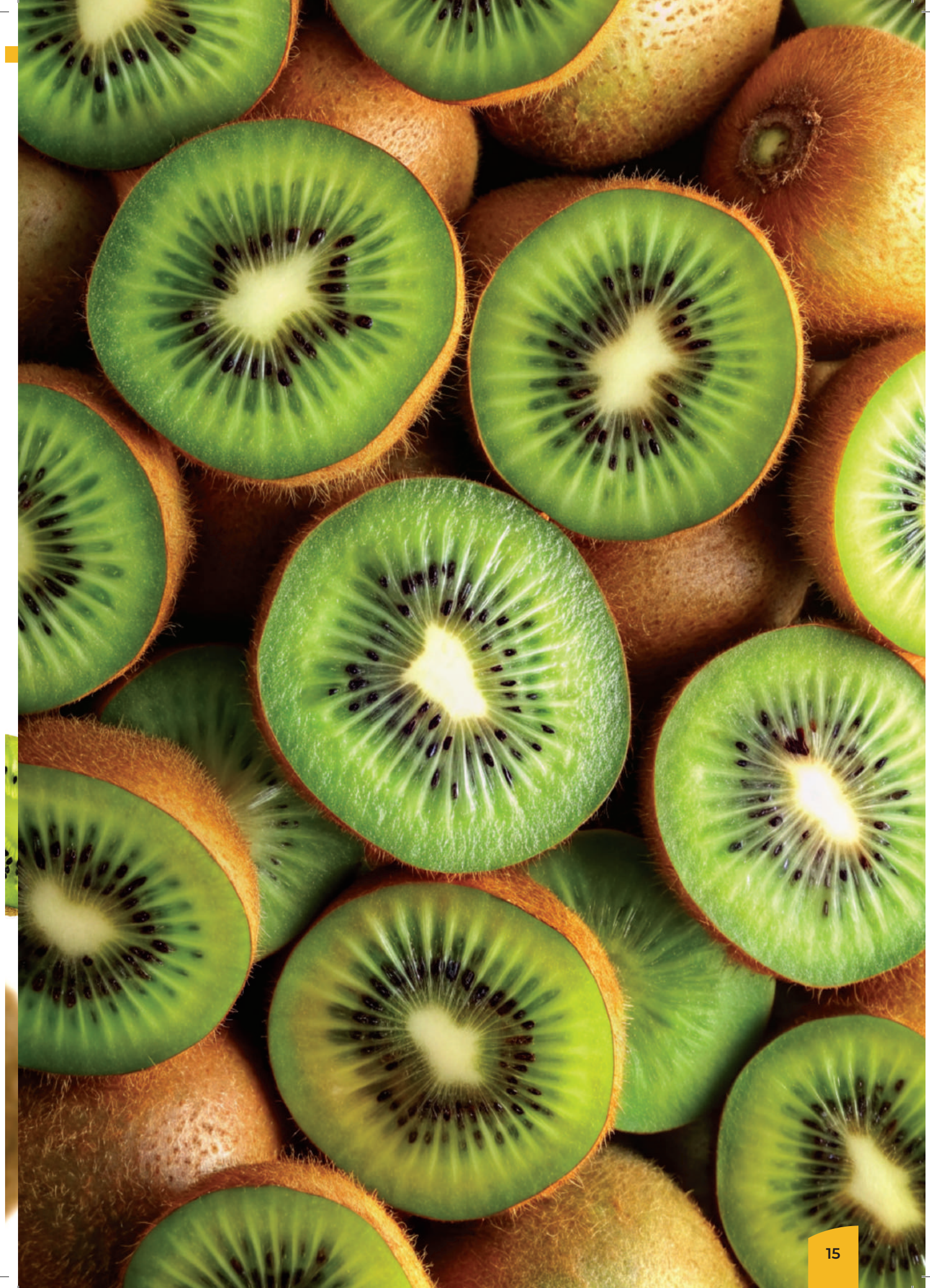
No	Material Matter	Associated Strategic risk	Mitigation	How and when	Current impact on value creation	Timeframe of impact
4	People development	Diminishing Institutional knowledge and expertise	12. Training staff in company specific competencies 13. Promoting a culture of learning 14. Enhanced JM business experience exposure	New Customer Charter. Full roll out to be achieved by 30 June 2023 Promote trading on JM as reliable one-stop-shopping facility Refine SCM processes to improve CAPEX and Repairs & Maintenance programme execution Effective application of Bylaw licencing system by 31 May 2023	Negative	Short, Medium and long term
5	Disasters	Incidence of fire	1. Fire prevention plans and procedures	Implement with aid of JM risk control measures and the new Bylaws - January 2022 with full roll out by 31 May 2023	Negative	Short and medium term
6	Growth of the core business of JM	Failure to implement the Smart Market Strategy	1. Refining trading floors and site management 2. Efficient consignment control practises 3. Promoting JM to current and potential users 4. and potential users 5. Upgrade and extend physical facilities	Implement with aid of JM risk control measures and the new Bylaws - January 2022 with full roll out by 31 May 2023 Smart Market consignment control plan will be aligned with the Smart Market masterplan to be completed by April 2023 Smart Market Promotional programme – Commenced May 2022 and will continue until June 2024 Smart Market floor space upgrade first works – July 2023	Negative	Short, Medium and long term

ABOUT THE REPORT

No	Material Matter	Associated Strategic risk	Mitigation	How and when	Current impact on value creation	Timeframe of impact
7	Pursuing sustainability	19.Delivering on shareholder value 20.Deliver value for money services to producers and buyers 21.Focus on key competencies 22.Operate as socially responsible institution 23.Compliance to legislation 24.Food safety and food quality awareness	12. Training staff in company specific competencies 13. Promoting a culture of learning 14. Enhanced JM business experience exposure	Promote JM as efficient 1 stop shopping facility – Commence February 2022 and will continue up to 30 June 2024 Smart Market management plan -May 2023 New Customer Charter. Full roll out to be achieved by 30 June 2023 Promote compliance to new JM bylaw and directives – Commenced February 2022 and will continue up to 31 May 2023 Promote services of the JM laboratory - May 2023		Short, Medium and long term

Table 1: Profile of material aspects and mitigation





ABOUT THE REPORT

Outlook

The recapitalisation of JM remains critical. A major reconfiguration of facilities and extensive stakeholder engagement is anticipated, led by the JM executive.

Disclosure Process and Assurance

All disclosures were reviewed and approved by the Audit and Risk Committee and the Board, in line with the Companies Act and King IV. The Auditor General of South Africa audited key disclosures during the 2023/24 audit.

The Accounting Officer evaluated this report per MFMA and MSA standards. Internal controls and assurance processes were overseen by the Audit and Risk Committee and the Board, supported by CoJ Group Risk and Audit Services.

Internal and External Audit Findings

Management monitors and resolves audit findings via regular forums and performance tracking. Audit-related KPIs are reflected in the company scorecard and managers' performance agreements.

Risk Management Approach

JM adheres to the shareholder's risk management guidelines. The Board and Executive conduct annual risk assessments, particularly focusing on market developments, food safety, environmental impact, and reputational risk.

With high footfall and perishable produce, safety remains a top priority. Planning is underway for safer infrastructure to reduce operational risks.

Demographic and Economic Considerations

Johannesburg sees an estimated 10,000 new residents monthly. JM plays a vital role in meeting the city's growing food demand. It supports COJ's indigent food programme and is expanding infrastructure and services accordingly.

These efforts also aim to stimulate job creation within JM and the wider fresh produce value chain. JM is exploring digital tools, enhanced supply chain systems, and partnerships with local farmers to ensure sustainability.

Reporting Boundary

JM's reporting includes its own operations and contracted service providers, such as security and cleaning. External stakeholders like market agents, producers, and buyers are referenced where relevant to sustainability or business impact.

The Board, with support from the Audit and Risk and Remuneration Committees, has ensured the report's completeness and reliability. Based on internal and external assurance processes, the Board approves this 2023/24 Integrated Report.

Signature:



Mzikayise Ndlovu

Chairperson: Board of Directors

Date:

29/11/2024



Refilwe Kgomo

Chairperson: Audit and Committee

Date:

29/11/2024



Keeran Singh

Company Secretary

Date:

29/11/2024

ABOUT THE REPORT

JOBURG MARKET HIGH LEVEL PERFORMANCE AT GLANCE

High Level Performance 2023/24

Human Resources	Economic Development	Governance
 Total number of employees: 464	 EPWP Opportunities created: 119	 General good performance on all governance related matters
 Staff turnover: 0.43%	 Internships opportunities created: 8	 Resolution of all Internal and External audit findings: 100%
 Employment Equity: 48.9% males' vs 51 females	 SMME opportunities created: 108	 Implementation of all Risk mitigation strategies: 71%
 Skills development expenditure: R1 008 547		 Overall 92.3% KPI performance
 Subsidised Study Assistance expenditure: R1 603 097 for 72 beneficiaries		

Financial Performance 2023/24

Revenue	Sustainability	Expenditure Management
 Achieved & exceeded turnover target of R10.3 Billion by 9.1% Final figure: R11.2 Billion.	 Net surplus: R124.9m Budget: R104.8m Achieved 19.1% surplus over budget.	 Capex Spend: 100.0% Spend of R121 525m compared to target R121 507m.
 Increase in revenue by R50.4 million compared to the prior year	 The cash and equivalents: R601m.	Opex Spend: 100.1% Spend of R555 622m compared to target R555 006m.
 Direct revenue: R654.8m Over achievement of 1.6% Compared to the budget amount of R644.6m.	 The liquidity is above the norm at 2.0:1 Solvency is above the norm at 3.2:1	 BBEEE Spent: R265 502 million
	 Remuneration to expenditure ratio is slightly above the norm at 40.3% due to surge in overtime from operation demands.	 100% Payment of invoices within 30 days.
	 PPE: 10.3% surpassing a target of 8%	

CHAPTER ONE

LEADERSHIP AND CORPORATE PROFILE

SECTION 1: MEMBER OF THE MAYORAL
COMMITTEE REVIEW

SECTION 2: CHAIRPERSON'S FOREWORD

SECTION 3: CEO'S REPORT

SECTION 4: CFO'S REPORT

SECTION 5: CORPORATE PROFILE AND OVERVIEW
OF THE ENTITY

SECTION 6: STRATEGIC OBJECTIVES

SECTION 7: JOBURG MARKET VALUE CREATION
PROCESS



SECTION 1: MEMBER OF THE MAYORAL COMMITTEE REVIEW

It is my honour to present this report, which highlights the critical role Joburg Market (JM) has played in fulfilling its contractual mandate and supporting the broader goals of the City of Johannesburg during the 2023/24 financial year.

Contractual Mandate and Strategic Alignment

JM's partnership with the City is rooted in the Shareholder Compact and the Service Delivery Agreement (SDA), which guide our collaborative efforts. These agreements define JM's core responsibilities, including the provision and management of facilities and services for the distribution of fresh produce. JM is also tasked with maintaining a competitive, resilient, and sustainable trading environment – ensuring access, availability, and affordability of fresh produce while upholding food quality standards and contributing to food security.

Throughout 2023/24, JM has remained committed to these objectives, playing a vital role in supporting residents and businesses. In the wake of the pandemic, JM has been instrumental in stabilizing food prices, securing food availability, and offering a dependable trading platform for producers, vendors, and buyers.

Performance Amid Agricultural Challenges

This year brought significant challenges, particularly in the agricultural sector. Weather disruptions, supply chain issues, and inconsistent crop quality created a difficult environment. Yet, JM's strong operational foundations and adaptive strategies allowed it to navigate these challenges successfully.

The market achieved a turnover of R11.2 billion – exceeding its budget by 9.1% – demonstrating resilience and effective management. Key to this success is the Smart Market initiative, which aims to transform the market into an inclusive, innovative hub. With a focus on empowering youth, women, and people with disabilities, initiatives like the redevelopment of the Soweto Market are designed to promote economic participation and long-term growth.

Governance and Strategic Orientation

From a governance perspective, JM remains aligned with the priorities of the Government of Local Unity and the Executive Leadership of the City. Its strategic direction mirrors the City's broader Growth and Development Strategy and Integrated Development Plan (IDP) – ensuring that JM not only fulfils its contractual duties but also supports the City's economic development and service delivery goals.

Despite its accomplishments, JM faces ongoing challenges, particularly related to ageing infrastructure and breakdowns in critical facilities like cold storage and ripening chambers. A shortage of trading space further limits potential growth. The City's leadership remains committed to helping JM address these issues to enhance its operational efficiency and long-term sustainability.

Community Engagement and Corporate Citizenship

JM has also shown strong community engagement, participating in the City's IDP Consultation Sessions and internal workshops. These efforts underscore JM's commitment to being a responsible corporate citizen. Beyond ensuring food security, the market continues to contribute to the economic upliftment of the City's residents.

JM's performance is commendable, and its status as a leader in the fresh produce industry – both locally and internationally – remains intact. I extend my heartfelt appreciation to the Board of Directors, Management, and Staff for their unwavering commitment and hard work. Your dedication ensures JM's continued success as a key economic institution in Johannesburg.

Finally, I wish to thank Executive Mayor Mr. Dada Morero for his outstanding leadership, and my fellow MMCs for their consistent support. Together, we remain focused on building a prosperous and inclusive Johannesburg – with Joburg Market at the heart of this vision.

Cllr. Nomoya Mnisi
MMC: Economic Development



SECTION 2: CHAIRPERSON'S FOREWORD

As the outgoing Chairperson of the Joburg Market Board, I reflect with immense pride and fulfilment on the remarkable progress we've made over the past financial year. Our focused strategic efforts and commitment to excellence have driven significant growth, positioning Joburg Market as a leader in the fresh produce sector – not just in Johannesburg, but across the country and internationally.

The 2023/24 financial year was one of outstanding achievements. Joburg Market recorded a turnover of R11.2 billion, exceeding budget expectations by 9.1%. This strong performance highlights our operational resilience and the sound management

strategies that allowed us to thrive despite ongoing economic challenges. Key successes in produce sales, operational efficiency, and infrastructure improvements enabled us to maintain seamless service delivery, implement capital projects beyond expectations, and keep food waste to a minimum during inspections.

Financially, we exceeded targets in both revenue and surplus, while maintaining healthy liquidity ratios. A major highlight of the year was the successful implementation of Operation Phendula, which delivered essential infrastructure upgrades between 1 May and 30 June 2024. This initiative addressed urgent needs across the market – ranging from electrical and plumbing repairs to upgrades in hygiene and sanitation. Renovations to restrooms, installations of boom gates, repainting of fencing, waterproofing of roofs, and repairs to potholes and gates significantly enhanced both functionality and appeal.

As this board term concludes, I am pleased to report an impressive improvement in our performance metrics, with our success rate rising from 84% in 2022/23 to 92.4% in 2023/24. This achievement is a testament to the commitment and professionalism of our management team, whose relentless efforts have driven our success. I also extend my sincere appreciation to my fellow board members for their unwavering dedication, active participation, and effective oversight – qualities that have been critical to our progress. Special thanks go to the Office of the Company Secretary, whose support has helped maintain the highest standards of governance.

While we celebrate these achievements, we must also recognize ongoing challenges. The pace of transformation within the market remains slower than desired, and delays in infrastructure investment – particularly around the SMART Market Project – have been significant obstacles. These areas will require continued focus and decisive action moving forward.

Despite these hurdles, I am confident that we have built a strong foundation for continued success. As I hand over to the incoming board, I do so knowing that they will carry forward this momentum, deepen our impact, and guide Joburg Market to even greater heights.

In closing, I extend my heartfelt thanks to Cllr. Nomoya Mnisi, MMC for Economic Development, for her steadfast oversight; to my fellow board members for their commitment and contributions; to our dedicated management team for executing our strategic vision; and to all our stakeholders – producers, market agents, wholesalers, and customers – whose trust and collaboration remain central to our success.

Together, we have elevated Joburg Market, and I have no doubt that the future holds even greater promise.

Thank you for your continued support and commitment to excellence.

Mr. Mzikayise Ndlovu
Chairperson: JM Board of Directors



SECTION 3: CEO'S REPORT

It is an honour to present the 2023/24 financial year report for Joburg Market (JM)—a year marked by strong performance, strategic progress, and resilient growth. JM has reinforced its stability and leadership in the fresh produce industry, delivering impressive financial results while advancing operations and governance.

Financial Performance and Market Position

This year, JM delivered exceptional financial results. We achieved a turnover of R11.2 billion, exceeding our budget by 9.1%. This was driven by solid sales across key produce categories, despite challenges like adverse weather that impacted crop quality. Our ability to adapt and seize opportunities was central to this achievement.

In addition to exceeding turnover targets, we recorded a profit after tax that surpassed expectations, reflecting the strength of our financial management. Our market share increased to 45.97%, confirming our leadership in the sector.

Operational Excellence

We made significant investments in infrastructure and operations, which have helped us maintain high service standards. Major upgrades—such as facility improvements, installation of advanced sprinkler systems, and implementation of alternative energy solutions—have boosted our operational efficiency and enhanced our resilience to challenges like power outages and water supply disruptions.

Governance and Risk Management

Enhancing governance and managing risk were key focus areas this year. The appointments of a Chief Risk Officer and a Chief Operations Officer brought critical expertise to our executive team. We resolved 100% of audit findings, reinforcing our commitment to accountability and continuous improvement.

To further strengthen compliance and oversight, we established a Governance Steering Committee. These measures ensure Joburg Market remains a transparent, trusted, and well-managed institution.

Human Capital and Economic Empowerment

Our people are central to our success. This year, we made meaningful progress in job creation, skills development, and employee engagement. Through our support of SMMEs and various employment programs, we created numerous job opportunities.

We also prioritized training and professional growth — many employees participated in advanced training and attended industry conferences. In line with our transformation goals, we achieved 100% compliance with BBB-EE procurement targets, showing our strong commitment to inclusivity and economic empowerment within both our organization and the wider community.

Looking Ahead

As we look to the future, we aim to build on our current successes while addressing areas for improvement. We will continue enhancing our operations, investing in our people, and ensuring JM's financial sustainability. With strong plans in place, we are well-positioned to achieve even greater success in the years to come.

I extend my sincere gratitude to our dedicated team, valued stakeholders, and loyal customers. Your ongoing support has been essential to our success. Together, we will continue to grow Joburg Market and lead the way in the fresh produce industry.

Thank you for your trust and support.

Mr. Sello Makhubela
Acting CEO, Joburg Market





Mr. Nkosinathi Baloyi
Chief Financial Officer

SECTION 4: CFO'S REPORT

The financial performance of Joburg Market (JM) for the period ending 30 June 2024 exceeded expectations. Revenue and surplus came in ahead of budget, and our key liquidity ratios remained well above industry norms, reflecting the overall strength of our financial position.

JM's significance in the fresh produce industry is demonstrated by its total turnover of R11.2 billion, which is R621 million (6.0%) above the budgeted R10.6 billion. Our strong financial performance has led to an improved cash position, supporting sustained operations and growth.

We also achieved 100% of our capital expenditure target, spending R121.5 million as planned. Additionally, JM holds a cash coverage of 641 days, far exceeding the benchmark of 45 days – ensuring more than adequate liquidity to sustain the business into the future.

12-Month Financial Position

- **Property, Plant, and Equipment (PPE)** increased by R89.5 million (15.5%), driven by the capitalization of new projects and asset additions.

- **Intangible Assets** decreased by R92,000 (17.7%), mainly due to amortization over the period.
- **Cash and Cash Equivalents** grew by R127.5 million (26.9%), bolstered by JM's positive cash reserves, buyer deposits, and a SARS refund.
- **Loans to Shareholders** increased by R95.6 million (43.4%).

12-Month Operating Expenditure

JM recorded total operating expenditure of R555.6 million, just slightly over the budgeted R555.0 million, showing a minor variance of R616,000 (0.1%).

Key Expenditure Highlights:

- **Personnel Costs:** Over budget by R2.8 million (1.3%) due to increased overtime from heightened operational demands.
- **Operations Expenditure:** Under budget by R16.8 million (10.1%), largely due to reduced water consumption, which is based on client usage estimates.
- **Information Technology:** Underspent by R5.2 million (39.3%). This is attributed to delays in implementing the Microsoft license project and other IT initiatives, which are centrally managed through the City's Group IT unit.
- **Human Resources:** Underspent by R1.0 million (7.8%) following a service provider's withdrawal during the SLA stage.
- **Repairs and Maintenance:** Over budget by R9.3 million (15.1%), driven by the fast-tracked implementation of Operation Phendula, which required urgent maintenance while remaining within austerity constraints.
- **Finance and Administration:** Over budget by R8.9 million (21.0%), due to the year-end adjustment for doubtful debt provision.
- **Marketing Costs:** Underspent by R342,000 (5.1%), as the team carefully evaluates each initiative for value and compliance with cost containment measures.

I remain confident in JM's financial resilience and sustainability. The sound financial controls and strategic investments made during the year position us strongly for continued growth.



EXECUTIVE SUMMARY

Introduction

This report outlines Joburg Market's progress toward its strategic goals for the 2023/24 financial year. It offers a transparent overview of the organization's performance, focusing on financial health, profitability, operational achievements, and compliance with legal and regulatory standards. It highlights key projects, initiatives, and milestones, supported by performance metrics and key indicators that measure efficiency, effectiveness, and outcomes across all departments.

Joburg Market SOC Limited (JM) is a municipal entity fully owned by the City of Johannesburg Metropolitan Municipality. Established through the Egoli 2000 restructuring initiative and governed by the Municipal Systems Act, JM was later converted into a state-owned company under the Companies Act 71 of 2008.

As the largest fresh produce market in Africa by trading volume, JM plays a vital role in food distribution across the Southern African Development Community (SADC) region. It also receives imports from countries including Spain, Egypt, and China. JM operates as a central trading platform where prices are determined by supply and demand, offering essential facilities and services to both producers and buyers.

The market adheres to key statutory requirements and legislative frameworks, including the Companies Act, Municipal Systems Act and the Municipal Finance Management Act (MFMA) 56 of 2003.

Joburg Market employs 464 staff members, and its ecosystem – including market agents and tenants – creates thousands of jobs across the agricultural value chain. At the core of its operations is a direct negotiation process: buyers interact with market agents, who sell on behalf of farmers based on produce characteristics such as quality, quantity, and fitness for consumption.

Core Functions and Services

To ensure a safe, efficient, and transparent trading environment, Joburg Market carries out the following essential functions:

- **Dispute Resolution:** The CEO, as the accounting officer, acts as an independent referee to resolve trading disputes.
- **Food Safety & Hygiene:** The market ensures cleanliness and sanitization of facilities to maintain food safety standards.
- **Produce Inspection:** Backed by an on-site South African National Accreditation System (SANAS) accredited laboratory, produce is inspected for quality and safety.
- **Security & Safety:** A dedicated team maintains a safe environment for all stakeholders.
- **Financial Management:** The market provides financial services to account for sales proceeds and ensure efficient revenue collection.
- **Consignment Control:** All produce is logged and sold in line with established market rules.
- **Sales Hall Operations:** A sales management team regulates daily trading activity in the hall.
- **Facilities Management:** Property and infrastructure teams maintain and upgrade market facilities.
- **Marketing & Transformation:** Efforts are made to include previously disadvantaged groups and promote JM as a preferred business hub.
- **IT Systems:** A real-time computerised trading platform supports efficient and transparent transactions.
- **Human Resources:** Ensures the recruitment, retention, and motivation of a capable workforce.

Joburg Market commands 45.97% of the national market share across all Fresh Produce Markets in South Africa and plays a pivotal role in price-setting for the industry. It also holds a unique distinction as the only fresh produce market in South Africa with a South African National Accreditation System (SANAS TO532) accredited laboratory (TO532) – further reinforcing its commitment to food safety and regulatory compliance.



SECTION 6: STRATEGIC OBJECTIVES STRATEGIC OVERVIEW MANDATE

Joburg Market (JM) is mandated to manage and operate a fresh produce market facility and offer services that support the fresh produce industry. This includes:

- Providing and managing infrastructure and services for the distribution of fresh produce
- Ensuring a competitive, resilient, and sustainable trading platform
- Promoting access to markets, availability, and affordability of produce
- Supporting food security, food safety, and compliance with quality standards

Strategic Intent

Our core focus is to deliver sustainable fresh produce market services to all stakeholders. JM aims to be a people-centric, smart fresh produce hub that is globally competitive, supports local job creation, and drives transformation. We are committed to:

- Customer-focused market management
- High standards of service delivery
- Responsible corporate citizenship
- Strengthening our footprint across the SADC region

Strategic Thrusts

To achieve our goals, JM focuses on the following strategic pillars:

- Driving transformation across the agricultural value chain
- Implementing SMART Market solutions supported by cutting-edge ICT
- Promoting innovation and automation
- Ensuring service delivery excellence
- Developing an engaged and skilled workforce
- Being a responsible and caring corporate citizen
- Strengthening brand visibility and credibility





SECTION 5: CORPORATE PROFILE AND OVERVIEW OF THE ENTITY OVERVIEW OF THE ENTITY

Joburg Market's origins date back to 1887, when fresh produce trading began at Market Square in central Johannesburg, attracting over 3,000 traders and buyers. As the city expanded, so did demand for a more suitable trading space. In 1913, a new facility was built in Newtown, and that year the market achieved an annual turnover of R1.5 million.

By 1974, the Newtown site could no longer accommodate the growing volume of trade, prompting the market's relocation to its current site in City Deep, in the south of Johannesburg.

Following South Africa's political transition, Joburg Market (JM) became a private company wholly owned by the City of Johannesburg Metropolitan Municipality (CoJ). In 2000, the market was formally registered as a State-Owned Company (SOC) under the Companies Act No. 71 of 2008.

JM is governed by a range of legislative frameworks, including:

- The Companies Act
- The Municipal Systems Act
- The Municipal Finance Management Act (MFMA) 56 of 2003

Today, Joburg Market is the largest fresh produce market in Africa by trading volume. It employs 464 staff members and provides trading facilities to farmers across South Africa and internationally. Each day, thousands of buyers interact with farmers, market agents, and tenants within JM's facilities – supporting job creation across the agricultural value chain.

JM plays a pivotal role in price-setting for the South African fresh produce industry, holding 45.97% of the market share in terms of both volume and turnover among all national fresh produce markets.

Furthermore, Joburg Market is the only fresh produce market in the country with a South African National Accreditation System (SANAS) accredited laboratory (SANAS TO532), ensuring ongoing compliance with food safety standards and reinforcing its commitment to quality assurance and public health.





Vision

A smart fresh produce trading hub that is globally competitive.



Mission

To provide the best environment for competitive trade and efficient distribution of fresh produce in Southern Africa.



Values

- Transparency
- ServiceExcellence
- Integrity
- Innovation
- Accountability



Alignment to Shareholder Goals

Joburg Market aligns its strategy with the City of Johannesburg's Growth and Development Strategy (GDS) and the Integrated Development Plan (IDP). These frameworks guide JM's long-term vision and operational focus.



GDS OUTCOMES	GDS OUTPUTS	MAYORAL PRIORITY	MMC PRIORITY	JOBURG MARKET FOCUS AREA
Improved quality of life and development-driven resilience for all	- Reduce poverty - Food security - Access to knowledge and lifelong learning - A society characterized by healthy living for all - A safe and secure city - A city characterized by social inclusivity and enhanced social cohesion	- Safer City - Smart city	- Safety and security - Compliance	Technology and Innovation
Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy	- Sustainable and integrated delivery of water - Sustainable and integrated delivery of sanitation - Sustainable and integrated delivery of energy - Sustainable and integrated delivery of waste - Improved eco-mobility - Sustainable human settlements - Climate change resilience and environmental protection	- Sustainable service delivery - Energy mix - Infrastructure development and refurbishment - Smart City	- Implementation of the Smart Market - Rejuvenate Soweto market	Sustainability
An inclusive, job intensive, resilient, competitive, and smart economy that harnesses the potential of citizens	- Job-intensive economic growth - Promotion and support to informal and micro businesses - Increased competitiveness of the economy - A spatially just and integrated City - Partnerships, intergovernmental & international relations - A responsive, accountable, efficient and productive metropolitan government - Financially sustainable and resilient city - Meaningful citizen participation and empowerment - Guaranteed customer and citizen care and service	- Job opportunity and creation - Sustained economic growth. - Green economy - Smart City - Good governance - Financial sustainability - Active and engage citizenry. - Smart City	- Transformation - Job creation - Skills and development - Branding Marketing and communication - Integrated Automated systems	- Operational - Efficiency - People - Governance - Stakeholder Management

Table 2: Alignment to the GDS and IDP of the shareholder

We have adopted the “SMART Market” approach, aiming to become a clean, safe, and smart market.

Strategic Objectives

Joburg Market strives to be the leading fresh produce market in South Africa by excelling in the

facilitation of fresh produce trading. Our strategy is aligned with the City of Johannesburg’s four long-term strategic outcomes, ensuring synergy between our goals and those of our shareholder.

GDS 2040 OUTCOMES	JM STRATEGIC OBJECTIVES
1. Provide a resilient, liveable, and sustainable urban environment - underpinned by smart infrastructure supportive of a low-carbon economy.	1. To Provide a Resilient and Premier Trading Facility by June 2027.
2. Improved quality of life and development-driven resilience for all.	1. To practice focused stakeholder engagements.
3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens.	1. To Support CoJ Indigent Programmes; 2. To Provide Market Access to Farmers and Buyers for the Distribution of Fresh Produce; 3. To Expand Opportunities to Historically Disadvantaged Groups.
4. A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region.	1. To Ensure Compliance with Regulatory Framework; 2. To ensure adherence to Good Governance Practices 3. Introduction of Innovative Solutions and Technologies to Improve Efficiencies

Table 3: JM Strategic Objectives aligned to the GDS

Key Strategic Programmes & Projects

(Short to Medium Term)

JM is actively implementing the following programmes to support its strategic direction:

- Market Recapitalisation
- Infrastructure Repairs and Maintenance
- Business Continuity Planning
- Surveillance and Enforcement
- Food Safety and Compliance Measures
- Food Support Programmes
- Stakeholder Engagement and Support
- SMME Development and Support
- Expanded Public Works Programme (EPWP)
- Internship and Youth Employment Initiatives
- Improved Systems and Operational Procedures
- Revenue Enhancement Initiatives
- Legal and Regulatory Compliance
- Digital Transformation



SECTION 7: JOBURG MARKET VALUE CREATION PROCESS

Joburg Market (JM) creates value by offering integrated fresh produce market services built on a strong financial and operational foundation. JM connects farmers (its core customers) with a broad network of agents and buyers via one of the largest trading facilities in Africa. Every day, JM handles a wide range of fresh produce in varying quantities

and qualities. Its influence extends beyond South Africa into the SADC region, as reflected by the many cross-border buyers it attracts.

JM's operations align with the strategic priorities of its shareholder, the City of Johannesburg (CoJ). The City expects JM to deliver financial returns while also contributing to food security, job creation, public health, and community development.

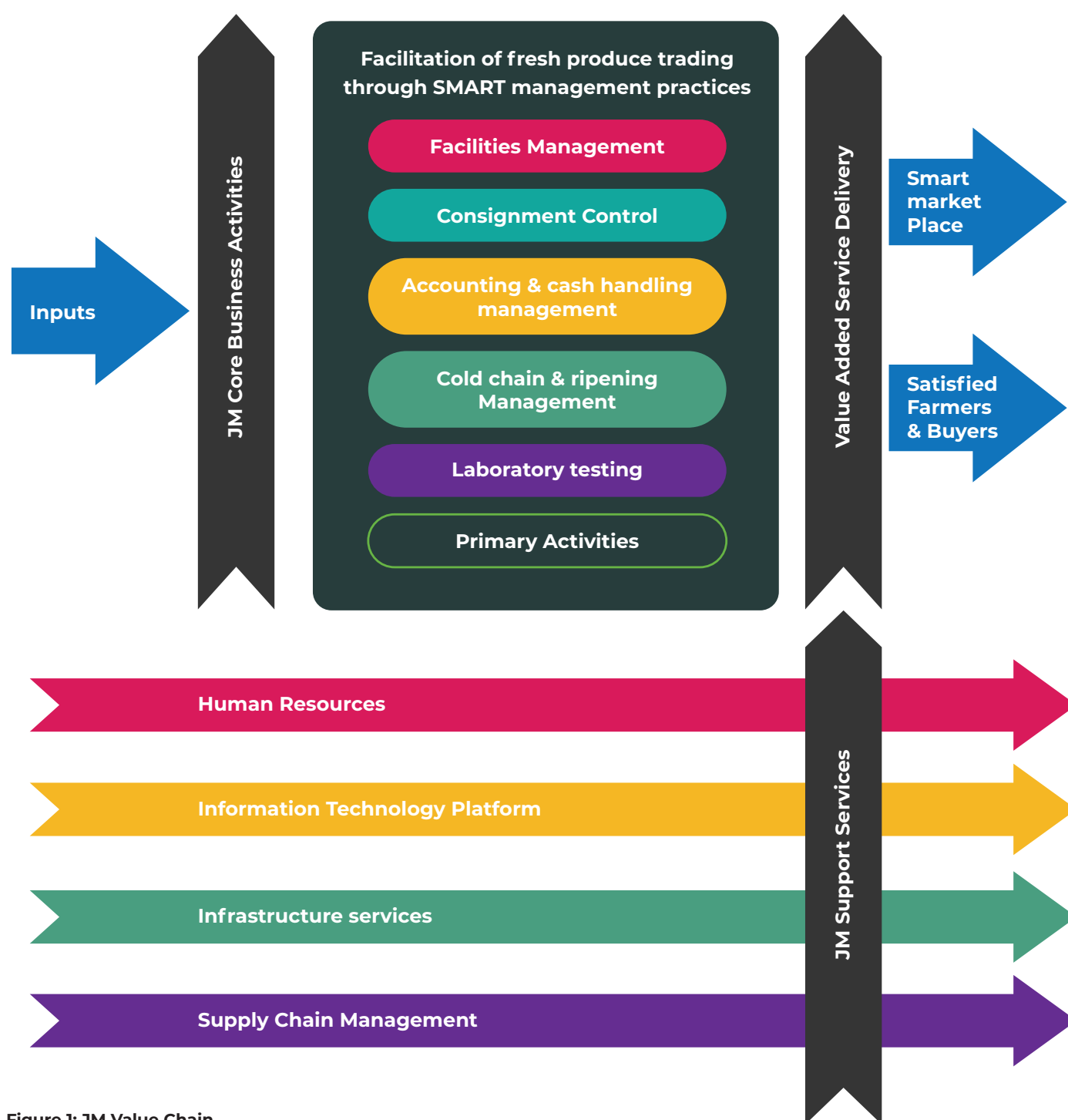


Figure 1: JM Value Chain

Fresh Produce Market Value Chain & SMART MARKET Strategy

Farmers trading at JM pay a 5% market commission. In return, they benefit from a range of advantages, which can be grouped into short-, medium-, and long-term strategies.

Short-Term Strategy: A One-Stop Fresh Produce Market

JM aims to be a convenient, efficient, and rewarding place for farmers and buyers to do business:

- Wide exposure: Farmers' produce is seen by a large pool of buyers, encouraging fair pricing.
- Fast payments: Sales are typically paid out within 5 days, improving farmers' cash flow.
- Fair returns: JM accommodates all produce grades and sizes at competitive prices.
- Customer service: Staff are trained to ensure a smooth, hassle-free experience.
- Financial sustainability: JM increases value by attracting more users through competitive pricing and reliable service, while managing costs through effective audits.

These features encourage repeat business from both local and international stakeholders.

Medium-Term Strategy: Purpose-Built Trading Facilities

Over time, consistent quality and branding help farmers develop loyal buyer bases:

- Brand loyalty: Regular presence and quality build trust between farmers and buyers.
- Service innovation: JM will develop and test SMART Market services that respond to client needs.
- Revenue growth: Investment in modern facilities and diversified services leads to higher transaction volumes and long-term efficiency.
- Accountability: Internal and external audits help ensure smart investments and value for money.

Long-Term Strategy: Full SMART MARKET Transformation

The goal is to evolve into a fully digital, advanced marketplace that offers:

- Trust and stability: Reliable services and logistics foster buyer and farmer confidence.
- Smart technology: Staff will be trained in advanced systems and service delivery tools.
- Sustainable growth: Superior service quality and infrastructure justify premium fees and create an efficient, trusted trading ecosystem.
- Risk management: Regular audits will guide improvements and help manage business risks.

This long-term vision allows JM to plan facility expansions that support synergistic growth.

Risk	Short term mitigation 0 to 3 years	Medium Term Mitigation 3 to 5 years	Long term mitigation >5 years
Deterioration of JM business by competing new market ventures	Establish client loyalty on the supply and demand side of JM	Develop loyalty Programmes supported by suitable incentives	Build longer term relationships with key suppliers and key buyers
How and when	New Customer Charter Roll out of launching deliverables by March 2023	Promote trading on JM as SMART MARKET.- June 2024	Final phase Smart Market Promotional programme - May 2027
Insufficient trading space	to July 2024	Final phase Smart Market Promotional programme - May 2027	Optimise Smart Market of the future systems and operating model
How and when	Smart Market floor space upgrade - July 2023 (Phase 1)	Smart Market floor space upgrade - July 2024 (Phase 2)	Smart Market floor space upgrade - July 2025 (Phase 3)

Table 4: Key business risks

Business Model

JM acts like a stock exchange for fresh produce, providing:

- Secure trading facilities
- Real-time, transparent pricing
- Trusted services for buyers, producers, and agents

JM's centralised SPS trading system captures every trading detail in real-time, ensuring fairness, traceability, and operational transparency.

Value-for-Money Services

Fresh produce is traded across three main halls – Fruit, Potato & Onion, and Vegetable –spanning 65,000 m². Producers pay:

- 5% commission to the Market on sales
- Up to 7.5% commission (negotiable) to agents

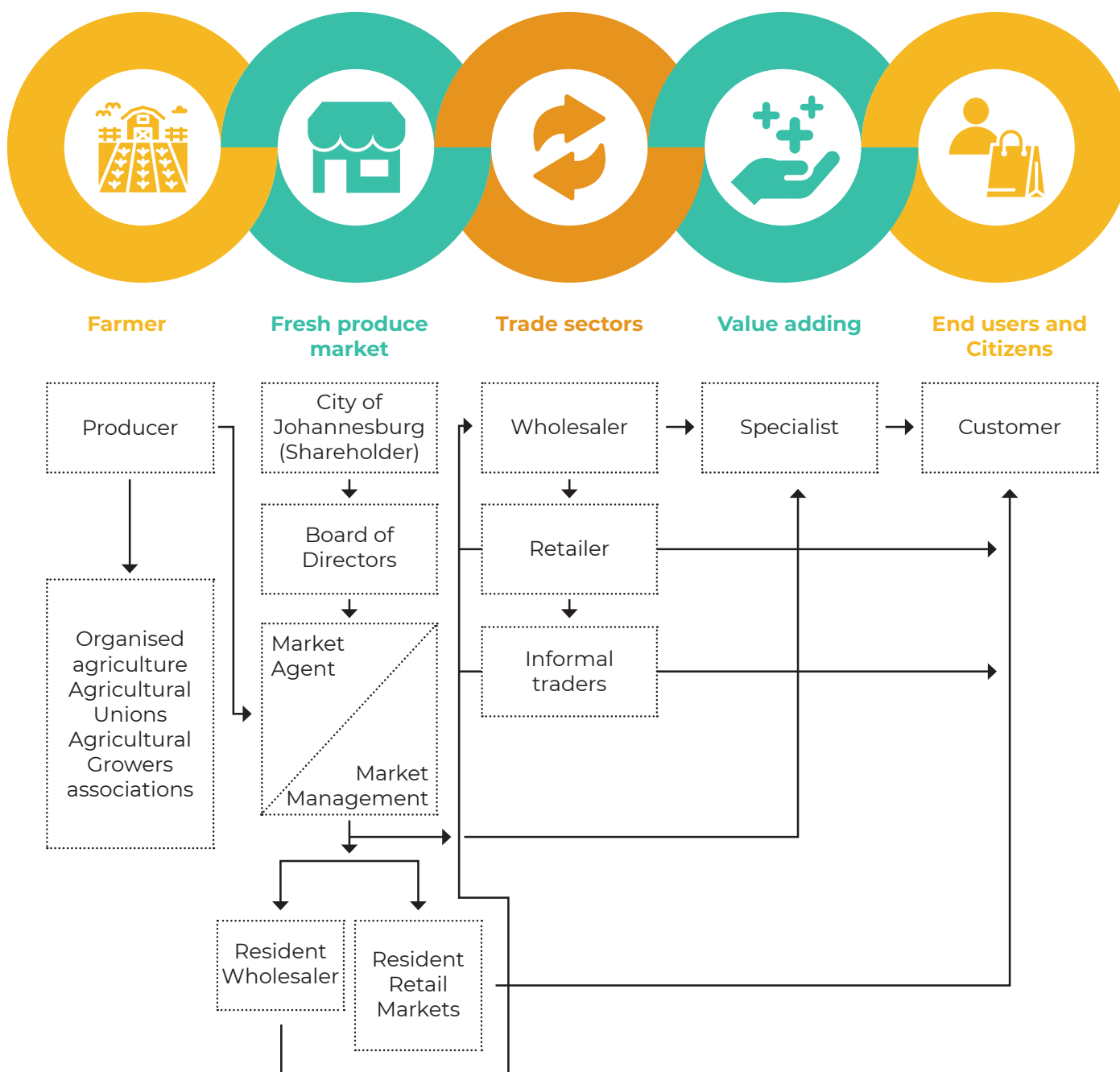


Figure 2: JM Trading Model

JM delivers added value through:

- **Rapid payments:** Next-day payouts via a trusted cashiering system
- **Consignment tracking:** Full traceability and pricing transparency
- **SANAS-accredited lab:** Ensures quality control and scientific disposal of discarded produce
- **Dispute resolution:** CEO may mediate and order compensation where necessary
- **Food safety:** Regular cleaning, sanitisation, and inspections
- **Security:** 24/7 CCTV monitoring and secure delivery zones
- **Cold storage & ripening rooms:** Maintained for optimal produce handling
- **Ongoing upgrades:** To ensure compliance and facility readiness
- **Marketing support:** Promotes products and attracts more buyers

Additionally, JM supports producers with:

- Financial services
- Project management expertise
- Human resources support
- Strategic services
- Risk services
- Trading and consignment regulation services
- Information technology for sales processing
- Facility management
- Property administration

To be successful JM needs to render these services in a sequence each day which will enable seamless delivery of services to its key stakeholders. The trading platform must be regarded as transparent and trustworthy. Each JM function contributes to this overall objective and service failures in even the smallest service section will impede on this objective.

JM's service commitment: *"Value for money market services delivered!"*



Central Trading System

SPS is a sophisticated purposed designed electronic trading methodology. Every element of the consignment is captured and managed through this system and consequently is every function performed by the agent and the market authority is conducted in real time mode.

Assurance Systems

Consignment control ensures that each and every consignment to its finest details was accurately captured and traded through the system. This enables a trustworthy trading history and return for the farmer.

Laboratory and inspection services ensure that the farmer do not suffer undue losses of stock, etc. JM has invested in the development of a SANAS accredited laboratory.

Dispute resolution is conducted and the Market Director (CEO) may order compensation of an aggrieved party.

Financial Services

JM conducts a dedicated financial accounting service inclusive of a cashiering system linked to a trust account system which enables the payment of proceeds on every consignment the following, working day. This is the fastest payment system in the and offers multiple advantages to producers.

Market Hygiene Services

Cleansing and sanitization of the market facilities ensure a safe food centre serving both the supply and demand side of market clients.

Security Services

Physical security services supported by a most modern and extended CCTV system ensures protection of the entire market facility serving farmers especially overnight when their consignments are delivered to the market.

Trade Support Services

Cold stores and ripening facilities are maintained and upgraded to ensure the availability of these vital support services to farmers and their agents.

Repairs & Maintenance Services

Cold stores and ripening facilities are maintained and upgraded to ensure the availability of these vital support services to farmers and their agents.

Marketing Services

Marketing services and agri-business support services are conducted to inform farmers and attract buyers to the market to ensure a vibrant market place to the advantage of producers.

Agri-Business Services

Farmer Development programmes which also includes the dissemination of market trading results on which South African Producers can always rely.

Figure 3: JM levels of services

Competitive Landscape

JM continues to evaluate both direct and indirect competition. A recent competitor analysis identified new fresh produce markets in the Gauteng region as the most significant emerging threats (2020/21 and ongoing in 2023/24). In response, JM is strengthening its position as the leading one-stop fresh produce market.





CHAPTER TWO

GOVERNANCE

SECTION 1: OVERVIEW

SECTION 2: COMPOSITION, KEY ACTIVITIES & REMUNERATION OF THE BOARD
OF DIRECTORS

SECTION 3: HIGH-LEVEL ORGANISATIONAL STRUCTURE

SECTION 4: GOVERNANCE OF STAKEHOLDER RELATIONSHIPS

SECTION 5: CORPORATE GOVERNANCE

SECTION 6: RISK MANAGEMENT

SECTION 7: ANTI-CORRUPTION AND FRAUD INVESTIGATIONS

SECTION 8: IT GOVERNANCE

SECTION 9: COMPLIANCE WITH LAWS & REGULATIONS



SECTION 1: OVERVIEW

Corporate Governance

Corporate governance at Joburg Market (JM) ensures accountability and strong governance systems are in place. In line with Section 121(2)(c) of the Municipal Finance Management Act (MFMA), JM is required to compile and publish an Integrated Report. This also aligns with Section 46(1)(d) of the Municipal Systems Act (MSA), which mandates public communication of governance matters.

This Integrated Report promotes accountability to the Shareholder (the City of Johannesburg), communities, and other stakeholders by reporting on decisions made by the Board during the 2023/24 financial year.

Governance Framework

JM operates with integrity to maintain public confidence and trust from its parent municipality, the City of Johannesburg. The Board of Directors and Executive Management adhere to governance principles outlined in relevant legislation. They regularly review internal control systems to ensure ethical management and prudent risk oversight. During the year, the Board conducted assessments to ensure compliance with the Companies Act, the MFMA, and the MSA.

Governance Arrangements

JM reports to the Department of Economic Development, which provides strategic guidance and reports to the relevant Member of the Mayoral Committee (MMC) for political oversight. JM is also a member of the Economic Development Mayoral Cluster Committee, which coordinates economic initiatives across departments and entities.

The Council's Section 79 Portfolio Committee on Economic Development also provides oversight, reviews JM's operations quarterly, and produces oversight reports. JM presents written responses to questions and participated in public consultations for the new JM bylaw during the reporting year.

JM has signed a Shareholder Agreement and a Service Delivery Agreement, which define its strategic goals, performance standards, and reporting obligations. The Board of Directors, appointed by the Shareholder, is responsible for overseeing strategic direction, risk mitigation, and performance management.

Oversight Committees

The Council's Section 79 Portfolio Committee on Economic Development provides political oversight of Joburg Market's operations. Each quarter, the Committee reviews the Department of Economic Development and its associated entities, including JM. It prepares oversight reports and sets formal questions, to which JM responds in writing and presents at Committee sessions. During the year under review, the Committee also led public consultations for the new JM bylaw.

In addition, JM reports to the City of Johannesburg's Group Performance Audit Committee (GPAC), Group Audit Committee (GAC), and the Municipal Public Accounts Committee (MPAC). The Chairperson of JM's Board Audit and Risk Committee attended GPAC meetings. JM consistently participated in these oversight forums and provided full responses to all matters raised.

Ethical Leadership

JM's Board of Directors is committed to ethical and effective leadership in line with King IV principles. The Board promotes values of integrity, competence, accountability, fairness, and transparency across the organization and in stakeholder relationships.

Stakeholder Engagement and Community Involvement

JM works with stakeholders – including tenants, agents, and wholesalers – to define their business needs in the planning and execution of projects. These inputs shape the Joburg Market's Medium-Term Revenue and Expenditure Framework (MTREF), and funding is sourced accordingly.

JM also emphasizes local empowerment through its procurement practices. In 2023/24, JM created:

- 119 job opportunities via the Expanded Public Works Programme (EPWP)
- 8 internship opportunities

Additionally, in partnership with the Department of Social Development, JM distributed food parcels to indigent families and NGOs. JM prioritizes using local labour – especially youth and women – in project implementation. The Audit and Risk Committee monitors compliance in these areas.

Legal and Regulatory Compliance

The Board ensures JM complies with all applicable laws, rules, codes, and standards. Any incidents of non-compliance are addressed per governance requirements. JM also operates under a Delegations of Authority framework, which is updated regularly to reflect business and legal changes.

Environmental Management

JM integrates sustainable development into all projects – from planning to completion. Sustainable practices include:

- Rainwater harvesting
- Installation of solar panels (photovoltaic systems)
- Energy-efficient cold storage systems

JM also partners with local communities to reclaim and recycle waste materials such as paper, wood, and plastics. Plans are underway to introduce a bio-digester to convert organic waste into usable products, further contributing to sustainability and job creation.

Internal Audit

As required by Section 138 of the Companies Act, JM maintains an Internal Audit Unit. This unit independently assesses the effectiveness of JM's risk management, governance, and internal controls. Internal Audit follows a systematic, disciplined approach and plays a key role in helping JM meet its objectives. A detailed overview of its activities appears in Chapter 6 of this report.

Combined Assurance

JM follows King IV's Combined Assurance model, which integrates assurance from internal and external sources to focus on high-risk areas. JM uses the three lines of defence model to coordinate and optimise its assurance efforts. This includes:

- **First line:** Management
- **Second line:** Internal oversight functions (e.g., HR, compliance, health and safety)
- **Third line:** External assurance (internal and external auditors, specialists)

The Board's Audit and Risk Committee oversees the effectiveness of this framework and is satisfied with its current implementation.

Acting Chief Executive Officer (CEO) - professional commitments

The Acting CEO is currently serving as a Board Member of JM and does not hold any external body interests which could interfere in his duties at JM.

Chief financial Officer (CFO) - professionally qualified

The CFO of JM is suitably qualified and holds the professional qualification of Chartered Accountant (SAICA).

SECTION 2: COMPOSITION, KEY ACTIVITIES & REMUNERATION OF THE BOARD OF DIRECTORS

Board of Directors

The Joburg Market (JM) Board comprises both executive and non-executive directors. It is responsible for submitting quarterly, bi-annual, and annual performance and service delivery reports to the City of Johannesburg (CoJ), in line with the requirements of the Service Delivery Agreement (SDA), the Municipal Finance Management Act (MFMA), and the Municipal Systems Act (MSA).

The Board remains fully accountable to the CoJ Metropolitan Municipality, the sole shareholder of JM. The relationship between the entity and the Shareholder is governed by the SDA, concluded in terms of the Municipal Systems Act.

The roles of the Board Chairperson and the Chief Executive Officer (CEO) are clearly separated, with the Chairperson holding no executive responsibilities. Board members have unrestricted access to company information through the Company Secretary, who advises the Board and its Committees on statutory, compliance, regulatory, and governance matters.

Where necessary, the Board or any of its members may seek independent professional advice at the company's expense. The term of office for non-executive directors is subject to review at the Annual General Meeting (AGM) or any Special General Meeting convened by the Shareholder.

Company Directors

The table below depicts pertinent details of previous and current Non-executive Directors and Independent Committee members:



Mr. Enos Sithole (53)

**Non-Executive Director
Chairperson & Strategy
and Operations**

Period of Service:

Rotated and Appointed to
Joburg Market 28 November
2024 to date

Qualifications:

Bachelor of Commerce(BCOM)
Honours in Human Resources
Management
Bachelor of Commerce
(BCOM) in Human Resources
Management Master of
Business Administration
candidate

Professional Bodies:

SABPP, ASDSA & IODSA

Other Directorships:

Sabile Human Resources
Consulting



Ms. Vuyiswa Gumede (54)

Non-Executive director

Period of Service:

March 2023 to date

Qualifications:

Diploma in Teaching
Diploma in Human Resource
Management
Advanced Certificate in
Education

Other Directorships:

None



Ms. Mantombi Nkosi (29)

Non-Executive director

Period of Service:

March 2023 to date

Qualifications:

Advanced Diploma in
Accounting Sciences
Programme in Commercial
Accounting

Professional Bodies:

Member of the Institute of
Internal Auditors South Africa
(IIA SA)

Other directorships:

None





Mr Fuzile Vondo (46)

Non-executive director

Period of Service:

March 2023 to date

Qualifications:

Bachelor of Public Management. Certificate in Strategy Thinking, Planning and Implementation
Certificate in Governance and Leadership Oversight
Diploma in Computer and Technology

Other Directorships:

None



Mr Gift Netshidzati (45)

Independent audit committee member

Period of Service

March 2023 to date

Qualifications:

National Certificate on Metropolitan Police

Other Directorships:

Chidzati Group
Chitzati Foundations
Harvest City
Harvest CityFoundation
Ranek



Mr Grant Son (48)

Independent audit committee member

Period of Service:

March 2023 to date

Qualifications:

Masters in Philosophy
Pre LLM
Environmental Management Studies
MBA

Professional Bodies:

Member of Directors South Africa (IoDSA)

Other Directorships:

South African Weather Services
International Air Services
Critical Infrastructure Council



Mr Motsamai Karedi (58)

**Independent Audit
Committee member**

Period of Service:

March 2023 to date

Qualifications:

Honours in Commerce
Certificate in Management

Professional bodies:

Other Directorships:

Payela Petroleum
Zinino Trading



Mr Godfrey Tsotetsi (62)

Non-executive director

Period of Services:

March 2023 to date

Qualifications:

Administration Honours in
Public Administration
Bachelor of Administration in
Public Administration & Public
Management.
Advanced Governance and
Public Leadership.
Professional Certificate in
Public Management.
Diploma in Road
Transportation Management

Other Directorships:

None



Ms. Noxolo Sicam (36)

Non- executive director

Period of Service:

March 2023 to date

Qualifications:

Finding Funding
Certificate

Other Directorships:

None





Ms. Nomvelo Mpongo (66)

Non-executive director

Period of Service:

March 2023 to date

Qualifications:

BA Degree
Postgraduate Diploma in HIV/
Aids
Remedial Education Diploma
Junior Secondary Teachers
Certificate
Advanced Certificate in
Education Human Rights and
Values

Other Directorships:

None



Ms. Manini Vilakazi (59)

Non-executive director

Period of Service:

March 2023 to date

Qualifications:

National Diploma in
Public Relations

Other Directorships:

BBMAT Group



**Mr Ratshibvumo
Ramabulana (36)**

Non-executive director

Period of Service:

March 2023 to date

Qualifications:

Bachelor of Laws (LLB),
Certificate in Practical
Legal Training, Pupillage

Other Directorships:

None





Mr Musa Shibambu (37)

Non-executive director

Period of Service:

March 2023 to date

Qualifications:

- Masters in Philosophy
- FinTech
- Postgraduate Diploma in Business Management

Other Directorships:

Akila Afrika Zaliwa

Table 5: JM Non-Executive Director

2023/24 Board Changes

On 28 November 2023, the City of Johannesburg (CoJ) passed a resolution to make changes to the Chairpersonship of the Joburg Market Board. Mr. Zamikhaya Xalisa was retired as Chairperson, and Mr. Enos Sithole was rotated from the Johannesburg Property Company (JPC) Board to the Joburg

Market Board, where he was appointed as the new Chairperson. Additional board changes occurred during the 2023/24 financial year. Mr. Odirile Bolokang, a non-executive director, resigned from the Board on 31 March 2024. In addition, Ms. Leanne Williams, the Chief Executive Officer and executive director of Joburg Market, was transferred to the Shareholder on 31 January 2024.

MEMBERS	RE/APPOINTMENT DATE	RETIREMENT DATE	RESIGNATION DATE	TRANSFER DATE
Mr. Zamikhaya Wauthas Xalisa (Chairperson)	1 March 2023	28 November 2023	N/A	N/A
Mr. Enos Foster Sithole (Chairperson)	28 November 2023	N/A	N/A	N/A
Ms. Leanne Williams (Executive Director – Chief Executive Officer)	30 May 2020	N/A	N/A	31 January 2024
Mr. Odirile Ronnie Bolokang	1 March 2023	N/A	31 March 2024	N/A

Table 6: Changes at Board Level for FY ended 30 June 2024



MEMBERS	RE/APPOINTMENT DATE
Ms. Vuyiswa Gumede	1 March 2023
Mr. Ratshibvumo Timothy Ramabulana	1 March 2023
Mr. Godfrey Coffee Tsotetsi	1 March 2023
Ms. Nomveliso Mpongo	1 March 2023
Ms. Manini Amelia Vilakazi	1 March 2023
Mr. Fuzile Chris Vondo	1 March 2023
Ms. Noxolo Siviwe Sicam	1 March 2023
Ms. Mantombi Nkosi	1 March 2023
Mr. Musa Shibambu	1 March 2023
Mr. Grant Son (IAC)	1 March 2023
Mr. Motsamai Israel Karedi (IAC)	1 March 2023
Mr. Gift Netshidzati (IAC)	1 March 2023

Table 7: 2023/24 Board of Directors

Schedule of meetings

The attendance at the Board Meetings and Committee Meetings for the 2023/24 financial year is recorded as follows:

Members		Board Meeting		Audit and Risk Committee		Strategy & Operations Committee		Remuneration, Social Ethics & Transformation Committee
		A	B	A	B	A	B	A
Board Members	Mr. Sithole E (Chairperson)	6	10			2	4	
	Mr. Xalisa Z (Chairperson) #	4	10			2	4	
	Ms. Gumede V	10	10					5
	Mr. Bolokang O \$ *	6	10			3	4	
	Mr. Ramabulana R \$	7	10					3
	Mr. Tsotetsi G	10	10			4	4	
	Ms. Mpongo N	10	10					5
	Ms. Vilakazi M	10	10					5
	Mr. Vondo C \$	6	10	6	7	3	4	
	Ms. Sicam N	10	10			4	4	
	Ms. Nkosi M	10	10	7	7			
	Mr. Shibambu M	10	10					4
	Mr. Son G (IAC)			6	7			
	Mr. Karedi M (IAC)			7	7			
	Mr. Netshidzati G (IAC)			6	7			
Executives	Ms. Ndlovu L (Acting Chief Executive Officer from 01 July 2023 to 31 March 2024)	6	10	4	7		4	2
	Mr. Makhubela S (Acting Chief Executive Officer from 1 April 2024)	2	10	2	7	1	4	2
	Mr. Baloyi N (Chief Financial Officer)	6	10	7	7	4	4	3

Table 8: Cumulative Schedule of Committee and Board Meetings as 30 June 2024

Key

Meetings attended by the Board and its Committees
A = Meetings attended
B = Number of meetings scheduled
IAC = Independent Audit Committee Member
\$ = Employees of state - therefore do not qualify for standard remuneration, however, may claim reimbursement for travel expenses upon submission.

Table 9: Meeting attendance legend

Board Committees

The Joburg Market has the following board committees which were approved by the Shareholder:

- Audit and Risk Committee (ARC);
- Remuneration, Social, Ethics and Transformation Committee (REMSET); and
- Strategy and Operations Committee (SOC).

Remuneration Policy

Directors and officers are remunerated in line with the company's remuneration policy, which is guided by directives from the Shareholder. The policy is fully compliant with all legislative requirements governing remuneration within the local government sector.

The remuneration of non-executive directors and independent audit committee members is determined in accordance with the City of Johannesburg (CoJ) Group Remuneration Policy.

NON-EXECUTIVE DIRECTOR REMUNERATION FEE STRUCTURE

TYPE OF MEETING	FEES
BOARD	
Chairperson – Meeting	R 16 000
Member – Meeting	R 12 000
AUDIT AND RISK COMMITTEE	
Chairperson – Meeting	R 10 000
Member – Meeting	R 8 000
REMUNERATION, SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE (REMSET)	
Chairperson – Meeting	R 10 000
Member – Meeting	R 8 000
STRATEGY AND OPERATIONS COMMITTEE (SOC).	
Chairperson – Meeting	R 10 000
Member – Meeting	R 8 000

Table 10: Non-Executive Director Remuneration fee structure

MEMBER			Q4
1	Mr. E Sithole	Chairperson	94 000
2	Mr. Z. Xalisa	Chairperson	-
3	Ms. V. Gumede	Member	80 000
4	Mr. O. Bolokang	Member	-
5	Mr. R. Ramabulana	Member	2 638
6	Mr. G. Tsotetsi	Member	68 000
7	Ms. N. Mpongo	Member	76 000
8	Ms. M. Vilakazi	Member	76 000
9	Mr. C. Vondo	Member	-
10	Ms. N. Sicam	Member	70 000
11	Ms. M. Nkosi	Member	68 000
12	Mr. M. Shibambu	Member	64 000
TOTAL			598 638

Table 11: Schedule of the Remuneration of Non-Executive Directors as 30 June 2024

Non-Executive Director Remuneration is inclusive of all Board and Board Committee meeting attendances (ordinary, special, recruitment panel and meetings called by the Shareholder).

Remuneration of Independent Audit Committee Members

MEMBER			Q4
1	Mr. E Sithole	IAC	16 000
2	Mr. Z. Xalisa	IAC	24 000
3	Ms. V. Gumede	IAC	32 000
TOTAL			72 000

Table 12: Schedule of the Remuneration of Independent Audit Committee members as 30 June 2024

King IV™ Application Register

King IV™ promotes an outcomes-based approach to corporate governance, defining it as the exercise of ethical and effective leadership to achieve four key governance outcomes.

This register outlines the desired outcomes along with the practices implemented and the progress made in applying the 16 principles of King IV™. The approach follows the recommended “apply and explain” method, demonstrating how each principle has been integrated into the organisation’s governance framework.



KING IV™ PRINCIPLE	REQUIREMENTS	CONFIRMATION DOCUMENTATION
GOVERNANCE OUTCOME ONE: ETHICAL CULTURE		
Principle 1: Leadership The governing body should lead ethically and effectively.	Joburg Market's board of directors is its governing body. The director's hold one another accountable for decision-making and behave ethically, as characterised in King IV™.	An employee code of conduct policy is in force throughout the Entity. All directors and employees are obligated under the code to act with honesty and integrity and to maintain the highest ethical standards. Declarations of interest are managed in line with the Companies Act 71 of 2008 and directors are required to disclose their shareholdings and additional directorships on an annual basis.
Principle 2: Organisational Ethics The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	The board has a fiduciary duty to act in good faith, with due care and diligence and in the best interests of the Entity and its stakeholders. It is the primary body responsible for the corporate governance values of the Entity.	The employee code of conduct sets the minimum standards expected of all employees of the Joburg Market. Furthermore, the market by-laws set the minimum standards expected of the market agents and suppliers of the Joburg Market.
Principle 3: Responsible Corporate Citizenship The governing body should ensure that the organisation is seen to be a responsible corporate citizen.	The board approves the strategy and priorities of the business as set out in its annual integrated report. Through stakeholder engagement and collaboration, Joburg Market is committed to finding lasting solutions to sustainability challenges. The board, with the support of the Social, Ethics and Transformation Committee oversees and monitors how the Entity's activities affect its status as a responsible corporate citizen and reports annually on the Entity's sustainability and transformation activities.	Integrated Annual Report.
GOVERNANCE OUTCOME TWO: PERFORMANCE AND VALUE OPERATION		
Principle 4: Strategy and performance. The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy business model, performance and sustainable development are all inseparable elements of the value creation process.	The board informs and approves Joburg Market's strategy, which is aligned with the mandate of the Shareholder and the value drivers of Joburg Market's business. The board oversees and monitors management's implementation of the strategy and business plan on a quarterly basis.	Integrated Annual Report.
Principle 5: Reporting. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short-, medium- and long-term prospects.	The board, through the Audit Committee, ensures that the necessary controls are in place to ensure and safeguard the integrity of all financial information and reporting documentation. The Entity ensures its financial statements are prepared in accordance with applicable accounting standards and legislative requirements.	Integrated Annual Report. Audited Financial Statements.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL

Principle 6: Primary role and responsibilities of the governing body. The governing body should serve as the focal point and custodian of corporate governance in the organisation.	The board meets once a quarter. Should an important matter arise between scheduled meetings, additional meetings are convened once permission is granted by the respective Portfolio MMC.	The board has an approved charter, which it reviews annually. The charter sets out its governance responsibilities, including its role, responsibilities, membership requirements and procedural conduct. Group Shareholder Policy.
Principle 7: Composition of the governing body. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively.	The shareholder assesses the adequacy of the board's composition annually to ensure that it is still fit for purpose, has the right balance of skills, experience, diversity, independence, and knowledge.	Board Assessments.
Principle 8: Committees of the governing body. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgment and assist with balance of power and the effective discharge of its duties.	Committees are to be established to assist the board in discharging its responsibilities. The committees of the board comprise: - The Audit and Risk Committee, - The Remuneration Committee as well as the Social, Ethics and Transformation Committee and - The Strategy and Operations Committee	Shareholder Compact. Committee Terms of Reference.
Principle 9: Evaluations of the performance of the governing body. The governing body should ensure that the evaluation of its own performance and that of its committees, its chair, and its individual members, support continued improvement in its performance and effectiveness.	The effectiveness of the performance of the board, its committees, individual non-executive directors, and the Chairperson is assessed annually by the Shareholder.	Board Assessments.
Principle 10: Appointment and delegation of management. The governing body should ensure that the appointment of, and delegation to, management, role clarity and effective exercise of authority and responsibility.	The board plays a role in the appointment and recommendation of the CEO to the Shareholder.	Group Shareholder Policy.
Principle 11: Risk Governance. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	The ARC committee assists the board with the governance of risk. Joburg Market's enterprise risk management and combined assurance framework, together with other Group policies and procedures inform its risk management culture.	Integrated Annual Report.

KING IV™ PRINCIPLE	REQUIREMENTS	CONFIRMATION DOCUMENTATION
Principle 12: Technology and Information Governance. The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Information management is an important part of Joburg Market's business and is essential to the strategy, performance, and sustainability of the Group.	ICT Policies. Integrated Annual Report.
Principle 13: Compliance Governance. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	Joburg Market is committed to conducting its business in compliance with all applicable laws and regulations. Safety, health, and environmental laws are all identified as key legal compliance areas and therefore receive the necessary attention on an on-going basis.	Group Policies and Procedures.
Principle 14: Remuneration Governance. The governing body should ensure that the organisation remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium, and long term.	Independent approval and overseeing of the overall remuneration structure is delegated by the board to the Remuneration Committee.	Committee Terms of Reference.
GOVERNANCE OUTCOME FOUR: TRUST, GOOD REPUTATION AND LEGITIMACY		
Principle 15: Assurance. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the external reports	The board, supported by the ARC committee, ensures an effective control environment, which supports the integrity of information.	Committee Terms of Reference. Audited Financial Statements. Integrated Annual Report.
Principle 16: Stakeholders. In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interest of the organisation over time.	Joburg Market has identified its stakeholder group and actively balances their legitimate and reasonable needs, interests, and expectations.	Group Shareholder Policy. Service Delivery Agreement. Shareholder Compact. Union Agreements.
Principle 17: Institutional Investors. The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and the creation of value by the companies in which it invests.	The Joburg Market is a Municipal State-Owned Entity and does not have any institutional investors; as such this principle does not apply.	Not Applicable

Table 13: KING IV Application Register

CHAPTER TWO: GOVERNANCE

SECTION 3: HIGH-LEVEL ORGANISATIONAL STRUCTURE

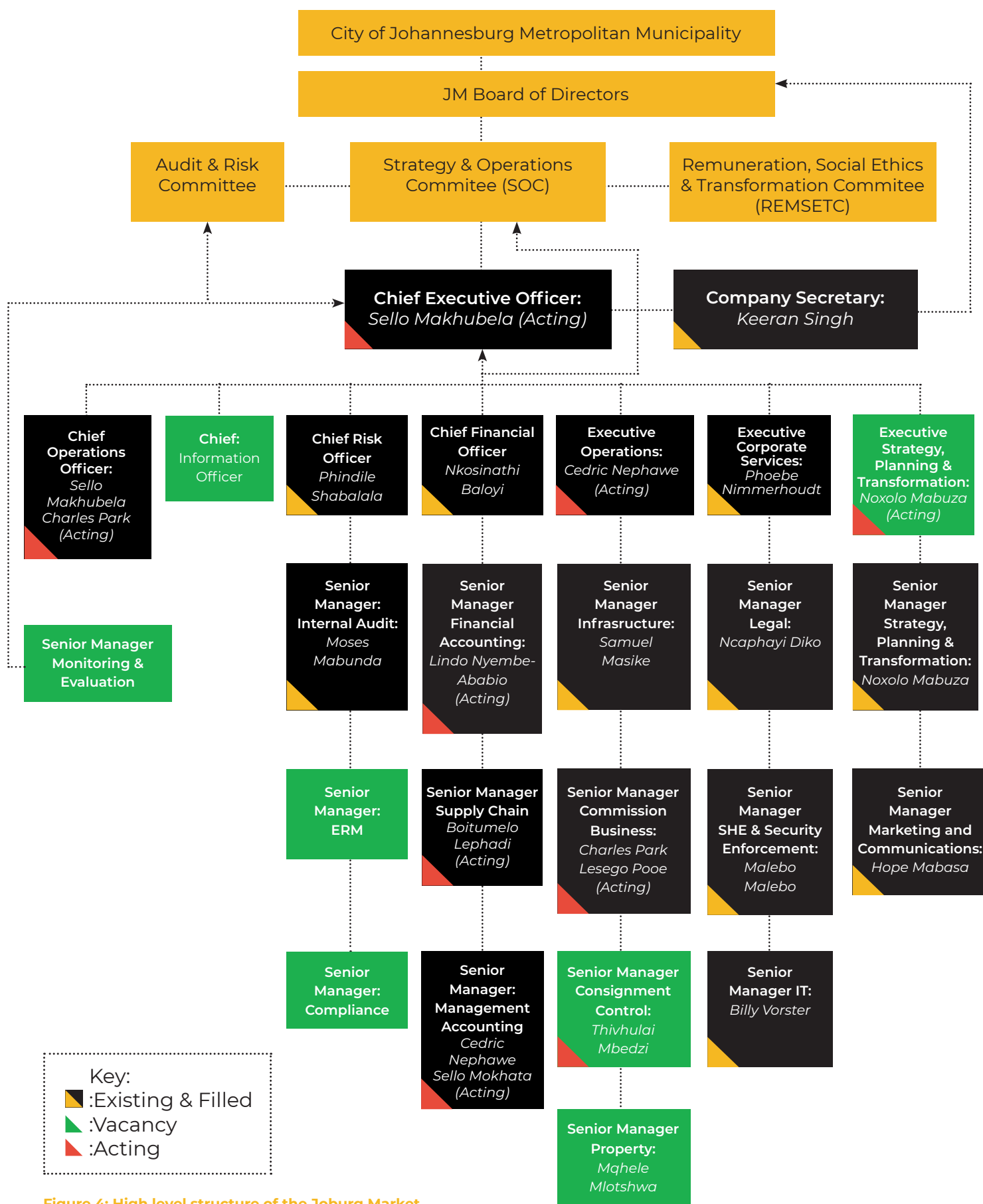


Figure 4: High level structure of the Joburg Market



EXECUTIVE MEMBERS

Mr Sello Makhubela (Acting Chief Executive Officer)

Qualifications:

- Master in Business Administration
- Municipal Finance Management
- International Leadership Development Programme
- Project management
- National Diploma in Electrical Engineering (Appointed on an acting capacity, 1 April 2024)

Mr Junior Nkosinathi Baloyi (Acting Chief Financial Officer)

Qualifications:

- Bachelor in Accounting
- Bachelor in Accounting Hons
- Advanced Financial Accounting, advanced Taxation, Advanced Auditing
- Advanced Management Accounting and Financial management
- Chartered Accountant, CA (SA)
- Advanced Financial Management Certificate (Appointed, 1 April 2022)

Mr Bongani Radebe (Executive Manager: Core Operations) Seconded to Metro Bus

Qualifications:

- Masters in Management
- Postgraduate Diploma In Management
- B. Uiris (Law Degree)
- Diploma in Criminal Justice and Forensic Investigations (Appointed, 1 October 2020)

Ms Phoebe Nimmerhoudt (Executive Manager Corporate Services)

Qualifications:

- BA Industrial Psychology (Appointed 7 September 2020)

Mrs. Phindile Shabalala (Executive Chief Risk Officer)

Qualifications:

- Masters in Business Management (MBA)
- B.Tech Management
- National Diploma: Accounting (Appointed, 1 November 2023)

Mr Charles Park (Acting Executive Manager: Core Operations)

Qualifications:

- Masters in Business Administration (MBA)
- B-tech in Transportation Management focused on Logistic Management
- National Diploma in Transport Management
- Municipal Executives Finance Management: WITS Business School (Appointed, 1 April 2024)

Mr Cedric Nephawe (Acting Executive Manager CO-Operations)

Qualifications:

- Masters in Business administration
- Post graduate diploma in business administration
- Municipal and finance management skills programme
- Higher diploma in taxation
- Bachelor of Accounting (Appointed, 20 July 2023)

Table 14: Executive Committee Qualifications

SECTION 4: GOVERNANCE OF STAKEHOLDER RELATIONSHIPS

Over the past 12 months, Joburg Market has implemented a comprehensive strategy to strengthen its brand, deepen stakeholder engagement, and enhance marketing efforts. These initiatives have significantly improved the Market's public image, operational effectiveness, and socio-economic impact, aligning with its broader transformation goals.

A major focus was increasing the visibility of JM's activities through multiple communication platforms, including internal newsletters, on-site display screens, and social media. This multi-channel approach has helped broaden coverage and strengthen engagement with stakeholders.

Key Stakeholder and Marketing Initiatives

- Cleaning and Gardening Campaign – Encouraging sustainability and community participation.
- SAUFM Conference – Hosting industry-wide discussions.
- Site Tour by South African Ambassador to Russia – Fostering international relations.
- Market Agents Site Visit – Strengthening collaboration with key partners.
- Merca Madrid Study Tour – Gaining global insights to enhance operations.
- 6th Annual Young Farmers Summit – Empowering the next generation of farmers.
- Executive Mayor's Accelerated Service Delivery Programme – Supporting broader city development efforts.
- Ivory Coast Investment Conference – Exploring regional investment opportunities.
- Southern Farms Development Launch – Promoting local agricultural growth.
- ID and Budget Regional Summits Participation – Aligning initiatives with city-wide planning.

Through strategic partnerships with the CoJ and other key players, JM has solidified its brand presence while delivering tangible value to both its community and partners. These efforts have laid a strong foundation for continued growth and global leadership in the agricultural sector.

Public Accountability and Administration

Regional Location and Consultation

Joburg Market is located in Region F, Cluster 4, Ward 57. In April and May 2023, JM actively participated in the City's IDP and Budget Regional Summits across all regions. Although no JM-specific issues were raised, communities in Region F and Ward 57 benefited from several programmes, including:

- Job creation through EPWP initiatives targeted at semi-skilled workers in Region F
- Informal trading opportunities at Tshiamo Market
- Vendor space allocation at JM, with many traders from Region F
- Funeral assistance for indigent and vulnerable families
- Food parcel support to NGOs, NPOs, and early childhood facilities
- Preferential procurement of goods and services from Region F-based suppliers

Bylaws

During the reporting year, JM began the process of promulgating a new bylaw to regulate trading and related practices at its premises. The new bylaw introduces significant changes, including:

- A licensing system for market agents
- Formalised service level agreements with relevant groups

Public consultations and required formalities were completed, and the bylaw was officially promulgated on 5 January 2022. Full details are available on the JM website: www.joburgmarket.co.za.



Public Satisfaction and Customer Service

Joburg Market continues to embed professionalism in all aspects of its service delivery. Every visit is designed to be a positive experience, supported by a responsive customer service system.

To measure and improve service delivery, JM tracks performance against established service standards. A dedicated email address – complaints@joburgmarket.co.za – allows the public to easily report and resolve service issues. Additionally, JM maintains customer service desks throughout its various trading halls to provide direct support, especially given the nature of trading in perishable goods.

Oversight Through Council Committees

JM falls under the oversight of the Economic Development Committee (Section 79) of the City of Johannesburg. This committee conducts quarterly oversight of its entities and departments, including JM.

JM also regularly reports to and attends meetings of the:

- Group Performance Audit Committee (GPAC)
- Group Risk Committee (GRC)
- Group Audit Committee (GAC)

These forums ensure that JM's governance and operational practices remain aligned with city-wide accountability standards.



SECTION 5: CORPORATE GOVERNANCE

5.1 Governance Report

COMPANY SECRETARY'S CERTIFICATION DECLARATION BY THE COMPANY SECRETARY IN RESPECT OF SECTION 88 (2) (E) OF THE COMPANIES ACT.

In terms of section 88 (2) (e) of the Companies Act 71 of 2008 (as amended), I certify that, to the best of my knowledge and belief, the company has lodged and/or filed, for the financial year ended 30 June 2024, all such returns and notices as required and that all such returns and notices are true, correct and up to date.

MR. Keegan Singh
Company Secretary



A handwritten signature in black ink, appearing to read 'Keeran Singh', written over a horizontal line.

Mr. Keeran Singh

Joburg Market (SOC) Ltd
Company Secretary

A handwritten date '29/11/2024' in black ink, written over a horizontal line.

Date

SECTION 6: RISK MANAGEMENT

This section provides a summary of Joburg Market's strategic risk performance for the fourth quarter of the 2023/24 financial year, measured against the objectives and targets outlined in the annual business plan. It includes key insights from risk monitoring and review assessments conducted during the period.

6.1 Risk Management Policy and Risk Register

Joburg Market has implemented a comprehensive risk management system aligned with the following frameworks and standards:

- ISO 31000
- COSO Standards

- Municipal Finance Management Act (MFMA)
- King IV™ Report on Corporate Governance
- Other applicable risk management standards

These standards inform JM's Strategic Risk Report. JM's compliance with King IV™ principles is detailed in Section 2.6 of this report.

A significant number of strategic risks depend on the SMART MARKET project as a key mitigation measure. However, progress in reducing these risks during the financial year was limited due to the lack of an approved funding model for the SMART Market initiative.

The table below depicts the matrix rating (Legend: VH = Very high; H = high; M = Medium)

#	RISK NAME	IMPACT RATING	LIKELIHOOD	INHERENT RISK	CONTROL EFFECTIVENESS	RESIDUAL RISK EXPOSURE
1	Inadequate Trading Space	Critical	Almost certain	Very High	Partially Effective	Medium
2	Unavailability of ICT critical systems to support the businesses	Critical	Almost certain	Very High	Partially Effective	Medium
3	Business Failure	Major	Almost certain	Very High	Partially Effective	Medium
				Very High	Effective	Low
4	Fraud and Corruption	Major		Very High	Effective	Medium
5	Inadequate Stakeholder Engagement	Major	Almost certain	Very High	Partially effective	High
				Very High		Medium
6	Inadequate workforce planning and management, Unavailability of skills or inadequate skills, ability, and capability.	Major	Almost certain	Very High	Partially effective	Medium
7	Ineffective transformation programmes	Moderate	Almost certain	High	Partial effective	Medium
8	Governance: Ineffective Leadership in implementing controls	Moderate	Almost certain	High	Effective	Low

Table 15: Risk Tolerance Levels

Exposure Rating	Assessment	Action Required
Very High 20 - 25	Unacceptable	Requires immediate attention from management on implementation of corrective measures
High 12 - 19	Unacceptable	Implementation of improvement opportunities and validation of current controls
Medium 6 - 11	Acceptable with caution	Evaluation and improvement of current controls
Low 1 - 5	Acceptable	Validation and optimization of controls

Table 16: Extract from 2023/24 JM Strategic Risk Register

In the new financial year JM will take a holistic approach to define the risk appetite and tolerant levels, aligning to all ERM processes.

#	RISK CATEGORIES	RISK APPETITE	RISK TOLERANCE
1.	Fraud and Corruption	Zero	Zero Tolerance
2.	Non-Compliance with Supply Chain Management Regulations:	Zero	Low Tolerance
3.	Regulatory Non-compliance	Zero	Low Tolerance
4.	Financial Governance/Management risks	Low	Low Tolerance
5.	Financial under performance (% aligned to SDIP annual target)	Major	Almost certain
6.	Service delivery and Operational Risks: (organisational performance indicators)	Approved annual target	Low Tolerance
7.	Organisational & governance risks (accountability)	Low	Low Tolerance
8.	Information and Communication Technology (ICT) Governance and Delivery	Low	Moderate
9.	Financial reporting -Adverse & Disclaimer audit outcome:	Zero	Zero Tolerance
10.	Financial reporting –Unqualified audit (with matters of emphasis):	Low	Moderate
11.	Non-Financial Reporting (AoPO/ Organisational Performance): Adverse & disclaimer audit outcome	Zero	Zero Tolerance
12.	Non-Financial Reporting (AoPO/ Organisational Performance): Unqualified audit outcome (with matters of emphasis)	Low	Moderate

Table 17: Risk Appetite and Tolerance

Internal Controls and Risk Management

The Board of Directors, together with the Acting CEO, has maintained a strong focus on the internal control environment and risk assessment processes. This includes the development and implementation of reliable information systems that support sustainability reporting. These systems enable effective monitoring and management of risks that could affect the organisation's operations and long-term sustainability.

The hotline serves as a valuable tool in combating theft, bribery, misuse of company property, and other unlawful activities. It is accessible via telephone at 0800 00 25 87. Joburg Market is also in the process of introducing an email option to complement the existing hotline service.

During the period under review, no reports were received through the hotline.



SECTION 7: ANTI-CORRUPTION AND FRAUD INVESTIGATIONS

Joburg Market has implemented and communicated its Anti-Fraud and Corruption Policy to all employees. The policy outlines clear procedures for reporting fraud and provides access to a 24-hour anti-fraud hotline, which is centrally managed by the City of Johannesburg (CoJ). Any reports received through this hotline are forwarded to the Senior Manager: Internal Audit for investigation and follow-up.

The hotline serves as a valuable tool in combating theft, bribery, misuse of company property, and other unlawful activities. It is accessible via telephone at 0800 00 25 87. Joburg Market is also in the process of introducing an email option to complement the existing hotline service.

During the period under review, no reports were received through the hotline.





SECTION 8: IT GOVERNANCE

Joburg Market's Information Services Department is managed by the Senior Manager: Information Services. The IT governance structure at JM is depicted in the illustration below.



Figure 5: IT governance structure

The IT department undergoes an internal audit annually and is also included in the annual external audit conducted by the Auditor-General of South Africa (AGSA). In addition, the department submits quarterly reports on IT risk mitigation actions to the entity's Risk Department.

Oversight of IT governance is carried out at multiple levels. At the board level, the Audit and Risk Committee provides quarterly oversight. Internally, the Executive Committee (EXCO) oversees governance, while the operational responsibility lies with the Senior Manager: Information Services.

The IT Department follows the Information Technology Infrastructure Library (ITIL) framework, a widely adopted subset of the Control Objectives for Information and Related Technologies (COBIT) framework used internationally by governments. The department plans to align its practices with the City of Johannesburg's IT governance framework once the CoJ SAP implementation has been reviewed and rolled out.

Additionally, the company has established internal service standards linked to Key Performance Areas (KPA's), which are monitored and evaluated on a monthly and quarterly basis.

SECTION 9: COMPLIANCE WITH LAWS & REGULATIONS

The Board ensures that the entity complies with all applicable laws, rules, codes, and standards, which is a key consideration in all decision-making processes. Any incidents of non-compliance are addressed in accordance with relevant governance protocols.

Joburg Market (JM) adheres to the City of Johannesburg's Group Compliance Framework and submits quarterly compliance reports to the Shareholder as required. The full JM King IV™ checklist is available on the JM website at www.joburgmarket.co.za.

JM operates within its Delegations of Authority, which are regularly reviewed to stay aligned with business and legislative requirements.



CHAPTER THREE

SERVICE DELIVERY PERFORMANCE

SECTION 1: HIGHLIGHTS AND ACHIEVEMENTS

SECTION 2: SERVICE DELIVERY CHALLENGES

SECTION 3: RESPONSE TO STRATEGIC DIRECTION

SECTION 4: PERFORMANCE AGAINST SERVICE STANDARDS

SECTION 5: PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

SECTION 6: RECOVERY PLAN FOR NON-ACHIEVED KPI

SECTION 7: PUBLIC SATISFACTION ON JM SERVICES

SECTION 8: RECOMMENDATIONS AND PLANS FOR THE NEXT FINANCIAL YEAR



SECTION 1: HIGHLIGHTS AND ACHIEVEMENTS

During the 2023/24 financial year, Joburg Market (JM) recorded several key achievements across financial performance, infrastructure development, and socio-economic impact:

1. Financial Performance: Strong Growth Amidst Challenges

JM delivered robust financial results despite external pressures such as severe weather and recurring power outages:

- **Turnover Growth:** JM achieved a total turnover of R11.2 billion, exceeding its budget by R621 million and marking a 9.1% increase from the previous year.
- **Revenue Recovery:** Operational improvements—such as the installation of smart electricity meters and the repair of 10 faulty ripening chambers—significantly contributed to revenue recovery and a stronger financial surplus.
- **Operational Efficiency:** JM maintained a 100% on-time invoice payment rate, reflecting sound financial management. Additionally, JM achieved its BEE procurement targets, underscoring its commitment to economic transformation.

2. Market Performance

Despite industry-wide challenges, JM maintained strong market activity and increased its turnover – All main trading halls experienced turnover growth, even though overall sales volumes declined.

JM holds a 45.9% market share of the National Fresh Produce Markets, positioning it as the largest

fresh produce market in Africa. This underscores JM's leadership and influence in price-setting and trade volumes across the continent.

3. Capital Expenditure & Strategic Projects: Building for the Future

Significant investments were made to improve JM's infrastructure and ensure long-term sustainability:

- **CAPEX Utilisation:** JM spent more than 100% of its R121.5 million capital expenditure budget, prioritising critical projects such as building upgrades, sprinkler system installations, and alternative energy systems.
- **Strategic Focus:** These infrastructure upgrades are central to JM's strategy to boost operational efficiency, accommodate growing demand, and maintain its status as South Africa's premier fresh produce marketplace.

4. Social & Economic Impact: Empowering the Community

JM actively contributed to job creation and community development:

- **Expanded Public Works Programme (EPWP):** 119 employees were recruited through EPWP, offering crucial employment opportunities.
- **Support for SMMEs:** JM supported 108 small, medium, and micro enterprises (SMMEs), demonstrating its role in promoting local entrepreneurship.
- **Internship Programme:** 8 interns were onboarded, providing skills development and hands-on experience, in line with JM's commitment to youth empowerment and talent development.



SECTION 2: SERVICE DELIVERY CHALLENGES

During the reporting period, Joburg Market (JM) encountered several operational challenges while pursuing its service delivery objectives. These are summarised below:

1. Inadequate Trading Space

One of the persistent challenges is the shortage of adequate trading space. As a result, market agents have continued to store fresh produce on the platforms of certain trading halls, which affects operational efficiency.

Resolution:

JM is addressing this issue through the SMART MARKET Project, which aims to expand and modernise the market's infrastructure to include additional trading space. The conceptual design phase is complete, and JM is working closely with the City of Johannesburg, National Treasury, and the Development Bank of Southern Africa (DBSA) to appoint a Transaction Advisor who will assist in developing a viable funding model for the project. Bid Specification Committee (BSC) and Bid Evaluation Committee (BEC) members have already been appointed and are awaiting their first sittings.

2. Shortage of Cold Storage and Banana Ripening Facilities

JM continues to face a critical shortage of operational cold rooms and banana ripening chambers:

- **Cold Rooms:** Out of 56 cold rooms, 20 are non-functional and the remaining 36 require repairs. EXCO has resolved to decommission the 20 irreparable units.
- **Banana Ripening Chambers:** Of 57 chambers, 29 are affected by temperature instability, water leaks, and faulty doors.

Resolution:

A phased repair programme is underway to restore functionality to the cold rooms and banana ripening facilities. Additionally, plans are in place to construct new cold rooms near the watermelon section, which will significantly increase storage capacity and improve cold chain management.



CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

SECTION 3: RESPONSE TO STRATEGIC DIRECTION

This section should provide how the Joburg Market responded to the strategic objectives for the quarter under review and strategic alignment to the Mayoral Priorities.

GDS 2040 OUTCOMES	GDS OUTPUT	MAYORAL PRIORITIES	JM STRATEGIC OBJECTIVES	Q4 PROGRESS REPORT
1. Provide a resilient, liveable, and sustainable urban environment - underpinned by smart infrastructure supportive of a low-carbon economy	1. Sustainable and integrated delivery of water 2. Sustainable and integrated delivery of sanitation 3. Sustainable and integrated delivery of energy 4. Sustainable and integrated delivery of waste 5. Improved eco-mobility 6. Sustainable human settlements 7. Climate change resilience and environmental protection	• Green economy • Infrastructure development	• Energy Generation through organic waste conversion • Public trust in JM as food source • Transformation in fresh produce market operating practices • JM becoming a fresh produce market leader in innovation relevant to fresh produce	• JM was able to grow its market share to 45.9% which represents a better growth rate than its counterpart markets in turnover. • Joburg market has its own water reservoir to be used as contingency during water disruptions; ensuring uninterrupted access to drinking water until normal services is restored. • Capex spend as of 30 June 2024 is recorded at R121.5 million against a total approved adjustment budget of R121.5million. This represents 100.0% spent against the total budget.
2. Improved quality of life and development-driven resilience for all.	1. Reduce poverty and increase productivity 2. Food security that is both improved and safeguarded 3. Access to knowledge and lifelong learning 4. A society characterised by healthy living for all 5. A safe and secure city 6. A city characterised by social inclusivity and enhanced social cohesion	• Safer city	• Clean air and safe food • Food safety assurance • Safe marketplace • JM achieve compliant market facilities and services	• Product samples are taken from the trading floor for laboratory testing to evaluate food safety risk and raise awareness with farmers where a food safety risk is considered.
3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens.	1. Job-intensive economic growth 2. Promotion and support to informal and micro businesses 3. Increased competitiveness of the economy 4. A „Smart City of Johannesburg, that can deliver quality services to citizens in an efficient and reliable manner (cross cutting output	• Smart city • Sustainable economic development • Job opportunity and creation	• Job creation through improved economic development opportunities at Joburg Market environment • Continued produce supply and smart trading ensuring undisrupted food supply to the community • Johannesburg Market a Smart Market with enhanced service efficiencies and productivity • Smart and effective service delivery maintained as the norm	• JM successfully contributed to the creation of 108 opportunities through Small, Medium, and Micro Enterprises (SMMEs), and 8 internship opportunities. • 119 EPWP recruited and placed in various departments to strengthen operations • The organization maintained a 100% compliance with Broad-Based Black Economic Empowerment (BBB-EE) spending, exemplifying its dedication to promoting economic transformation and inclusivity.

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GDS 2040 OUTCOMES	GDS OUTPUT	MAYORAL PRIORITIES	JM STRATEGIC OBJECTIVES	Q4 PROGRESS REPORT
4. A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region	- Partnerships, intergovernmental & international relations - A responsive, accountable, efficient, and productive metropolitan government - Financially sustainable and resilient city - Meaningful citizen participation and empowerment - Guaranteed customer and citizen care and service	- Good governance - Financial sustainability - Active and Engaged	- Meaningful state-society engagement - Well informed and confident users of the JM and its services - Efficient market systems and services maximizing user satisfaction and trust	- There has been improvement in the resolution of audit findings with an 100% achievement for both AG and Internal audit findings - The magnitude of JM's position in the fresh produce industry is illustrated by the total turnover generated by the market of R11.2 billion which is R621 million (9.1%) above budget of R10.6 billion. - The company achieved improved financial performance with: - The net increase of R89.5 million (15.5%) in PPE is due to the capitalization of projects and additional assets. - Intangible assets decreased by a total of R92 thousand (17.7%) due to asset amortization for the period. - Cash and cash equivalents increased by R127.5million (26.9%) due to JM positive cash reserve and buyer's deposit and subsequent refund from SARS. - Loan to shareholders increased by R95.6 million (43.4%).

Table 18: JM's response to Q4 Strategic Objectives



CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

SECTION 4: PERFORMANCE AGAINST SERVICE STANDARDS

#	CORE SERVICE	SERVICE LEVEL STANDARD TARGET	ACTUAL	EVIDENCE	VERIFIED ACTUAL*	VARIANCE	VARIANCE EXPLANATION	MITIGATIONS / COMMENTS	REFERENCE TO EVIDENCE
1	Opening a new buyer account	20 minutes	6.78 minutes	SPS Report	No	13.22 minutes favourable		The Service Level Target was successfully met.	Account Creation Report
2	Electronic Sales Processing System disruptions	Mirror/back-up 12w system to go live: within 55 minutes	No downtime recorded for quarter 4	Data base Report	No	No downtime recorded for quarter 4		The Service Level Target was successfully met	Oracle Data Report
3	Time to resolve cashiering queries when clients are depositing money.	Resolution of depositing queries within 30 minutes.	No downtime recorded in quarter 4 during trading hours	SPS Report	No	28.41 minutes favourable		The Service Level Target was successfully met.	Cashier Turn-around Time Report
4	Repairs of infrastructure facilities	Commencement with repairs process on reported infrastructure breakdown within 24 hours	100%	100%	No	100% favourable		Work orders were attended to as soon as they were reported for repairs.	Core Operations Summary Report
5	Repairs to ripening facilities	60% Availability	65%	Daily Monitoring summary report	No	5% favourable		The Service Level Target was successfully met	Core Operations Summary Report
6	Cold Room facilities	Average temperature variance not greater than 2°C of agreed customer requirements	3.20°C	Average Set Daily Temperature Reading	No	1.2°C variance favourable		The Service Level Target was successfully met	Core Operations Summary Report

Table 19: JM Service Standards

PERFORMANCE STATUS	REPORTING PERIOD – 2023/24				
	Q1 (Cum)	Q2 (Cum)	Q3 (Cum)	Q4 (Cum)	YTD Performance
Target Achieved	83.3%	77.8%	66.7%	100%	100%
Target Not Achieved	16.7%	22.2%	33.3%	0	0%
KPI not measured	0	0	0	0	0
Total no. of KPI's	6	6	6	6	6
Total no. of KPI's Measured	6	6	6	6	6

Table 20: JM Service Standard Performance Status

2023/24 Financial Year: Service Standard Performance

Joburg Market successfully met 100% of its Service Level Standards (SLS) for the 2023/24 financial year. All six (6) measured standards were achieved.

Notably, the performance of the banana ripening facility and cold rooms – which had been problematic in the previous quarter – showed significant improvement. These gains are largely attributed to the implementation of Operation Phendula.

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

SECTION 5: PERFORMANCE AGAINST PREDETERMINED OBJECTIVES

To effectively track progress and make necessary adjustments, Joburg Market aligns its performance measurement with the framework provided by its shareholder.

A detailed scorecard is provided in Section 8. Below is a summary of JM's performance against its 2023/24 annual targets for the reporting period.

ITEM	Q4 OF 2022/23	Q4 OF 2023/24
Total no. of KPIs on scorecard	13	13
No. of KPIs due	13	13
Number achieved	11	12
Number not achieved	2	1
Percentage achievement	84.6%	92.3%

Table 21: Summary of JM's performance against the 2023/24 annual targets

Summary of the twelve achieved KPIs

KPI ACHIEVED	REASON FOR ACHIEVEMENT
% Targeted market share held by JM in relation to other FPMs	Despite the high inflation rate and negative economic growth globally, JM was able to sustain and improve on its market share target. JM anticipated a market share of 45.8% market share which was affected by the stay away of the majority of buyers at JM as traders feared to fully trade as a result of the mentioned unrest and a final market share of 45.9% enabled the targeted market share.
RBN Turnover achieved	The achievement of the turnover target was in main enabled through higher prices emanating from seasonal crop damages which in turn created undersupply conditions on markets and consequent higher prices and based on the positive variance turnover projection for Q4 derived by demand and supply.
%Spent on repairs and maintenance to PPE	JM has achieved 19.9% of the asset base line target in repairing and maintenance the PPE in accordance with national treasury guidelines (8% of Asset base line).
% reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	The UIFWE Investigations conducted for the Irregular, fruitless and wasteful expenditure and finalised contribute to the reduction of UIFWE. This was as results of acceleration UIFWE strategy.
% Percentage of valid invoices paid within 30 days of invoice date	The JM has improved and enhance the payment of suppliers within 30 days.
% spent on capital budget against approved capital budget	JM was able to improve the processes within bid committees to enhance the procurement of relevant services. Oversight relative to service providers enhanced the completion of works awarded. The EXCO as forum conducted due management controls to enhance the performance of projects at JM.
Number of jobs created	JM also continued with its EPWP and internship programmes and was able to substantially increase its efforts to employ additional EPWP numbers especially in the refinement of cleansing services at its premises.
Number of SMME's supported	The JM has achieved 108 SMME's support compare to the target of 90 demonstrating the transformation and the support for the SMME's.
% resolution of Internal Audit findings	Internal audit conducts follow-up audits to ensure that the agreed action plans are implemented within agreed time frames; root causes are identified and repeat findings are prevented. Efforts are focused in ensuring that findings classified as "high risk" receive adequate management attention. During the financial year, management was able to resolve all findings and the same was confirmed by the internal Audit.
% resolution of Auditor General findings	The targeted achievement of resolution of AG findings was in main enabled through the reintroduction of the Operation Clean Audit forum of the entity. Improved responses from divisional heads were achieved. During the financial year, management was able to resolve all findings and the same was confirmed by the internal Audit.
% resolution of Auditor General findings	The targeted achievement of resolution of AG findings was in main enabled through the reintroduction of the Operation Clean Audit forum of the entity. Improved responses from divisional heads were achieved. During the financial year, management was able to resolve all findings and the same was confirmed by the internal Audit.
% spent on operating budget against approved operating budget	Improved operational efficiency and the introduction of Operation Phendula was pivotal in address all infrastructure breakdowns
% achievement of service standards	JM achieved 100% of its service standards against the 83% target

Table 22: Summary of achieved KPIs

SECTION 6: RECOVERY PLAN FOR NON-ACHIEVED KPI

KPI NOT ACHIEVED	TARGET	ACTUAL	REASON FOR NON-ACHIEVEMENT	PROPOSED MITIGATION
Percentage implementation of the strategic risk management action plan findings resolved	100%	71%	- Most Risk mitigation measures are dependent on the SMART Market project. - Interdepend risks (IT and Legal) - Due to insufficient budget allocation leading no construction of the planned second Pack house.	-Continue to work with JDA and Office Chief Operation Officer on the SMART Market project. - Escalate engagements through the office of the MMC on the implications of some the centralised contracts, i.e. centralised payment of legal fees, co-dependencies on projects implementation). - Joburg Market is in conversation with the Provincial Department of Agriculture, Land Reform And Rural Development) on the possible construction second pack house.

Table 23: Recovery plan for non-achieved KPIs

Five Year Performance Trend

Performance Trend: Joburg Market has shown a strong performance trajectory, particularly with an increase in the number of KPIs and consistently high achievement rates. Despite a slight decline from the perfect achievement in 2021/22 to 92% in 2023/24, the performance remains robust compared to previous years.

Growth and Improvement: The increase in the total number of KPIs and the high achievement rates suggest that Joburg Market has made significant progress in enhancing its operational effectiveness and strategic focus. The improvements in KPI achievement indicate the successful implementation of strategies and operational changes.

	2019/20	2020/21	2021/22	2022/23	2023/24
Total number of KPIs	7	7	7	13	13
KPIs achieved	5	5	7	11	12
% achieved	71.4%	71.4%	100%	84.6%	92.3%

Table 24: Comparison of 2023/24 annual performance with prior years



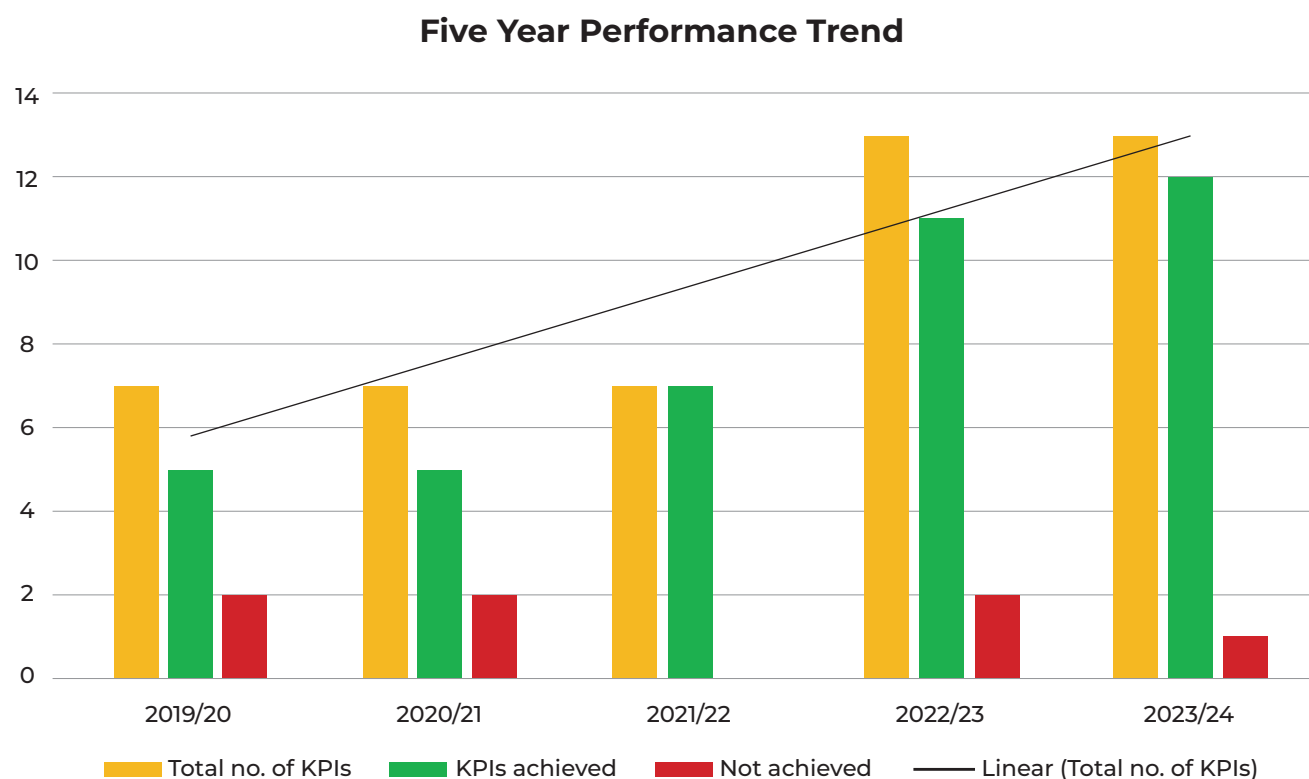


Figure 6: JM Five-year performance

PERFORMANCE REPORTING DISCLOSURES

The disclosures listed below serves as adjustments to quarterly results as indicated:

1. JM made 4 adjustments in the 2023/24 company scorecard
2. JM did however refine the method of calculation applicable to the KPI measuring percentage Market Share. See below for a detailed breakdown

NO	2023/24 KPI SUMMARY	NUMBER OF KPIS	ADJUSTMENTS CONDUCTED
1	No of KPIs' on approved scorecard (BP2023/24)	13	5
2	No of KPI's discontinued/removed	13	
3	No of KPI targets increased	3	
4	No of KPI targets reduced	1	
5	No of KPI targets improved	1	
6	% Targeted market share held by JM in relation to other FPMs	Method of calculation adjusted as follows: (Current Source / Collection of Data): "The indicator is calculated by dividing the turnover achieved at JM by the total turnover in 18 national fresh produce markets, multiplied by 100 to get the percentage market share"	Revise calculation

NO	2023/24 KPI SUMMARY	NUMBER OF KPIS	ADJUSTMENTS CONDUCTED
7	The below number of KPIs were adjusted upwards: - RBn turnover achieved - Number EPWP job opportunities created - Number of SMME's supported	The performance of the 3 KPIs was ahead as at the midterm, the Board approved the following increased: - The target for RBn Turnover achieved was moved from R9.55 RBn to R10.6 RBn - The recruitment drive for the EPWP job opportunities reflected a higher than plan target of 90 higher than the planned 65 - The target for SMME support was increased from 70 to 90	Upward adjustment
8	Percentage achievement of service standards	Annual Target reduced from 100% to 83% due to the prevailing challenges with ageing infrastructure in the cold rooms adversely affect the availability of banana ripening facilities, consequently impacting Service Standards performance	Downward adjustment

Table 25: Reporting disclosures

Performance against Predetermined Objectives

The Joburg Market organizational scorecard is a strategic management tool used to measure JM's performance against its strategic objectives. The scorecard typically includes 13 key performance indicators (KPIs) across various areas of the

organization operations. The scorecard allows the Joburg Market to track its performance over time and identify areas of improvement. By doing so, the market can ensure that it is meeting its objectives in a balanced and sustainable manner. In the current financial year, JM met twelve of it thirteen service standards, this is displayed in the table below:

KEY PERFORMANCE INDICATOR	2021/22 BASELINE	2023/2024 TARGET	QUARTER 4 TARGET	2023/24 ACTUAL	PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE REQUIRED	DEVIATION EXPLAINED
GDS outcome: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens JM Strategic Objective: To Provide a Resilient and Premier Trading Facility							
1.1 % Targeted market share held by JM in relation to other FPMs	45.67% Targeted market share held by JM in relation to other FPMs	45.7% Targeted market share held by JM in relation to other FPMs	45.8% Targeted market share held by JM in relation to other FPMs	45.97% Targeted market share held by JM in relation to other FPMs		National market share report indicating JM in relation to other FPMs as measured by NDAF	The method of calculation adjusted as follows: (Current Source / Collection of Data): " The indicator is calculated by dividing the turnover achieved at JM by the total turnover in 18 national fresh produce markets, multiplied by 100 to get the percentage market share"

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

KEY PERFORMANCE INDICATOR	2021/22 BASELINE	2023/2024 TARGET	QUARTER 4 TARGET	2023/24 ACTUAL	PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE REQUIRED	DEVIATION EXPLAINED
GDS outcome: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens JM Strategic Objective: To Provide a Resilient and Premier Trading Facility							
1.2 RBn turnover achieved	R8.76Bn Turnover achieved	R9.55Bn (initial target) R10.3Bn Turnover achieved (adjusted target)	R10.3Bn Turnover achieved	R11.236 Bn Turnover achieved		JM financial accounts	The performance of the indicator was ahead as at quarter 2, management adjusted the target as following: Revised target: R10.3 Bbn
GDS outcome: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy JM Strategic Objective: To ensure compliance, Good Governance and Financial Sustainability.							
1.3 % of spent on repairs and maintenance to property, plant, and equipment	93%	8% of spent on repairs and maintenance to property, plant, and equipment	8% of spent on repairs and maintenance to property, plant, and equipment	10.3% of spent on repairs and maintenance to property, plant, and equipment		JM financial accounts	N/A
GDS outcome: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens JM Strategic Objective: To Provide a Resilient and Premier Trading Facility							
1.4 % spent on operating budget against approved operating budget	New indicator	100% spent on operating budget against approved operating budget	100% spent on operating budget against approved operating budget	100.1% spent on operating budget against approved operating budget		JM financial accounts	N/A
GDS Outcome: A High Performing, Smart Metropolitan Government That Pro-Actively Contributes to and Builds a Sustainable, Socially Inclusive, Locally Integrated and Globally Competitive GCR Strategic Objective: To ensure compliance, Good Governance and Financial Sustainability.							
1.5 % reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	New indicator	50% reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	10% reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	67 % reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide		JM financial accounts	N/A
1.6 % of valid invoices paid within 30 days of invoice date	New indicator	100 Percentage of valid invoices paid within 30 days of invoice date	100 % of valid invoices paid within 30 days of invoice date	100 % of valid invoices paid within 30 days of invoice date		JM financial accounts	N/A
GDS outcome: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens JM Strategic Objective: To Provide a Resilient and Premier Trading Facility							
1.7 % spent on capital budget against approved capital budget	86.2 % spent on capital budget against approved capital budget	100% spent on capital budget against approved capital budget	100% spent on capital budget against approved capital budget	100.% spent on capital budget against approved capital budget		JM financial accounts	N/A
GDS Outcome: An Inclusive, Job-Intensive, Resilient, Competitive and Smart Economy JM Strategic Objective: To Expand Opportunities to Historically Disadvantaged Groups							
2.1 Number EPWP job opportunities created	118 EPWP job opportunities created	65 EPWP job opportunities created (initial target) 85 EPWP job opportunities created (adjusted target)	90 EPWP job opportunities created	119 EPWP job opportunities created		EPWP Recruitment spreadsheet	NIndicator target increased to 85 EPWP job opportunities created

CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

2.2 Number of SMME's supported	New indicator	75 SMME's supported (initial target) 90 SMME's supported (adjusted target)	90 SMME's supported	108 SMME's supported		Procurement document	Indicator target increased to 90 SMMEs supported
GDS Outcome; A High Performing, Smart Metropolitan Government That Pro-Actively Contributes to and Builds a Sustainable, Socially Inclusive, Locally Integrated and Globally Competitive GCR JM Strategic Objective: To ensure compliance, Good Governance and Financial Sustainability.							
3.1 Percentage resolution of AG findings	98% resolution of AG findings	100% resolution of AG findings	100% resolution of AG findings	100% resolution of AG findings		AGSA audit letter	N/A
3.2 % resolution of Internal Audit findings	85% resolution of Internal Audit findings	100% resolution of Internal Audit findings	100% resolution of Internal Audit findings	100% resolution of Internal Audit findings		JM audit reports	N/A
3.3 Percentage implementation of the strategic risk management action plan findings resolved	New indicator	100% implementation of the strategic risk management action plan findings resolved	100% implementation of the strategic risk management action plan findings resolved	71% implementation of the strategic risk management action plan findings resolved		JM Risk Management reports	N/A
3.4 % achievement of service standards	New indicator	100% achievement of service standards (initial target) 83% achievement of service standards (adjusted target)	83% achievement of service standards	100% achievement of service standards		JM audit reports	Annual Target reduced from 100% to 83% due to the prevailing challenges with ageing infrastructure in the cold rooms adversely affect the availability of banana ripening facilities, consequently impacting Service Standards performance

Table 26: JM Scorecard



CHAPTER THREE: SERVICE DELIVERY PERFORMANCE

SECTION 7: PUBLIC SATISFACTION ON JM SERVICES

During the course of the past three financial years, JM was able to resolve most legacy matters identified during stakeholder consultations. Three items however remains listed as the resolution of the concerns requires major capital investment in infrastructure.

NO	Listed concerns	Achieved resolutions, mitigation and on-going interventions to sustain achievements since the completion of the survey	Status
1	Construction of bigger loading bays Need for a bigger market place and space	- Completed the new Precinct Development Strategy and Plan which will address loading bays as required. JM is in the process of securing CAPEX Budget for this project; - Proposals will include doubling of Ramps at halls to separate human and mechanical traffic.	Not Resolved
2	Construction of separate and designated roads and road signs for forklifts, trolleys and pedestrians.	- A new tender for Road signage and OHSA are undergoing procurement to address the identified challenge; - Proposals in the precinct design will include doubling of Ramps at halls to separate human and mechanical traffic.	Not Resolved
3	Need for improvement of infrastructure, including the maintenance of leaking taps potholes on platforms and the inclusion of improved drainage systems	This remains Work in Progress - Road rehabilitation was completed. - Ablution blocks refurbished; - Drainage System was unblocked and cleaned; - Exit Gate improvements implemented - Precinct Development Plan completed - Effectuated repairs and maintenance on the cold rooms and banana ripening plant - In excess of R9 million was spent on various repairs and maintenance interventions Going Forward - Repairs and Maintenance Budget will be increased in line with shareholder guidelines.	On going

Table 27: Public Satisfaction listed concerns

Stakeholder engagements on service delivery

During the review period JM conducted amongst others the following focused consultations with stakeholders at JM.

- Tshiamo Market: Local community consultations on the construction works in progress.
- Market agencies: Refinement of communications and attending a forum with market agencies on market services and facility upgrading.
- Covid-19 compliance with all tenants.
- Service requirements of tenants and matters related to repairs and maintenance.
- Farm Visits conducted to understand the needs and expectation of the farmers supplying the market.

JM has a broad universe of stakeholders, and they form an important part of the Joburg Market business that is essential for JM's long-term sustainability and growth, ensuring that all parties' needs and expectations are met.



SECTION 8: RECOMMENDATIONS AND PLANS FOR THE NEXT FINANCIAL YEAR

In the 2023/24 financial year, Joburg Market demonstrated a remarkable blend of resilience and strategic focus, successfully navigating significant challenges such as extreme weather, power disruptions, and infrastructure issues. The market consistently met or exceeded its financial, operational, and social targets, underlining its capacity to adapt to adversity. This adaptability, paired with a steadfast commitment to infrastructure development, community empowerment, and operational excellence, has laid a strong foundation for future success. Looking ahead, Joburg Market has outlined several key focus areas to ensure continued success and address ongoing challenges:

1. **Urgent Implementation of a Power Ring Feed and Additional Generators:** A critical priority to mitigate the business risks associated with power disruptions.
2. **Roll Out of the New Customer Charter:** Aiming to enhance customer satisfaction and service standards.
3. **CAPEX Spend Fast Tracking:** Accelerating capital expenditures to support key projects and infrastructure improvements.
4. **Special Focus on Preventative Maintenance Plan:** Ensuring the longevity and reliability of market infrastructure.
5. **Refinement of All Reporting:** Enhancing transparency and accuracy in performance tracking and reporting.
6. **Further Implementation of the Transformation Strategy and Framework:** Advancing the company's commitment to inclusivity and transformation.
7. **Pursuance of SMART MARKET Operations:** Leveraging technology and innovation to enhance operational efficiency.
8. **Execution of the Market Recapitalisation Programme – Phase 1 & 2:** Continuing efforts to modernize and upgrade market facilities.
9. **Intensification of Stakeholder Communications:** Strengthening engagement and communication with all key stakeholders.
10. **Improvement of Staff Morale:** Fostering a positive and productive work environment.
11. **Further Review of Various Policies & Procedures:** Regularly updating policies to reflect best practices and evolving needs.

Key Takeaways

- **Resilience:** JM's ability to navigate significant external challenges while maintaining financial growth underscores its resilience.
- **Infrastructure Investment:** Continued investment in infrastructure and alternative energy solutions was critical in maintaining operational stability and mitigating the impact of power disruptions.
- **Community Empowerment:** Through initiatives like the EPWP, SMME support, and internship programs, JM demonstrated a strong commitment to social and economic development.
- **Future Readiness:** The successful completion of key Capex projects, coupled with the strategic focus areas identified for 2024/25, positions JM for continued growth and operational sustainability.

Looking ahead, Joburg Market has outlined several key focus areas to ensure continued success and address ongoing challenges:

- **New Customer Charter:** Roll out the charter to enhance customer satisfaction and service standards.
- **CAPEX Spend Fast Tracking:** Accelerate capital expenditures to support crucial projects and infrastructure upgrades.
- **Preventative Maintenance Plan:** Focus on maintaining infrastructure to ensure longevity and reliability.
- **Refinement of Reporting:** Improve transparency and accuracy in performance tracking.
- **Governance:** Focus in Ethics, Compliance and Risk Management to ensure market's integrity, ensuring its long-term viability, and fostering trust among all stakeholders
- **Transformation Strategy and Framework:** review and implement strategy to promote inclusivity and transformation.
- **SMART MARKET Operations:** Address Infrastructure defect, enhance operational efficiency by leveraging technology and innovation.
- **Market Recapitalisation Programme – Phase 1 & 2:** Continue modernizing and upgrading market facilities.
- **Stakeholder Communications:** Intensify engagement and communication with key stakeholders.
- **Policy & Procedure Review:** Regularly update policies to align with best practices and evolving needs.

Policy Review and Adoption

For the year under review, the following policies were approved by the Board (as reflected in Table 28 below).

Policy description	Approval date	Implementation date
Working Hours Policy	June 2024	July 2024
HIV and AIDS Policy	June 2024	July 2024
Personal Protective Clothing	June 2024	July 2024
Tool of Trade	June 2024	July 2024
Remuneration Policy	June 2024	July 2024
Recruitment policy	June 2024	July 2024
Travel Subsistence Policy	June 2024	July 2024
Telephone Management Policy	June 2024	July 2024
Payroll Policy	June 2024	July 2024
Performance Management Policy	June 2024	July 2024
Sexual Harassment Policy	June 2024	July 2024
Leave Policy	June 2024	July 2024
Compliance Management Policy	April 2024	May 2024
Delegations of Authority Policy	April 2024	May 2024
Supply Chain Management Standard Operating Procedures	April 2024	May 2024
Petty Cash Policy	April 2024	May 2024
Accounts Receivable Policy	April 2024	May 2024
Trade Payables Business Policy	April 2024	May 2024
Delegations of Authority Policy	April 2024	May 2024
Assets management	April 2024	May 2024

Table 28: Public Satisfaction listed concerns



CHAPTER FOUR

ORGANISATIONAL DEVELOPMENT PERFORMANCE

SECTION 1: EMPLOYEE REMUNERATION

SECTION 2: KEY VACANCIES

SECTION 3: EMPLOYMENT EQUITY

SECTION 4: SKILLS DEVELOPMENT AND TRAINING

SECTION 5: PERFORMANCE MANAGEMENT

SECTION 6: DISCIPLINARY MATTERS AND OUTCOMES

SECTION 7: LEAVE & PRODUCTIVITY MANAGEMENT

SECTION 8: EMPLOYEE BENEFITS

SECTION 9: OCCUPATIONAL HEALTH & SAFETY PROGRAMMES



CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

SECTION 1: EMPLOYEE REMUNERATION

Personnel costs are recorded at R223.9 million compared to the budget of R221.2 million which amounts to over budget of R2.8 million (1.3%).

ELEMENT	*Q4 ACTUAL (CUMULATIVE)
Employee cost actual	R223 982 000
Budgeted amount for Q4	R221 213 000
Variance	R2 769 000
Employee cost of the % of the budget	1.3%

Table 29: Employee costs for Q4

The summary below depicts remuneration of executive management members as at 30 June 2024.

Name	Designation	Total Basic Salary	Housing Subsidy	Cell and Data Allowance	Acting allowance	Pension fund	Medical Aid	Car allowance	Performance bonus	Other	Total
Leanne Williams	Chief Executive Officer	R 1 315 957	-	R21 700	R -	R139 387	R 59 032	R -	R -	R 556 329	R2 092 405
Nkosinathi Baloyi	Chief Financial Officer	R 1 956 265	-	R29 400	R -	R106 514	R -	R 120 000	R 292 016	R 121 537	R2 625 733
Sello Makhubela	Chief Executive Officer (A)	R 599 253	-	R9 800	R 74 240	R 33 762	R 10 833	R 48 000	R -	R 7 697	R783 585
Lulama Ndlovu	Chief Executive Officer (A)	R -	-	R -	R 79 298	-	-	-	-	-	R79 298
Phindile Shabalala	Chief Risk Officer	R 983 600	-	R19 600	-	R225 756	R 56 804	-	R -	R 11 618	R1 297 378
Phoebe Nimmerhoudt	Executive Manager: Corporate Shared Services	R 1 530 990	-	R24 000	-	R112 951	R 73 452	-	R 167 057	R 95 906	R2 004 356
Ezekiel Kgomo	Executive Manager: Corporate Shared Services (A)	R 199 113	R 2 133	R 3 800	R 18 609	R 27 684	R 9 465	-	R-	R 2 593	R 263 397
Charles Park	Chief Operations Officer (A)	R 514 354	-	R7 600	R 126 987	R 28 863	-	-	-	R 7 092	R684 896
Cedric Nephawe	Executive Manager: Core Operations (A)	R1 148 477	R 12 797	R29 400	R 229 162	R94 041	-	R 70 000	R 173 097	R 69 031	R1 826 004
Kieran Singh	Company Secretary	R 1 384 804	R 12 797	R 38 400	R -	R 285 038	R 38 262	R -	R 208 814	R 93 001	R2 061 116

Table 30: Executive Remuneration

Key: SDL = Skills Development BCL = Bargaining Council



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SECTION 2: KEY VACANCIES

1.1 Annual Turnover Rates over the last 5 Years

Details	Total staff complement at beginning of financial year	Terminations during financial year	Turnover rate
	No.	No.	%
2019/20	302	15	4.97
2020/21	313	15	4.79
2021/22	321	13	4.05
2022/23	328	10	3.0
2023/24	464	20	0.43

Table 31: Annual turnover rates over the last 3 years

1.2 Quarterly Turnover Rates for 2023/24

Quarterly	Total of employee	Total Appointments per Quarter	Terminations per Quarter	Turnover rate per Quarter**
	No.	No.	No.	%
Q1	464	50	7	1.5%
Q2	459	2	7	1.5%
Q3	458	3	4	0.8%
Q4	464	8	2	0.43%

Table 32: Quarterly turnover rates for 2023/24

1.3 Annual Staff Movements for 2023/24

STAFF MOVEMENTS	AFRICAN		COLOURED		INDIAN		WHITE		TOTAL
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
Appointments	19	38	3	1	0	0	1	1	63
Internal Appointments (upward mobility)	2	0	0	0	0	0	0	0	2
Dismissals	0	0	0	0	0	0	0	0	0
Retirements	1	5	0	0	0	0	2	0	8
Contract Expired	0	1	0	0	0	0	1	0	2
Resigned	3	1	1	0	0	0	0	0	5
Deceased	1	2	0	0	0	0	0	0	3
Medical Board	0	0	0	0	0	0	1	1	2
Transfers	1	2	0	1	0	0	0	0	4

Table 33: Annual staff movement for 2023/24

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Filing of the vacant positions

- Eight (8) positions were filled during this period, as well as seven (7) interns and two (2) Expanded Public Works Programme beneficiaries (EPWPs) taken on-board for quarter 4.
- In compliance with the City-wide strategic imperative to create job opportunities for

unemployed youth and women, JM identified work programmes in Security Services, Maintenance, HR, Consignment Control and General Workers. The Expanded Public Works Programme (EPWP) numbers as at March 2024 were recorded as 119.

- However, in June 2024 two (2) more beneficiaries were brought on board, bringing the total of EPWPs to 121.



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SECTION 3: EMPLOYMENT EQUITY

The table below reflects the Employment Equity Demographics status which includes the 67 insourced cleaners on the payroll of the CoJ.

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	3	0	0	0	1	1	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	12	2	1	3	6	0	0	2	0	0	26
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	45	2	1	0	48	3	1	8	0	0	108
Semi-skilled and discretionary decision making	69	2	1	3	76	5	0	4	0	0	160
Unskilled and defined decision making	80	3	0	0	81	1	0	0	0	0	165
TOTAL PERMANENT	209	9	3	6	212	10	1	14	0	0	464

Table 34: Employment Equity Demographic status

Definition of occupational levels is aligned to job grade in terms of the EEA9 from the Dept. of Labour:

Top Management = Grade F (CEO); Senior Management = Grade E (Executive Managers); professionally qualified and mid-management = Grade D (Managers below Executives); Skilled technical and academically qualified workers = Grade C (Specialist workers); Semi-skilled and discretionary decision making = Grade B; And Unskilled and defined decision making = Grade A.



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2.1 EE Targets vs. Actuals

OCCUPATIONAL LEVELS	TARGET TO BE ACHIEVED BY JUNE 2027 (THIS TARGET IS SET IN THE 5 YEAR EE PLAN 2022- 2027)								STATUS AS @ June 2024									
	MALE				FEMALE				TOTAL	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W		A	C	I	W	A	C	I	W	
Top Management	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
Senior Manager	3	0	0	0	1	1	1	0	6	3	0	0	0	1	1	0	0	5
Mid Manager / Professional	12	2	1	5	16	0	1	2	39	12	2	1	3	6	0	0	2	26
Skilled Tech / Junior Manager	55	1	1	8	57	3	1	9	135	45	2	1	0	48	3	1	8	108
Semi- Skilled	70	2	1	6	74	4	1	5	163	69	2	1	3	76	5	0	4	160
Unskilled	78	4	1	9	77	4	1	0	174	80	3	0	0	81	1	0	0	165

Table 35: EE targets vs actuals

2.2 Staff Establishment

	No. Of Employees	No. Of Vacancies	% Of Vacancies	Turnover Rate Per Quarter**
Top management	1	0	1	1
Executive management	6	5	1	0
Middle management	39	26	13	33
Skilled technical/ junior management	135	108	27	20
Semi-skilled	163	160	3	2
Unskilled housekeepers/ cleaners	174	165	9	5
Total	518	464	54	10

Table 36: Staff Establishment

* The number in this table excludes the 67 insourced cleaners on CoJ payroll. These employees are not on JM organisational structure even though permanently placed at JM

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SECTION 4: SKILLS DEVELOPMENT AND TRAINING

The report on learning and development interventions is recorded below:

Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Top Management	0	0	0	0	0	0	0	0	None	0
Senior Management	0	0	0	0	0	0	0	0	None	0
Senior Management	1	0	0	0	0	0	0	0	SASLAW Conference & Membership	2 932
Senior Management	0	0	0	0	1	0	0	0	EOH Training	3 817
Senior Management	1	0	0	0	0	0	0	0	IIASA	6 670
Senior Management	0	0	0	0	0	0	1	0	Advantage Training	36 742
Middle Management	2	0	1	0	2	0	0	0	EOH Training	19 085
Middle Management	0	0	0	0	1	0	0	0	The Conference Hub	8 999
Middle Management	1	0	0	0	0	0	0	0	GRAP & ASSET Accounting Management	16 430
Middle management	1	0	0	0	0	0	0	0	DC procedures	8 999
Middle Management	0	0	0	0	1	0	0	0	Intelligence Transfer	7 998
Middle Management	0	0	0	0	0	0	0	1	Principles of Payday Report Writing	10 798
Middle Management	0	0	0	0	0	0	0	1	Principles of Payroll	6 209
Middle Management	0	0	0	0	1	0	0	0	QA South African National Accreditation System	15 395
Skilled Technical	2	0	0	0	8	1	0	0	EOH Training	41 987
Skilled Technical	1	0	0	0	1	0	0	0	QA South African National Accreditation System	25 776
Skilled Technical	1	0	0	0	2	0	0	0	Commerce Edge	27 225
Skilled Technical	1	0	0	0	0	0	0	0	The Conference Hub	8 999
Skilled Technical	0	0	0	0	2	0	0	0	Training Internal Auditors	13 808
Skilled Technical	1	0	0	0	0	0	0	0	IT	7 417
									CompTIA Fundamentals	
Skilled Technical	0	0	0	0	1	0	0	0	Commerce Edge Creating & Managing Service Level Agreements	9 602
Skilled Technical	0	0	0	0	1	0	0	0	GRAP & ASSET Accounting Management	16 430
Skilled Technical	1	0	0	0	0	0	0	0	GRAP & ASSET Accounting Management	16 430
Skilled Technical	0	0	0	0	0	0	1	0	Project Scheduling & Cost	8 999

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Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Skilled Technical	1	0	0	0	0	0	0	0	Operating Regulations for High Voltage systems for Authorized persons (ORHVS)	12 458
Skilled Technical	0	0	0	0	1	0	0	0	Advanced Contract and Management	14 999
Skilled Technical	0	0	0	0	1	0	0	0	SAMTRAC	30 446
Skilled Technical	1	0	0	0	0	0	0	0	Juta Annual Labour Seminar	6 248
Skilled Technical	1	0	0	0	0	0	0	0	Microsoft Advanced Training All in One	19 999
Skilled Technical	0	0	0	0	1	0	0	0	HR Data Analysis Excel Power Bi	25 873
Semi-Skilled	1	0	1	0	2	0	1	0	Advance Customer Care	39 999
Semi-Skilled	0	0	0	0	4	0	0	0	Reception & Switchboard	39 999
Semi-Skilled	1	0	0	0	0	1	0	0	DC procedures	17 998
Semi-Skilled	0	0	0	0	1	0	0	0	Principles of Payroll	6 209
Semi- Skilled	0	0	0	0	0	1	0	0	Principles of Payroll Report Writing	10 798
Semi- Skilled	0	0	0	0	1	0	0	0	Juta's Annual Labour update	6 248
Semi- Skilled	2	0	0	0	1	0	0	1	Records and Information Management	55 996
Semi-Skilled	0	0	0	0	1	0	0	0	Record and Information Management	13 999
Semi-Skilled	2	0	0	0	1	0	0	0	Forklift Training	16 181
Unskilled	0	0	0	0	1	0	0	0	EOH Training	3 817
Unskilled	0	0	0	0	2	0	0	0	The Conference Hub	8 999
Unskilled	13	0	1	0	0	0	0	0	Forklift license renewal	83 958
Unskilled	2	0	0	0	1	0	0	0	Clean and Maintain Work Area	13 500
Unskilled	1	0	0	0	3	0	0	0	Recruitment Practices	59 996
Unskilled	0	0	0	0	1	0	0	0	First Aid Level 3	2 310
TOTAL BENEFICIARIES	38	0	3	0	43	3	3	3	152	761 906

Table 37: Actual staff skills development schedule for 2023/24



CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

3.2 Conferences

Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Top Management	0	0	0	0	0	0	0	0	None	0
Senior Management	1	0	0	0	0	0	0	0	SAIA Hybrid Conference	14 950
Senior Management	1	0	0	0	0	0	0	0	Institute of Internal Auditors	14 950
Senior Management	0	1	0	0	0	0	0	0	QA Food Safety Summit 2024	4 500
Senior Management	1	0	0	0	0	0	0	0	3 rd Annual Employee Mental Health	10 499
Middle Management	0	0	0	0	1	0	0	0	3 rd Annual Employee Mental Health	8 499
Skilled Technical	1	0	0	0	2	0	0	0	SAIA Hybrid Conference	44 850
Skilled Technical	0	0	0	0	4	0	0	0	QA Food Safety Summit 2024	18 000
Skilled Technical	0	0	0	0	2	0	0	0	Institute of Internal Auditors	29 900
Semi-Skilled	0	0	0	0	3	0	1	2	PA, Secretary Administrator Seminar	89 994
Semi-Skilled	1	0	0	0	0	0	0	0	3 rd Annual Employee Mental Health	10 499
Unskilled	0	0	0	0	0	0	0	0	None	0
TOTAL BENEFICIARIES	5	1	0	0	12	0	1	2	21	246 641

Table 38: Annual conference attendance schedule for 2023/24

3.3 Subsidised Study Assistance:

Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Top Management	0	0	0	0	0	0	0	0	None	0
Senior Management	0	0	0	0	0	0	0	0	None	0
Senior Management	0	1	0	0	0	0	0	0	MBA Direct	51 000
Middle management	0	0	0	0	1	0	0	0	PGDBM	63 181
Middle management	1	0	0	0	0	0	0	0	PGD: General Management	49 322
Middle Management	0	0	0	0	1	0	0	0	Higher Cert Human Resources Management	22 450
Middle Management	0	0	0	0	1	0	0	0	Bachelor Business of Administration	36 020
Skilled Technical									QA Food Summit 2024	
Skilled Technical	0	0	0	0	1	0	0	0	Municipal Finance Management Program	58 000
Skilled Technical	0	0	0	0	1	0	0	0	Municipal Finance Management Program	58 000

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Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Skilled Technical	0	0	0	0	1	0	0	0	Municipal Finance Management Program	58 000
Skilled Technical	0	0	0	1	0	0	0	0	Bachelor Law	26 800
Skilled Technical	0	0	0	0	0	0	0	1	Bachelor Law	26 800
Skilled Technical	0	0	0	0	1	0	0	0	BSc Honours Construction Health & Safety	6 248
Skilled Technical	0	0	0	0	1	0	0	0	BCom Supply Chain	26 800
Skilled Technical	1	0	0	0	0	0	0	0	PGD Information Technical	25 873
Skilled Technical	0	0	0	0	1	0	0	0	Honours Financial Management	37 250
Skilled Technical	0	0	0	0	1	0	0	0	Advanced Diploma Accounting	9 920
Skilled Technical	0	0	0	0	1	0	0	0	PGD in Risk Management	50 765
Skilled Technical	1	0	0	0	0	0	0	0	HC: Business Management	14 100
Skilled Technical	1	0	0	0	0	0	0	0	Advanced Diploma in Financial Management	32 500
Skilled Technical	1	0	0	0	0	0	0	0	Strategic Brand Communication Honours	42 400
Skilled Technical	1	0	0	0	0	0	0	0	Bridging Course BTCA	25 000
Skilled Technical	0	0	0	0	1	0	0	0	CIPS Diploma	48 497
Skilled Technical	1	0	0	0	0	0	0	0	PGD in Sustainable Agriculture	69 017
Skilled Technical	1	0	0	0	0	0	0	0	BCom Honours	38 600
Skilled Technical	1	0	0	0	0	0	0	0	BCom Degree	30 300
Skilled Technical	0	0	0	0	0	1	0	0	BCom HR	24 900
Skilled-Technical	0	0	0	0	0	1	0	0	Medical Dispensing	4 200
Skilled- Technical	0	0	0	0	0	1	0	0	Bachelor of Public Administration	36 020
Skilled Technical	0	0	0	0	0	0	0	0	Bachelor of Public Administration	31 185
Skilled Technical	1	0	0	0	0	0	0	0	Higher Cert. Business Management	11 100
Skilled Technical	0	0	0	0	1	0	0	0	Honours Agri Rural Development	15 880
Semi- Skilled	0	0	0	0	1	0	0	0	PGD Business Management	50 765
Semi- Skilled	1	0	0	0	0	0	0	0	Data Science (IT)	40 810
Semi- Skilled	1	0	0	0	0	0	0	0	Business Administration	35 000
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor Public Management	28 865

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Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Semi- Skilled	0	0	0	0	1	0	0	0	Advanced Diploma Management	41 800
Semi-Skilled	0	0	0	0	1	0	0	0	PGD: Business Administration	39 877
Semi-Skilled	0	0	0	0	1	0	0	0	PGD Risk Management	50 765
Semi-Skilled	0	0	0	0	1	0	0	0	ND: Local Government Management	15 653
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor of Business Administration	30 990
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor of Public Administration	28 865
Semi-Skilled	0	1	0	0	0	0	0	0	Bachelor of Public Administration	30 300
Semi-Skilled	0	0	0	0	1	0	0	0	Diploma Local Government	38 544
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor of Business Administration	32 300
Semi-Skilled	0	0	0	0	1	0	0	0	B.com Commerce	35 800
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor of Commerce	30 400
Semi-Skilled	1	0	0	0	2	0	1	0	Bachelor of Public Administration	105 307
Semi-Skilled	0	0	0	1	0	0	0	0	HC: Business Management	25 200
Semi-Skilled	0	0	0	0	1	0	0	0	BCom: Accounting	29 500
Semi-Skilled	0	0	1	0	0	0	0	0	Cert: Digital Marketing	16 790
Semi-Skilled	0	0	0	0	1	0	0	0	HC: Marketing Management	10 450
Semi-Skilled	0	0	0	0	1	0	0	0	Advanced Diploma in Management	41 800
Semi-Skilled	1	0	0	0	0	0	0	0	None	-
Semi-Skilled	0	0	0	0	1	0	0	0	Bachelor of Business Management	29 755
Semi- Skilled	1	0	0	0	0	0	0	0	Business Communication Skills	17 825
Unskilled	0	0	0	0	1	0	0	0	Cert Occupational Health & Safety	26 450
Unskilled	0	0	0	0	0	0	1	0	Higher Certificate Human Resources	22 450
Unskilled	1	0	0	0	0	0	0	0	Bachelor of Commerce Human Resources	26 200
Unskilled	1	0	0	0	0	0	0	0	Bachelor of Science Information Technology	44 146
Unskilled	0	0	0	0	1	0	0	0	Occupational Health & Safety	26 400
Unskilled	0	0	0	0	1	0	0	0	Bachelor of Public Management	26 200
Unskilled	0	0	0	0	1	0	0	0	Matric upgrade	500

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Occupational Level	MALE				FEMALE				Training Intervention	Amount (R)
	A	I	C	W	A	I	C	W		
Unskilled	1	0	0	0	0	0	0	0	Matric upgrade	300
Unskilled	0	0	0	0	1	0	0	0	Cert Business Administration	22 450
Unskilled	0	0	0	0	1	0	0	0	BCom Human Resources	26 200
Unskilled	0	0	0	0	1	0	0	0	Occupational Health & Safety	26 450
Unskilled	1	0	0	0	0	0	0	0	BCom General	49 776
Unskilled	1	0	0	0	0	0	0	0	BCom SCM	27 850
Unskilled	1	0	0	0	0	0	0	0	BCom Supply Chain	30 300
TOTAL BENEFICIARIES	22	2	1	2	38	3	2	1	72	1 603 097

Table 39: Annual subsidised education schedule for 2023/24

Expanded Public Works Programme (EPWP):

In compliance with the City-wide strategic imperative to create job opportunities for unemployed youth and women, JM identified work programmes in Security Services, Maintenance, HR, Consignment Control and General Workers. The Expanded Public Works Programme (EPWP) numbers as at March 2024 were recorded as 119.

No.	Project Name	Budget	Expenditure	EPWP WOs Created	Current Status as at 14 May 2024	Project Status/ Proposed Project Start Date
1	Provision for security service on the Market platform			20	20	February 2024
2.	General Worker			60	60	February 2024
3.	Office Worker			9	9	February 2024
4.	Consignment Control			11	11	February 2024
5.	HR Assistant			3	2	February 2024
6.	Maintenance Worker			11	11	February 2024
7.	Property Assistant			1	1	February 2024
8.	IT			2	2	February 2024
9.	Cold Stores			3	3	March 2024
Total				120	119	

However, in June 2024 two (2) more beneficiaries were brought on board which bring the total to 121 EPWPs.

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SECTION 5: PERFORMANCE MANAGEMENT

Performance Management: Processes and Procedures

- The performance assessments for the 2022/23 financial year were completed, and bonus payments were issued in January 2024.
- The year-end performance assessment for the 2023/24 financial year is currently underway and nearing completion.
- During the third quarter (Q3), the Supply Chain Management (SCM) process to appoint a reputable service provider for a work-study and organisational review was finalised. Although a service provider was initially appointed, the project could not proceed in the fourth quarter (Q4) because the provider rejected the terms of the Service Level Agreement (SLA). The process was restarted and a new memorandum was prepared and approved at the Bid Specification Committee (BSC) scheduled for 21 May 2024. The project is now awaiting the conclusion of the SCM process for the appointment of a new service provider.



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SECTION 6: DISCIPLINARY MATTERS AND OUTCOMES INTERNAL DISCIPLINARY CASES

Three disciplinary cases were concluded during this period:

PENDING INTERNAL DISCIPLINARY CASES IN Q4	THE MATTER/ TRANSGRESSION	PROGRESS/ OUTCOMES
1. Procurement Officer	The employee was charged for contravening the Supply Chain Management process.	- The employee filed a recusal application (point in limine) in the matter, for the recusal of the chairperson. The Chairperson has recused himself. Status: JM is in the process of appointing another chairperson.
2. Cashier	The employee was charged for contravening the Disciplinary Policy and Procedure and the Municipal Systems Act 32 of 2000.	- The employee received the charge sheet on 18 June 2024. - The employee received a suspension letter on the 19 of June 2024 Status: The disciplinary enquiry set-down date will be on the 10 July 2024.
3. Cleaner	The employee was charged for contravening the disciplinary policy and procedure.	- The employee received the charge sheet on the 19 June 2024 Status: JM is in the process of confirming with the chairperson availability for the set-down date for the commencement of the disciplinary enquiry.
4. Cleaner	The employee was charged for contravening the disciplinary policy and procedure.	- The employee received the charge sheet on the 19 June 2024 Status: JM is in the process of confirming with the chairperson availability for the set-down date for the commencement of the disciplinary enquiry.
5. Cleaner	The employee was charged for contravening the disciplinary policy and procedure.	- The employee received the charge sheet on the 19 June 2024 Status: JM is in the process of confirming with the chairperson availability for the set-down date for the commencement of the disciplinary enquiry.
6. Cleaner supervisor	The employee was charged for contravening the disciplinary policy and procedure.	- The employee received an amended charge sheet on the 12 December 2023 Status: JM has finalised the disciplinary enquiry. JM is awaiting the outcome from the chairperson.

Table 40: Disciplinary cases conducted in Q4



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Commissioner for Conciliation, Mediation and Arbitration Cases:

The employee referred an Unfair Dismissal case to the CCMA. The employee was summarily dismissed on 12th July 2023 and he referred the case to the CCMA, a default award was granted to the employee. *Status: Joburg Market lodged a rescission application to the CCMA on the 12 September 2023 and we still await the outcome.*

Bargaining Council Cases

There are no cases at the bargaining council.

Labour Court Matters

JM currently has two (2) labour-related cases before the Labour Court:

1. Executive Strategy and Transformation Case

- The employee resigned from JM on 18 January 2018 and subsequently filed a case of constructive dismissal with the SALGBC.
- The case was dismissed on 9 May 2019 in JM's favour.
- The employee then submitted a review application to the Labour Court, which JM opposed on 25 February 2021.
- Status as of June 2024: No further developments have been recorded in this matter.

2. Security Officer Case

- The employee brought an unfair discrimination case to the CCMA, relating to equal pay for work of equal value.
- The CCMA ruled in favour of JM in September 2016.
- The employee then filed a review application with the Labour Court to contest the CCMA's ruling.
- Frequent changes in the employee's legal representation have caused significant delays in the case.
- **Status as of June 2024:** A court hearing was held on 10 October 2023, but the matter was postponed sine die (indefinitely).



CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

SECTION 7: LEAVE & PRODUCTIVITY MANAGEMENT

Type Of Leave	Jul-23	Aug-23	Sep-23	Oct- 23	Nov- 23	Dec-23	Jan - 24	Feb- 24	Mar- 24	Apr- 24	May- 24	June-24	Total
Annual Leave	907	378	284	274	262	1 005	726	257	302	446	513	684	6 038
Sick Leave	202	199	137	161	152	78	157	140	116	262	274	111	1 989
Family Responsibility Leave/Parental	13	29	24	19	99	8	17	27	33	36	43	33	381
Study Leave/ Exam	19	5	17	17	153	12	1	5	7	14	64	147	461
Leave Sold	65	226	59	33	62	291	537	593	0	38	0	23	1927
Long Service	55	18	40	28	0	16	10	20	36	18	8	26	275
Maternity	0	0	0	95	243	0	121	0	0	0	247	0	706
Special	0	0	0	0	0	8	0	0	0	0	0	5	13
Unpaid	4	0	0	5	0	0	0	7	0	4	3	4	27
IOD	1	1	0	0	0	0	2	4	4	0	0	0	12
TOTAL	1 266	856	561	632	971	1 418	1 571	1 053	498	818	1 152	1 033	11 831

Table 41: Leave analysis

The table above indicates the number of leave days either taken or sold captured in the payroll system. The reason for decimals in number of days is a result of the annual leave system design in the payday system



CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

SECTION 8: EMPLOYEE BENEFITS

Retirement Funds: JM’s policy requires that all its employees are members of the retirement fund; and. JM currently has two retirement funds - City of Johannesburg Pension Fund and E-Joburg Retirement Fund with the following number of members:

Pension/Retirement Fund	Members
City of Johannesburg Pension Fund	6
E-Joburg Retirement Funds	388 plus 66 insourced

Table 42: Retirement funds



SECTION 9: OCCUPATIONAL HEALTH & SAFETY PROGRAMMES

9.1 Employee Health management and administration

- The Clinic has attended to 771 patients for the period under review and treated 856 conditions attended to.
- The leading cause of clinic consultations are people with respiratory problems, followed by muscular-skeletal problems and gastro-intestinal conditions is the third highest.
- Patients with chronic conditions contribute significantly to the overall conditions attended to as this presents with multiple organ symptoms.
- 100 employees consulted with the clinic for family planning, both oral and contraceptives and intramuscular injections were administered. The Expanded Public Works Programme (EPWP) beneficiaries are the biggest contributor to this increase as most of them are of childbearing years.
- 7 injuries on duty were attended to: Five (5) were treated as first aid cases and the other Two (2) treated as COID cases – the COID cases were taken to hospital for further treatment.
- 52 employees were assessed through the medical surveillance programme.
- The Candlelight Memorial event took place on 22nd and 23rd May 2024, with 57 employees participating in screening and testing, for diseases such as prostate cancer and cervical cancer, amongst others. There were no Covid-19 tests conducted or infections reported for this quarter.

9.2 Employee Wellness (Employee Assistance Programme)

Employee Engagement event:

- Joburg Market employees participated in the 3rd Annual Employee Engagement games hosted by COJ on 26th April 2024. JM employees took part in different sporting activities and are proud to announce that JM soccer team won the tournament and are the current reigning champions of COJ Employee games 2024.
- South African National Blood Drive (SANB): The blood drive took place on 28th May 2024 and with 12 employees donating blood.
- JM supported two (2) of its employees who participated in the Comrades Marathon in KZN for the 5th time. We are proud to announce that our participants completed the race on time and received medals for their achievement.
- CEO Staff Address: The Acting CEO addressed the JM staff 14th June 2024; the THEME for the address was EMPLOYEE APPRECIATION. The event was also graced by a guest speaker, Mr. Thabiso Ramasike - Executive Chairperson at Transform Global.

9.3 Medical Aid Schemes

There are four medical aid schemes on offer to JM employees, with a breakdown below on the number of employees on each scheme:

MEDICAL AID SCHEMES	MEMBERS
1. Bonitas	298
2. Discovery Health	39
3. LA Health	9
4. SAMWUMED	0

Table 43: Medical Aid Schemes

9.4 Housing Allowances

The following are the housing allowances in operation within JM:

Housing: 98 beneficiaries

*Gap: 13 beneficiaries

*GAP Market employees are defined as employees whose income is regarded as too low to access bank funded housing finance (mortgage finance), but too high to qualify for the national government's free-basic housing subsidy scheme. This is regulated in terms of the SALGBC collective agreement reached from time to time at the Bargaining Council.

CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

SECTION 10: CORPORATE SOCIAL RESPONSIBILITY

Joburg Market has long recognised its role as more than just a hub for fresh produce trading. It is an integral part of Johannesburg's social and economic fabric. Through its support for indigent programs and participation in social development events championed by the Member of the Mayoral Committee (MMC) and the Mayor of Johannesburg, the Market demonstrates a strong commitment to addressing societal challenges, enhancing community well-being, and fulfilling its corporate social responsibilities.

These initiatives go beyond acts of charity – they are central to building a more inclusive, resilient, and sustainable city. By partnering strategically with local government and social organisations, Joburg Market channels resources to support vulnerable groups and promote long-term community self-sufficiency.

Support for Indigent Programs and Social Development Events

Since the beginning of the current financial year, Joburg Market has actively supported various social development initiatives through its Food Support Centre, including:

1. Funeral Support

Joburg Market has provided significant assistance to bereaved families by supplying fresh produce for funerals. This helps ease the financial burden on indigent families during difficult times and ensures that they can mourn with dignity. To date, 2,769 funerals have been supported through this initiative – underscoring the Market's commitment to community care.

2. Event Support

In alignment with the city's broader social development objectives, Joburg Market has also provided resources for a variety of community events. These events, often organized by local authorities or civic groups, are crucial for promoting social cohesion and celebrating cultural identity. A total of 666 events have received support from the Market, allowing them to proceed successfully and inclusively.

Impact on Community Well-being and Sustainability

The value of these initiatives extends well beyond immediate assistance:

- **Food Security:** By distributing fresh produce to vulnerable households, Joburg Market helps reduce food insecurity and supports healthier lifestyles.
- **Social Cohesion:** Supporting funerals and local events fosters community solidarity, cultural continuity, and emotional resilience.
- **Sustainability:** These programs contribute to a more connected and stable urban environment, directly supporting the city's long-term development goals.

Governance of Corporate Social Responsibility

Joburg Market's Corporate Social Responsibility (CSR) efforts are guided by its commitment to legal, ethical, and economic responsibilities, as defined by its shareholders. The Remuneration, Social and Ethics (REMSEC) Committee oversees all CSR-related activities, ensuring that decisions consider the broader impact on society and are aligned with good corporate governance practices.

Key CSR Focus Areas:

- **Food Packs for Indigent Communities:** Fresh fruit and vegetable packs are distributed to vulnerable households across Johannesburg, enhancing food access and reducing hunger.
- **Funeral Packages via the Expanded Social Package (ESP):** In collaboration with the City of Johannesburg, Joburg Market provides funeral support to indigent families, ensuring dignity in times of grief.

CHAPTER FOUR: ORGANISATIONAL DEVELOPMENT PERFORMANCE

This process is coordinated through local ward councillors, who serve as the link between the Market and the community. To qualify for funeral assistance, the following documentation is required:

- Proof of ESP registration
- Death certificate
- Deceased's ID
- Requestor's ID
- Letter from the councillor requesting assistance
- Affidavit (if surnames differ or additional clarification is needed)

Through its ongoing efforts, Joburg Market continues to play a vital role in supporting Johannesburg's most vulnerable populations. By embedding social responsibility into its core operations, the Market helps build stronger, healthier, and more sustainable communities – advancing both its corporate mission and the city's development goals.





CHAPTER FIVE

FINANCIAL PERFORMANCE AND EXPOSURE

SECTION 1: STATEMENT OF FINANCIAL POSITION AND HIGH-LEVEL NOTES

SECTION 2: STATEMENT OF FINANCIAL PERFORMANCE AND HIGH-LEVEL NOTES

SECTION 3: CASH FLOW STATEMENT

SECTION 4: CAPITAL PROJECTS & EXPENDITURE

SECTION 5: RATIO ANALYSIS (MINIMUM: LIQUIDITY, SOLVENCY, COST COVERAGE)

SECTION 6: ANALYSIS OF SUPPLY CHAIN MANAGEMENT (SCM)

SECTION 7: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

SECTION 8: INSURANCE CLAIMS

SECTION 9: STATEMENT ON AMOUNTS OWED BY AND TO GOVERNMENT

DEPARTMENTS AND PUBLIC ENTITIES

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 1: STATEMENT OF FINANCIAL POSITION AND HIGH-LEVEL NOTES

Short-Term Financial Strategy

Joburg Market recognises the importance of setting short-term financial goals that are both realistic and adaptable to changes in the fresh produce industry.

As highlighted in section 2.1 below, 86.0% of JM's income is generated through commission. This

primary revenue stream is increasingly at risk due to value chain erosion practices.

To address this, JM will focus on refining its central trading governance and systems in the short term, with the aim of safeguarding and strengthening revenue collection from commission-based income.

The current statement of JM's financial position is presented in the table below.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 30 JUNE 2024

	R'000	R'000
	Actual	Actual
ASSETS	2024 June	2023 June
Non-current assets	701 422	614 664
Property, plant and equipment	666 187	576 707
Investment property	25 718	27 185
Intangible assets	428	520
Deferred tax	9 089	10 252
Current assets	1 011 152	851 317
Receivables from exchange transactions	85 976	97 667
Loans to shareholders	316 161	220 547
Statutory Receivable	7 691	59 250
Cash and cash equivalents	601 324	473 853
Total assets	1 712 575	1 465 981
NET ASSETS AND LIABILITIES		
Net Assets and Liabilities	1 185 344	1 066 969
Contribution from owner	20 000	20 000
Accumulated funds	1 165 344	1 046 969
Non-current liabilities	15 165	13 486
Employee benefit obligations	2 662	2 530
Deferred tax	12 503	10 956
Current liabilities	512 065	385 526
Statutory payables	5 817	0
Payables from exchange transaction	503 163	381 660
Provisions	3 085	3 866
Total equity and liabilities	1 712 575	1 465 981

Table 44: Statement of financial position for the period ended 30 June 2024

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

1.2: Statement of Financial Position Variance Analysis

- The net increase of R89.5 million (15.5%) in PPE is due to the capitalisation of projects and additional assets.
- Intangible assets decreased by a total of R92 thousand (17.7%) due to asset amortisation for the period.
- Cash and cash equivalents increased by R127.5 million (26.9%) due to JM positive cash reserve and buyer's deposit and subsequent refund from SARS.
- Loan to shareholders increased by R95.6 million (43.4%).

SECTION 2: STATEMENT OF FINANCIAL PERFORMANCE AND HIGH-LEVEL NOTES

	FOR THE PERIOD ENDED 30 JUNE 2024						
				Variance			
	Actual R '000	Budgeted R '000	Last Year R '000	Actual vs Budget R '000	Actual vs Last Yr R '000	Actual vs Budget %	Actual vs Last Yr %
Turnover	11 236 456	10 600 000	10 300 624	636 456	935 832	6,0%	9,1%
Tonnage	1 354	1 434	1 280	(80)	74	-5,6%	5,8%
Rand/Ton	R 8 299	R 7 392	R 8 050	907	249	12,3%	3,1%
Revenue	653 377	644 625	604 428	8 752	48 949	1,4%	8,1%
Expenses	(555 622)	(555 006)	(454 959)	(616)	(100 663)	0,1%	22,1%
Surplus before interest & tax	97 755	89 619	149 470	8 136	(51 714)	9,1%	-34,6%
Net interest (paid)/earned	71 879	54 004	48 958	17 875	22 921	33,1%	46,8%
Internal Charges	-	-	-				
Surplus before tax	169 634	143 623	198 427	26 011	(28 793)	18,1%	-14,5%
Taxation	(51 259)	(38 778)	(57 074)	(12 481)	5 815	32,2%	-10,2%
Surplus	118 375	104 845	141 353	13 530	(22 978)	12,9%	-16,3%

Table 45: JM high level performance

Joburg Market's financial performance year to date 30 June 2024 recorded a surplus of R118.4 million against a budgeted surplus of R104.8 million. Surplus after tax is above the budget by R13.5 million which has resulted in a positive variance of 12.9%. The entity's Revenue has increased by R48.9 million (8.1%) compared to the prior year's performance, total expenditure also increased by R100.7 million (22.1%) compared to the prior year's performance.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

Turnover and Revenue Analysis for quarter 4

	FOR THE PERIOD ENDED 30 JUNE 2024						
				Variance			
	Actual R '000	Budgeted R '000	Last Year R '000	Actual vs Budget R '000	Actual vs Last Yr R '000	Actual vs Budget %	Actual vs Last Yr %
Turnover	11 236 456	10 600 000	10 300 624	636 456	935 832	6,0%	9,1%
Tonnage	1 354	1 434	1 280	(80)	74	(5,6%)	5,8%
Rand/Ton	R 8 299	R 7 392	R 8 050	907	249	12,3%	3,1%
Revenue	653 377	644 625	604 428	8 752	48 949	1,4%	8,1%
Cold storage facilities	4 803	3 865	4 111	938	692	24,3%	16,8%
Ripening facilities	2 732	1 546	2 260	1 186	472	76,7%	20,9%
Commission 5%	561 823	530 000	515 031	31 823	46 792	6,0%	9,1%
Direct Delivery Comm	9 510	3 868	10 425	5 642	(915)	145,9%	(8,8%)
Pallets	1 274	1 509	1 227	(235)	46	(15,6%)	3,8%
Prepaid Electricity	-	-	-	-	-	0,0%	0,0%
Cash Handling fee	7 197	6 318	6 536	879	661	13,9%	10,1%
EPWP	5 000	-	5 500	5 000	(500)	0,0%	0,0%
Trolley Rental Deposit	94	105	98	(11)	(4)	(10,5%)	(4,1%)
Electricity recovery	26 870	43 627	20 109	(16 757)	6 761	(38,4%)	33,6%
Water recovery	6 394	13 701	6 562	(7 307)	(168)	(53,3%)	(2,6%)
Rental Income	22 564	26 689	24 685	(4 125)	(2 121)	(15,5%)	(8,6%)
Floor storage fees	1 045	3 714	1 767	(2 669)	(722)	(71,9%)	(40,9%)
Sundry revenue - other	4 072	9 683	6 117	(5 611)	(2 045)	(57,9%)	(33,4%)

Table 46: JM revenue as at 30 June 2024

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

The revenue streams have contributed to revenue as follows:

- Commission income (including direct delivery commission) = 87.4%
- Rental income (including both water and electricity recoveries) = 8.5%
- Cold Storage and Ripening = 1.2%
- Sundry revenue = 2.9%

Revenue Variance Analysis

As of 30 June 2024, total revenue stands at R653.4 million, exceeding the budgeted figure of R644.6 million. This reflects a positive variance of R8.8 million, or 1.4% above budget.

1. Storage Facilities

- Cold Storage generated R4.8 million, outperforming the budgeted R3.9 million by R938 thousand (24.3%).

- Banana Ripening services recorded R2.7 million in revenue, significantly above the budgeted R1.5 million, resulting in a positive variance of R1.2 million (76.7%).
- The higher revenues in both categories are primarily due to an increase in the volume of stock stored in cold room facilities.

2. Commission Revenue and Direct Deliveries

- Commission revenue reached R561.8 million, compared to the budgeted R530.0 million, resulting in a positive variance of R31.8 million (6.0%). This is attributed to favourable market prices, driven by supply and demand dynamics.
- Direct Deliveries recorded R9.5 million in revenue against a budget of R3.9 million, resulting in a significant positive variance of R5.6 million (145.9%), due to an increase in direct consignments received.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

3. Utility Recoveries

- Electricity Recovery fell short of the budget by R16.8 million (38.4%). The smart meter project has been completed and commissioned, and JM is currently realigning the billing process to reflect the new metering system.
- Water Recovery was also below budget by R7.3 million (53.3%), due to reduced water consumption, which is also reflected in lower water expenditure.

Operational Expenditure Analysis for quarter 4

FOR THE PERIOD ENDED 30 JUNE 2024							
				Variance			
	Actual R '000	Budgeted R '000	Last Year R '000	Actual vs Budget R '000	Actual vs Last Yr R '000	Actual vs Budget %	Actual vs Last Yr %
Expenses	555 622	555 006	454 959	616	100 663	0,1%	22,1%
Personnel costs	223 982	221 213	198 196	2 769	25 786	1,3%	13,0%
Human Resources	12 195	13 219	15 766	(1 024)	(3 571)	-7,8%	-22,7%
Marketing	6 365	6 707	3 715	(342)	2 650	-5,1%	71,3%
Repairs and Maintenance	70 697	61 436	31 244	9 261	39 453	15,1%	126,3%
Operations	149 529	166 367	131 770	(16 838)	17 760	-10,1%	13,5%
Information Technology	7 982	13 153	6 127	(5 171)	1 855	-39,3%	30,3%
Finance and administration	51 318	42 426	38 539	8 892	12 779	21,0%	33,2%
Depreciation	33 554	30 485	29 602	3 069	3 952	10,1%	13,3%

Table 47: JM operational expenditure analysis as at 30 June 2024



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

Operational Expenditure Analysis for quarter 4

- Operational Expenditure Analysis for the Quarter Ended 30 June 2024
- Total operating expenditure for the quarter amounted to R555.6 million, slightly above the budgeted R555.0 million, resulting in a minor variance of R616 thousand (0.1%).

Key Expenditure Highlights

- **Personnel Costs:** Personnel expenditure exceeded the budget by R2.8 million (1.3%), driven by a surge in overtime required to meet heightened operational demands.
- **Operations Expenditure:** Recorded at R150.4 million, this line item was R16.8 million (10.1%) below budget. The variance is primarily attributed to lower-than-expected utility consumption, particularly water. Since this category is largely based on estimated client usage, actual consumption was lower than projected.
- **Information Technology:** IT expenditure stood at R7.9 million, significantly below the budgeted R13.2 million, resulting in a favorable variance of R5.2 million (39.3%). This was due to delays in the implementation of Microsoft and other software licenses. Notably, Microsoft license procurement is managed centrally by City Group Information Technology.
- **Human Resources:** HR costs came in R1.0 million (7.8%) under budget. This was due to a service provider withdrawing from a contractual agreement during the SLA finalisation stage, which delayed planned initiatives.
- **Repairs and Maintenance:** This category was R9.3 million (15.1%) over budget due to the execution of Operation Phendula projects, which accelerated maintenance activities. Despite the increase, spending was managed in line with austerity measures.
- **Finance and Administration:** Expenditure in this area exceeded the budget by R8.9 million (21.0%) due to an end-of-year adjustment for doubtful debt provisions, following an updated evaluation of the debtors' book.
- **Marketing:** Marketing costs were R342 thousand (5.1%) below budget. This reduction reflects a deliberate strategy to scrutinise each marketing engagement for value-added outcomes and alignment with cost containment regulations.

Stakeholder Engagements

During the review period, JM held several tenant engagement sessions, focusing on lease agreements and revenue collections.

JM also maintained strong working relationships with CoJ Group Finance and key municipal entities. Notable engagements included collaboration with the Joburg Property Company (JPC) on the Tshiamo Market project and discussions with Joburg Water on water consumption charges.

JM appreciates the continued support and cooperation from all stakeholders, which remains vital to its operations.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 3: CASH FLOW STATEMENT

Cash flow statement for the period ended 30 June 2024		
	R'000 Actual 30-Jun-24	R'000 Actual 30-Jun-23
Cash flows from operating activities Receipts		
Sale of goods and services	756 029	670 521
Interest income	74 608	43 442
Other receipts	55 554	-
	886 191	713 963
Payments		
Employee costs	-220 177	-199 147
Suppliers	-283 973	-285 211
Statutory payment	-97 843	-56 473
	-601 992	-540 831
Net cash flows from operating activities	284 199	173 132
Cash flows from investing activities		
Purchase of property, plant and equipment	-85 054	-70 333
Loan to shareholder - Sweeping account	-71 609	173 320
Net cash flows from investing activities	-156 663	102 987
Cash flows from financing activities		
Repayment of post retirement benefits	-65	-62
Net cash flows from financing activities	-65	-62
Net increase in cash and cash equivalents	127 471	276 057
Cash and cash equivalents at the beginning of the year	473 853	197 796
Cash and cash equivalents at the end of the year	601 324	473 853

Table 48: Cash flow statement as at 30 June 2024

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 4: CAPITAL PROJECTS & EXPENDITURE

Capex spend as of 30 June 2024 is recorded at R121.5 million against a total adjustment budget of R121.5 million. This represents 100 % spent.

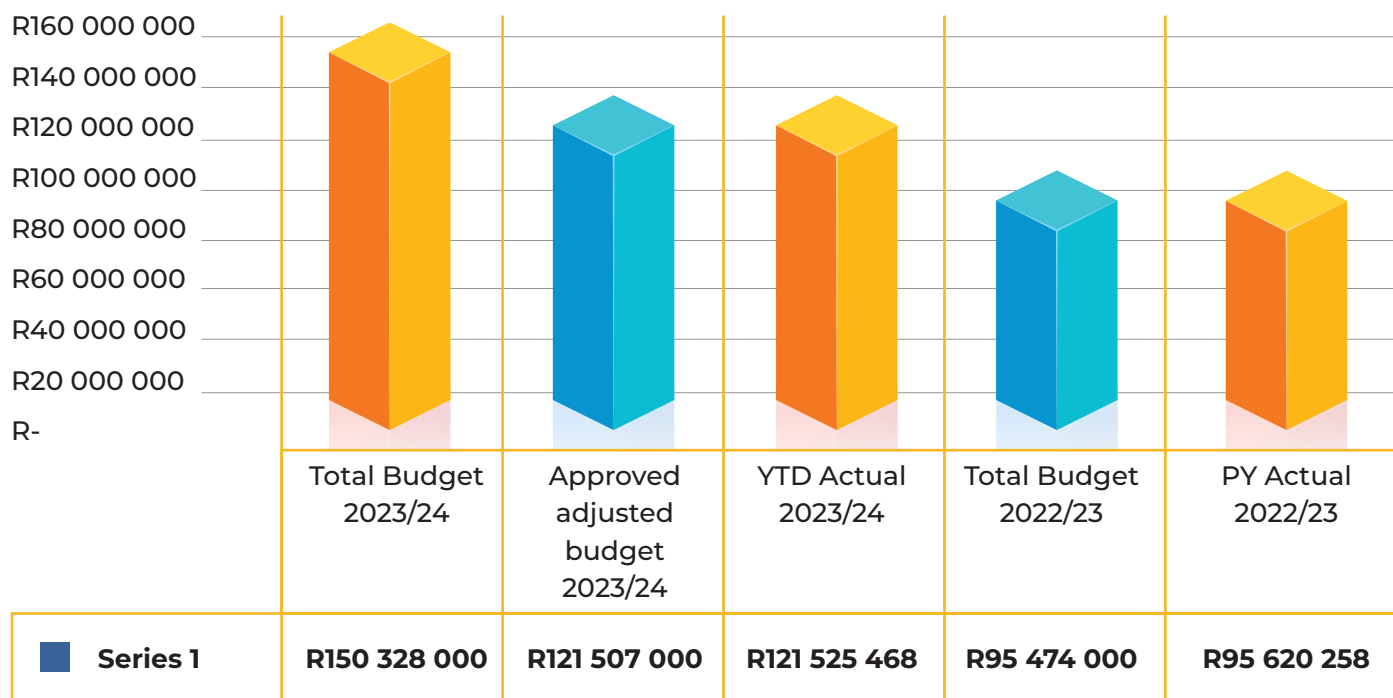


Figure 7: Capital Expenditure Analysis for the quarter 4th ended 30 June 2024

Capital Projects

The Entity's approved adjusted budget for the 2023/24 financial year amounts to R121.5 million compared to the 2023/24 total budget of R 150.3 million.

JSIP NUMBER	PROJECT DESCRIPTION	APPROVED BUDGET	APPROVED BUDGET	ADJUSTED BUDGET	ACTUAL SPENT	ACTUAL AGAINST BUDGET
		R	R	R	R	%
2598	Upgrades to the main building (Mandela market, cold rooms & food courtyard)	18,753,000	(10,081,000)	8,672,000	8,832,891	101.9%
3331	Installation of Sprinkler System(Fire Suppression System OHSA)	8,075,000	2,300,000	10,375,000	10,151,942	97.9%
22489	Upgrade of Banana Ripening and Cold Rooms	20,000,000	-	20,000,000	19,130,943	95.7%
22541	SMART MARKET project	1,500,000	(960,000)	540,000	-	0.0%
22547	Alternative Energy Systems	40,000,000	-	40,000,000	44,000,000	110.0%
23093	Installation of smart meters - revenue protection	12,000,000	-	12,000,000	12,268,993	102.2%
24064	Rocker bins	2,000,000	(1,400,000)	600,000	-	0.0%
24065	Ring feed	26,000,000	-	26,000,000	27,140,699	104.4%
31060	Cashless project	20,000,000	(17,400,000)	2,600,000	-	0.0%
31063	Soweto market	2,000,000	(1,280,000)	720,000	-	0.0%
TOTAL		150,328,000	(28,821,000)	121,507,000	121,525,468	100.0%

Table 49: 2023/24 Capital project expenditure

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 5: RATIO ANALYSIS (MINIMUM: LIQUIDITY, SOLVENCY, COST COVERAGE)

Key financial ratios for quarter 4

Key Financial Overview for Year ended 30 June 2024

FINANCIAL RATIOS	NORM	Q4-1
Liquidity (CA/CL)	1.5:1	2.0:1
Solvency (Total Assets/Total Liabilities)	2.0:1	3.2:1
Debtor's days (average collection period)	30	48
Cash Cover (days)	30 - 90 Days	641
Remuneration to expenditure ratio (Incl EPWP)	25-40%	40,3%
Remuneration to expenditure ratio (Excl EPWP)	25-40%	39,8%

Table 50: Q4 Analysis of key ratios

The Joburg Market remuneration to expenditure ratio is higher than the norm because of the continuous nature of its operations which includes 24-hour functions, night shift arrangements, and certain operations on public holidays.

JM has a healthy Balance Sheet in terms of both liquidity and solvency; this indicates that the company has sufficient assets to cover its operations in the short term.

It is worth noting that it takes 44 days for debtors to pay amounts owing to Joburg Market against the required norm of 30 days.

Analysis of Debtors Collections for the 4th quarter

An amount of R67.1 million has been collected during the reporting period against a billing figure of R74.9 million. The collection rate achieved year to date is 90% against a target of 95%.





CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

Billing And Collections Rate Quarter Ytd 2023/24

DESCRIPTIONS	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23
Total of Rental & Utilities	5 048 033	4 747 949	9 923 137	6 361 760	6 966 993
Total of Cold Storage & Ripening	-167 833	986 138	-1 924 897	1 083 415	635 654
Total Billing	4 880 200	5 734 087	7 998 240	7 445 176	7 602 647
Collections					
Total of Rental & Utilities	4 326 746	4 472 878	2 307 362	3 042 328	4 009 287
Total of Cold Storage & Ripening	1 364 051	1 584 867	910 185	754 036	1 544 499
Total Collection	5 690 797	6 057 745	3 217 547	3 796 364	5 553 786
Collection percentages					
Descriptions					
Rental & Utilities Rate	86%	94%	23%	48%	58%
Cold stores & Ripening	-813%	161%	-47%	70%	243%
Total Average collection	117%	106%	40%	51%	73%



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	YTD
3 549 589	3 267 768	6 981 289	3 698 453	4 679 625	4 927 657	5 338 523	65 490 776
586 183	1 045 303	1 167 618	1 093 193	1 186 814	1 419 679	1 554 158	8 665 425
4 135 772	4 313 071	8 148 907	4 791 646	5 866 439	6 347 336	6 892 681	74 156 201
4 039 110	4 532 761	6 710 191	3 845 573	5 729 560	5 570 440	5 216 655	53 802 891
354 860	762 498	844 432	1 351 539	665 534	683 281	2 435 670	13 255 452
4 393 970	5 295 259	7 554 623	5 197 112	6 395 094	6 253 721	7 652 325	67 058 343
114%	139%	96%	104%	122%	113%	98%	82%
61%	73%	72%	124%	56%	48%	157%	153%
106%	123%	93%	108%	109%	99%	111%	90%

Table 51: Billing and collection rates as at 30 June 2024



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

Bad Debts

Provision for bad debts amounted to R45.7 million.

Analysis of Cash Collections 4th quarter ended 30 June 2024

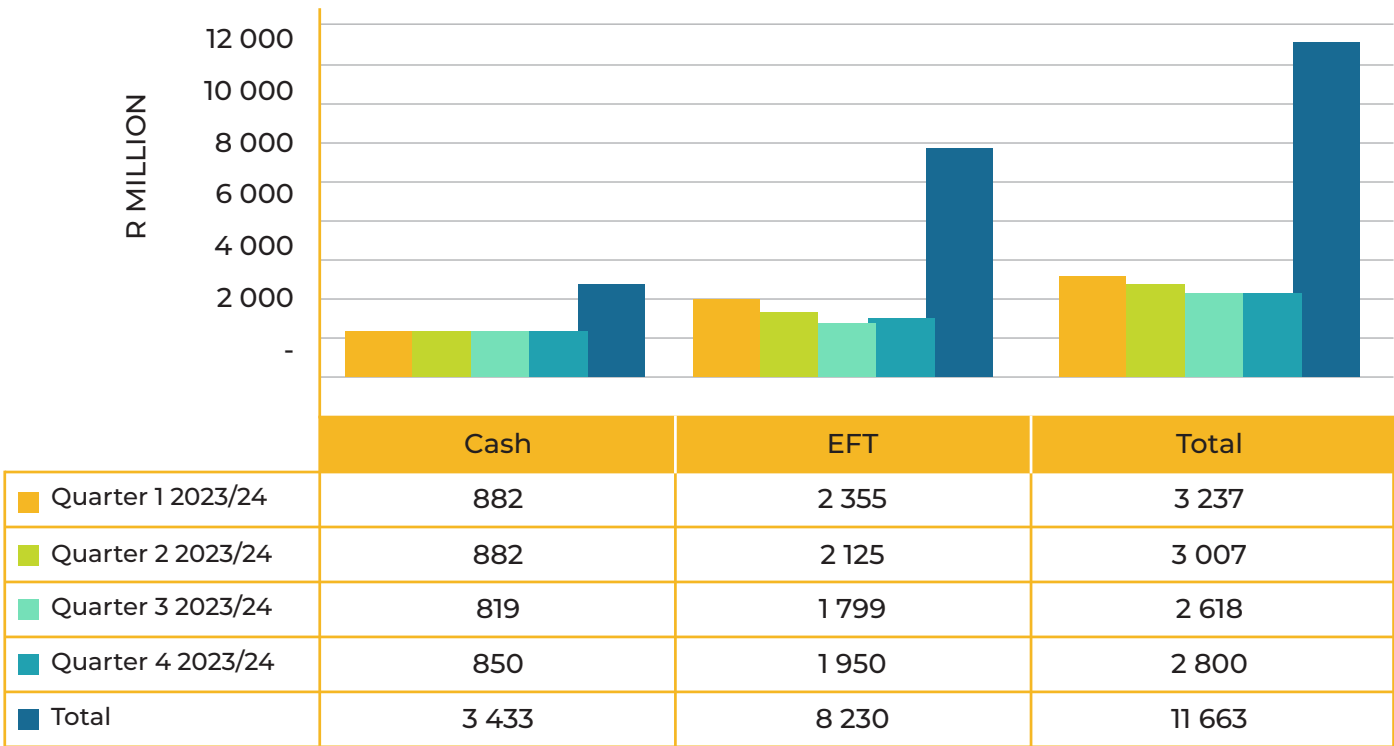


Figure 8: Cash collections for 4th quarter 30 June 2024

A total of R11.6 billion was collected on 30 June 2024.

Cashiering Shortages & Recoveries - Q4: 2023/24

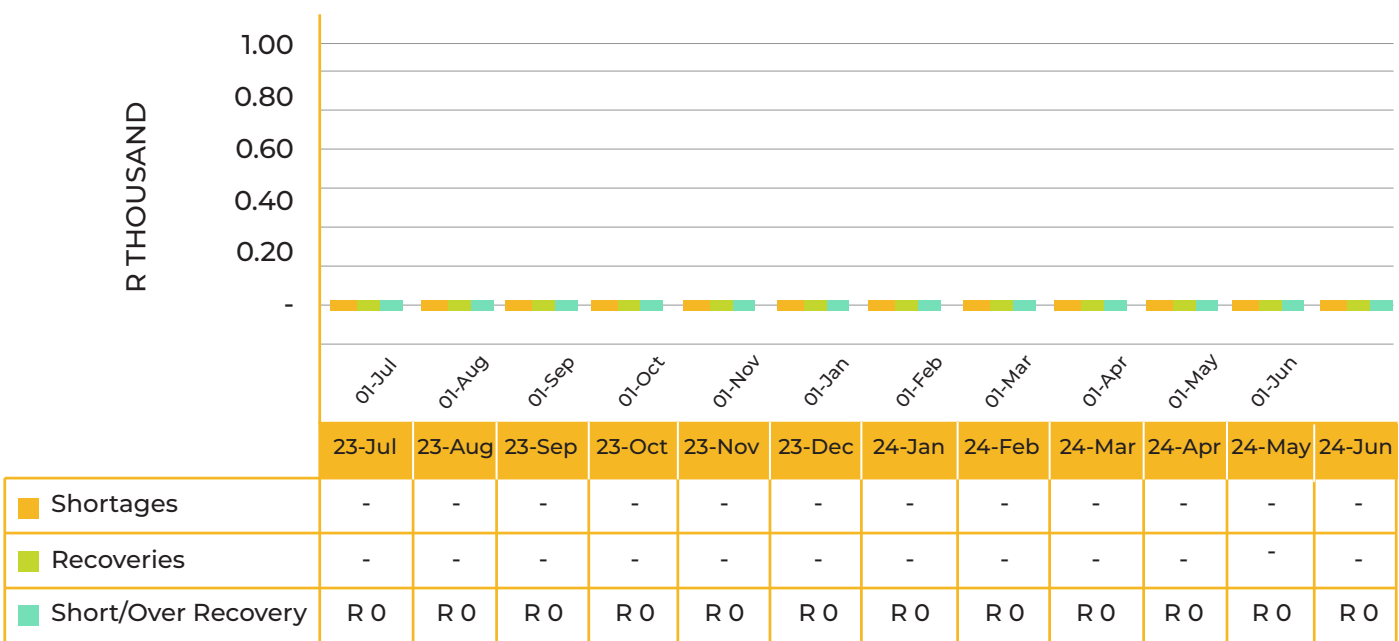


Figure 9: Cashiering shortages & recoveries 4th quarter ended 30 June 2024

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

- A total collection of R990 million was collected during the month of June 2023/2024 compared to R950 million collected in the month of June 2022/2023. There is a notable increase of about 4.2% compared to the prior year.
- The total shortages for June 2023/2024 are R0 against recoveries and the closing balance of R4 339. The department closing shortage for the month of June 2024 amounts to a R0 balance.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 6: ANALYSIS OF SUPPLY CHAIN MANAGEMENT (SCM)

New Tender and Contract Awards

Overall Awards

The total overall awards for the year, including all commitments such as new tenders, additional funding, contract extensions, deviations, purchase orders via the request for quotation process, and appointments through panels – amounted to R394 million.

Tender Awards

Sixteen bids, totaling R140 million in value, were awarded. The tender register is updated and monitored on a weekly basis. The average time to evaluate and complete the award process ranges from 60 to 90 days, although the time required to finalise the appointment of a panel tends to be slightly longer.

Cancelled Tenders

During the year under review, the Entity experienced four non-awarded bids. The reasons for these non-awards include bids exceeding the approved budget, non-responsiveness, and failure to conclude the Service Level Agreement (SLA).

Disputed Awards

There were no disputed tenders. However, one bidder requested information under the Protection of Personal Information Act of 2013 (POPIA). This matter is currently being contested in a court of law. Disputed tenders are defined as instances where a tenderer raises a dispute, objection, or complaint concerning any decision made by Joburg Market during the implementation of its Supply Chain Management processes.

Awards to Black Designated Groups

The bids awarded during the financial year have been broken down into various designated groups, as outlined below. These amounts are part of the total awards made for the year and are reported to highlight the empowerment contributions made to various black designated groups.

- SMMEs: R125 million
- 50% or more Black Youth owned enterprise: R14.7 million
- 50% or more Women owned enterprises : R3.7 million
- 50% or more Black-owned enterprises: R125 million

Contractor Performance

No poor performances were reported for the year. A key performance indicator (KPI) is the adherence of Service Providers to the specifications or terms of reference, as well as the timely reporting of any contract variations. Business Units are required to appoint a Contract or Project Manager to manage and oversee contracts. Both Business Units and the SCM share responsibility for ensuring that Service Providers meet their contractual obligations and that the Contract Management process is efficiently utilised.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

Deviations

The accounting officer followed due processes in considering the need for deviations. The entity incurred the following deviations which are illustrated in the table below:

No.	Project Name	Type of Deviation	Reason/s	Approved Deviation amount excl. Vat	Approved Deviation amount Inc. Vat	Year Approved
1.	Kya Guards(Pty) Ltd	Emergency (MFMA section 36 (a) (i))	Additional security and equipment for a period of three(4) months. Security officers patrol outside the Joburg Market precinct in order to prevent crime.	14 095 413	16 209 725	2023-07-19 2023-10-27 2023-11-27
2.	Serve Isizwe Holdings (Pty)Ltd	Emergency (MFMA section 36 (a) (i))	Emergency repairs, re-program and re-calibrate the banana ripening ABB temperature monitoring system	377 482	434 105	18-Sep-23
3.	Mojalefa Projects (Pty)Ltd Midic (Pty) Ltd and Ivyforever Trading (Pty)Ltd	Emergency (MFMA section 36 (a) (i))	Joburg Water could not supply water to the entire City of Joburg, entities as well as the city residents. Toilet rental is part of an essential service for business continuity at Joburg Market.	899 000	1 033 850	30-Oct-23
4.	Mailcomp (Pty)Ltd t/a Egis Software	Sole Suplier (MFMA section 36 (a) (ii))	License renewal on the Egis- software in the Joburg Market environment. Mailcomp (Pty)Ltd t/a Egis Software is the sole supplier and developer of Paper Trail Content management solutions and its surroundings tools	46 751	161 291	31-Oct-23
5.	Elphash Trading Enterprise CC	Emergency (MFMA section 36 (a) (i))	Additional security to patrol outside the Joburg Market precinct in order to prevent crime on a month to month basis until the security tender is finalized. 12 Additional security officers.	3 480 000	4 002 000	2023-11-27 2024-04-11

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

6.	Maintenance Worker	Sole Supplier (MFMA section 36 (a) (ii))	Additional security to patrol outside the Joburg Market precinct in order to prevent crime on a month to month basis until the security tender is finalized. 12 Additional security officers.	1 619 270	1 862 161	2023-12-20 2023-12-21
7.	Ngwenyama Electrical CC	Emergency (MFMA section 36 (a) (ii))	Emergency work of repairing the S56 High Tension (HT) switch at High voltage (HV) room including all safety control of the switch. Emergency request to replace a faulty transformer with our spare transformer, further supply and fix High Tension (HT) chiller motor switch at HT plant room and replace the burnt hall 5 & 6 transformer.	2 141 565	2 462 800	19-Jan-24
8.	Dogan Exhibition and events (Pty)Ltd	Sole Supplier (MFMA section 36 (a) (ii))	Rand Show Exhibition fees	170 932	196 571	27-Mar-24

Table 52: Q4 Deviation

Irregular Expenditure

No.	Name of Supplier	UIFW	Reasons for the Deviation	Amounts
1.	Morubisi Technologies (Pty)Ltd	Irregular expenditure	COJ Promised to do insource and did not materialize. However, for the sake of business continuity the current service provider has been kept on board as they provide an integral service.	6 760 804
2.	Bash Electrical Contractors	Irregular expenditure	The tender was approved to be advertised for less than 30 days and AG determined it as irregular.	16 957 206
Total				23 718 010

Table 53: Irregular Expenditure

CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

The entity did not incur new current year irregular expenditure.

Fruitless and Wasteful Expenditure

The company incurred no fruitless and wasteful expenses during the current financial year:

BBB-EE Expenditure for the Period

EXPENDITURE	YTD -ACTUAL JM SPEND	SPENT ON RELATED PARTIES	AVAILABLE AMOUNT	YTD SPENT ON BBB-EE	YTD % SPENT ON BBB-EE
	(R)	(R)	(R)	(R)	
OPEX	298 086 383	-82 968 453	215 117 930	215 117 930	100%
CAPEX	121 525 468	-71 140 699	50 384 769	50 384 769	100%

Table 54: JM BEE Procurement spending during the acquisition of goods and services as at 30 June 2024

OPEX Expenditure: The total amount spent for OPEX is R298.1 million. Included in there is an amount of R83.0 million which does not form part of the total actual expenditure on BBB-EE as it was spent on COJ entities namely; JPC, MTC, City Power JWater and Pikitup.

CAPEX Expenditure: The total amount for CAPEX is R121.5 million. Included in that total is an amount of R71.1 million which has been deducted from the total CAPEX expenditure as it was spent on projects that were carried out by COJ-related entities namely; JPC and JDA.

Payments within 30 days

PAYMENTS OF CREDITORS WITHIN 30 DAYS	31-JUL	31-AUG	30-SEP	31-OCT	30-NOV	31-DEC	31-JAN	29-FEB	YTD
Total Payments	74	96	96	72	85	82	54	83	642
Paid Within 30 Days	74	96	96	72	85	82	54	83	642
Percentage Achieved	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 55: Payment of supplies within 30 days

The payment of suppliers within 30 days is recorded at 100% compared to the target of 100% required by the JM KPI.

CHAPTER FIVE: FINANCE PERFORMANCE

RELATED ACTIVITIES

SECTION 7: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

Details of Matter	Amount (R/M)
Dispute with a company regarding professional fees in respect of road rehabilitation	1 080 017
Total	1 080 017

Table 56: JM contingent liabilities as at 30 June 2024

SMEC v Joburg Market

Background

- In 2017 JM appointed Gorogang Construction for road rehabilitation and resurfacing at the Market.
- Gorogang Construction in turn appointed SMEC in order to conduct quality assurance in respect of the works.
- Gorogang did not complete the road rehabilitation project as a result of financial distress. JM appointed Johannesburg Roads Agency to complete the work, which it did.
- In 2018 SMEC sued JM for the quality assurance service fee instead of suing Gorogang. The claim amount is R1.1 million
- JM defended the case because there was no cause of action.
- In April 2024 efforts to resolve the dispute amicably were unsuccessful.

Current status

- The matter is on-going and is set down for 06 October 2025.



CHAPTER FIVE: FINANCE PERFORMANCE RELATED ACTIVITIES

SECTION 8: INSURANCE CLAIMS

The Insurance claims were R39.9 million for produce damaged at cold and banana ripening rooms, loss of assets, damaged property, group personal accident cover, employment practice liability. Claims have been submitted to the Broker, African Dawn for payment.

SECTION 9: STATEMENT ON AMOUNTS OWED BY AND TO GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES

The entity wishes to disclose the following monies receivable from organs of government:

Amounts owed by related parties		
Name of Department/Entity	30-JUN-24	30-JUN-23
The City Of Johannesburg Metropolitan Municipality	322 940 369	238 165 737
Johannesburg City Parks and Zoo	407 987	370 298
Pikitup Johannesburg (SOC) Ltd	17 885	57 950
Johannesburg Social Housing Company	741 485	606 378
Johannesburg Tourism Company	-	-
Johannesburg Metropolitan Bus Services	711 660	183 383 118
Total	324 819 386	239 383 118
Amounts owed to related parties		
Name of Department/Entity	30-JUN-24	30-JUN-23
The City Of Johannesburg Metropolitan Municipality	176 495 897	166 799 609
Johannesburg Metro Trading Company	6 267 363	5 482 224
Johannesburg Property Company	60 082 852	58 519 412
Johannesburg City Parks and Zoo	206 498	590 974
Joburg Theatre (SOC) Ltd	288 559	159 965
City Power	72 975 907	-
Total	316 317 076	231 552 185

Table 57: Amounts owed by the government departments and other public entities

CHAPTER SIX

INTERNAL AND EXTERNAL AUDIT FINDINGS

SECTION 1: PROGRESS ON INTERNAL AUDIT PLAN

SECTION 2: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS

SECTION 3: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS (AGSA)

SECTION 4: UIFW EXPENDITURE WRITTEN-OFF DURING THE YEAR

SECTION 5: OVERALL STATE OF INTERNAL CONTROLS



CHAPTER SIX: INTERNAL AND EXTERNAL AUDIT FINDINGS

SECTION 1: PROGRESS ON INTERNAL AUDIT PLAN

Internal Audit performs its duties in accordance with the Section 165 of the Municipal Finance Management Act (MFMA) and other relevant legislation and frameworks.

The Internal Audit function provides reasonable assurance on the effectiveness of the organisation's risk management, control, and governance processes, as designed and implemented by management.

The audit scope focuses on ensuring that:

- Operations are conducted efficiently and effectively.
- The organisation is in compliance with applicable laws and regulations, and any significant legislative or regulatory matters are identified and addressed.
- Assets are properly safeguarded.
- Risks are appropriately identified, assessed, and managed.
- Key financial, operational, and performance information is accurate, reliable, and reported in a timely manner.

The following is a summary of progress on the approved internal audit plan for 2023/24 as at 30 June 2024.

Progress status on the plan – Q4

Description	Project Allocation	Not started	Planning & Execution	Reporting	Completed
Planned audits for the year	17	0	6	0	11
Percentage	100%	0%	35%	0%	65%

Table 58: Planned audit for 2023/24

The two audits still at the execution phase will be completed by 30 September 2024, before the start of the Auditor-General of South Africa (AGSA) external audit.

Detail of planned audits

The following table provides the details of the planned audits for 2023/24 financial year and the progress status at 30/06/2024.

NO	Planned Area of Coverage	Progress	Hours	Risk Rating
1	Auditing of Predetermined Objectives (Performance Information) (Q1, Q2 & Q4)	Complete	300	High
2	Unauthorised Irregular, Fruitless and Wasteful Expenditure (UIFWe)	Complete	300	Very High
3	Write off of UIFWe	Complete	300	Very High
4	SCM: Tendering and RFQ Process	Not started	400	Very High
5	Human Resources(Overtime, standby allowance, overtime, staff verification)	Complete	400	High
6	Wellness Centre	Complete	200	High
7	Fixed Assets	Complete	300	Very High
8	Service Standards (Q2 & Q4)	Complete	200	High

CHAPTER SIX: INTERNAL AND EXTERNAL AUDIT FINDINGS

NO	Planned Area of Coverage	Progress	Hours	Risk Rating
9	Probity audits (4 Audit assignments done)	Complete	400	Very High
10	Review of Interim Financial statements	Complete	Complete	High
11	Follow up audits (monthly reviews)	Complete	400	High
12	Information Technology General Controls (ITGC)	Not started	300	High
13	Information Technology JDE – Application Controls	Not started	200	Medium
14	Occupational Health and Safety- SHE (with emphasis on hygiene matters)	Complete	300	Very High
15	Marketing - Food support Centre	Complete	300	High
16	Infrastructure Maintenance	Complete	300	Very High
17	Quality Assurance with emphasis on food safety.	Complete	300	Medium
18	Ad- Hoc Audit assignments (Two additional properties than normally planned)	Complete	300	High

Table 59: Details of planned audits

Explanation of Risk Rating

Critical	Significant	Requires Improvement	Satisfactory
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CHAPTER SIX: INTERNAL AND EXTERNAL AUDIT FINDINGS

SECTION 2: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS

Internal Audit conducts follow-up audits to ensure that the agreed action plans are implemented within agreed timeframes; root causes are identified and repeat findings are prevented. Efforts are focused in ensuring that findings classified as “high risk” receive adequate management attention.

The following is a summary of movements in the 2023 Internal Audit findings up to 30/06/2024.

Internal Audit	Total finding	Q2	Q3	Q4	Total resolved	% Resolved	Closing findings
Internal Audit –23&24 FY	56	40	8	8	56	100%	0
Total	56	40	8	8	56	100%	0

Table 60: Internal audit findings

SECTION 3: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS (AGSA)

The following is a summary of movements in the Auditor-General of South Africa (AGSA) Audit findings during Q4 up to 30/06/2024

External Audit	Total finding	Q2	Q3	Q4	Total resolved	% Resolved	Closing findings
AGSA- 2023 FY	15	10	2	3	15	100%	0
Total	15	10	2	3	15	100%	0

Table 61: AGSA audit findings



CHAPTER SIX: INTERNAL AND EXTERNAL AUDIT FINDINGS

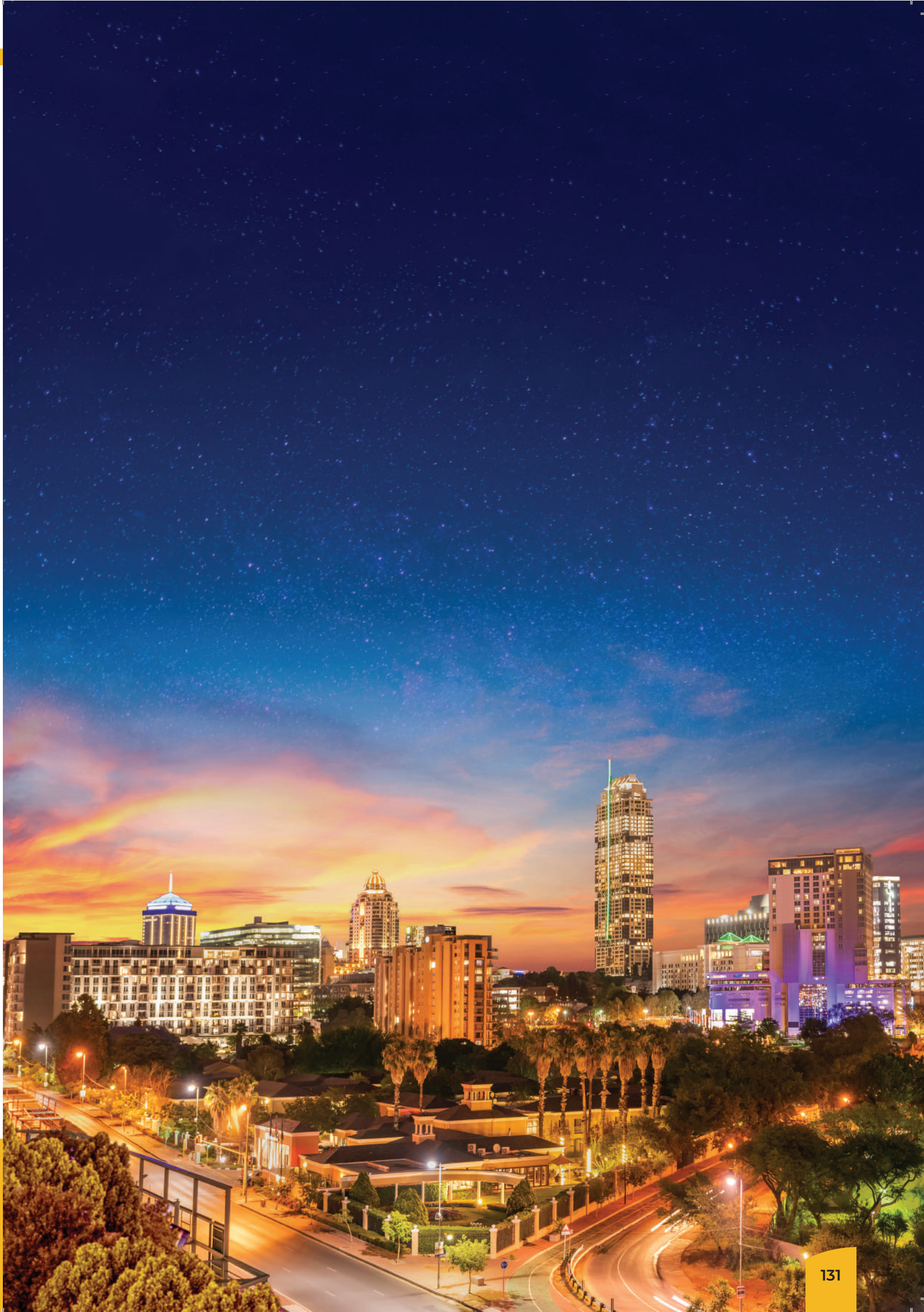
SECTION 4: UIFW EXPENDITURE WRITTEN-OFF DURING THE YEAR

The following table indicates investigated amounts that were recommended for write off. The consequence management and other actions that emanated from the investigations are dealt with separately.

	Irregular	Fruitless & wasteful	Total	Write off %
2022/23 FY				
Opening balance	245 596 538	50 944 644	296 541 182	
New UIFWe	12 901 090	0	12 901 090	
Written-off	(228 946 014)	(16 003 050)	(244 949 064)	83%
Closing balance - 30 June 2023	29 551 614	34 941 594	64 493 208	
2022/23 FY				
Opening balance	29 551 614	34 941 594	64 493 208	
New UIFWe	23 718 010	0	23 718 010	
Written-off	(17 374 803)	(26 069 091)	(43 443 894)	67%
Closing balance - 30 June 2024	35 894 821	8 872 503	44 767 324	

Table 62: UIFW Expenditure





CHAPTER SIX: INTERNAL AND EXTERNAL AUDIT FINDINGS

SECTION 5: OVERALL STATE OF INTERNAL CONTROLS

The overall assessment within JM is that the effectiveness of internal controls remained effective at the end of Quarter 4 ending 30 June 2024.

The internal controls are thus evaluated as adequately designed and partially effective, i.e. “require improvement” during the 2024 financial year. Below are some of the reasons for this assessment.

EFFECTIVENESS OF INTERNAL CONTROLS FOR Q4 ENDING 30 JUNE 2024

Evaluating internal controls is essential to ensure that JM has effective systems, processes, policies, and procedures in place to support the achievement of its organisational objectives. These internal controls are developed and implemented by management to guide daily operations.

Internal Audit assesses the effectiveness of these controls through audit findings and ongoing engagements across the entity.

It is worth highlighting that JM achieved a clean audit outcome from the Auditor-General of South Africa (AGSA) for the financial year ended 30 June 2023. The organisation remains committed to maintaining this standard for the year ending 30 June 2024.

Up to the fourth quarter ending 30 June 2024, Internal Audit did not observe significant further improvement in the overall control environment. However, both strengths and weaknesses were identified and taken into account in the Q4 evaluation.

Management has made notable efforts to strengthen departmental capacity, particularly in areas previously affected by vacancies in critical roles. Staff who were on precautionary leave have also returned to their positions, further supporting operational stability and control effectiveness.

Joburg Market currently has sufficient capacity to manage Capital Expenditure (CAPEX) and Repairs and Maintenance, thanks to established panels of service providers, most of which have been in place or renewed since the 2021 financial year. This, combined with improved staff capacity, contributes to maintaining a well-controlled operational environment.

Based on these factors, the internal control environment for the quarter ending 30 June 2024 is assessed as adequate but partially effective, indicating that improvement is still required.

CONCLUSION

The 2023/24 financial year marked a period of notable achievement and strategic progress for Joburg Market, despite a range of external challenges. The organisation displayed strong resilience and adaptability, with significant gains in both financial performance and operational efficiency.

With a turnover of R11.2 billion, surpassing budget expectations, and important infrastructure investments underway, Joburg Market has reinforced its standing as Africa’s leading fresh produce trading hub.

While the year brought successes, challenges remained. Ageing infrastructure, including limited cold storage and ripening facilities, along with insufficient trading space, posed operational constraints. In response, JM has initiated forward-looking projects – most notably the SMART MARKET initiative – to tackle these infrastructure needs and enhance its capacity for future growth.

The JM also upheld its commitment to social and economic development, supporting SMMEs, the Expanded Public Works Programme (EPWP), and internship initiatives – all of which contributed to local job creation and skills development.

Looking ahead, Joburg Market is well-positioned to build on its achievements. The focus for 2024/25 will be on enhancing operational efficiency, deepening stakeholder engagement, and accelerating infrastructure development, particularly through the continued rollout of the SMART MARKET project. These efforts are expected to address current challenges and ensure sustained growth and competitiveness in the years to come.



CHAPTER SEVEN

AG REPORT

SECTION 1: AUDIT OUTCOMES AND MATERIAL IRREGULARITIES OVERALL AUDIT OUTCOMES

SECTION 2: SIGNIFICANT MATTERS FINANCIAL STATEMENTS

SECTION 3: CONTROL ENVIRONMENT OVERALL CONTROL ENVIRONMENT



Report of the auditor-general to Gauteng Provincial Legislature and the council of the City of Johannesburg Metropolitan Municipality (CoJ) on the Joburg Market SOC Limited (JM).

Report on the Audit of the Financial Statements

Opinion

I audited the financial statements of Joburg Market (JM) for the year ended 30 June 2024. These include the statements of financial position, performance, cash flows, changes in net assets, budget comparison, and accompanying notes.

In my opinion, the financial statements fairly present JM's financial position, performance, and cash flows for the year. They comply with Generally Recognised Accounting Practice (GRAP), the Municipal Finance Management Act (MFMA), and the Companies Act of South Africa.

Basis for Opinion

The audit was conducted in line with International Standards on Auditing (ISAs). I am independent and complied with all ethical standards. I believe the audit evidence is sufficient to support my opinion.

Key Audit Matters

There were no key audit matters to report.

Emphasis of Matter – Material Impairments

I find that JM's receivables from exchange transactions were significantly impaired. As of 30 June 2024, a provision of R41 774 314 was recorded (up from R36 675 160 in 2023). This forms a large part of the total receivables.

Other Matter – Unaudited Disclosure Notes

As required by section 125(2)(e) of the MFMA, JM included notes on non-compliance in its financial statements. These disclosures were not audited, and I do not give an opinion on them.

Responsibilities of the Accounting Officer for the financial statements

The accounting officer is responsible for:

- Preparing financial statements that fairly present the entity's financial state.
- Ensuring internal controls to prevent material misstatements.
- Assessing whether JM is a going concern.

Responsibilities of the Auditor-General for the audit of the financial statements

My goal is to provide reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error. A more detailed explanation of my responsibilities appears in the annexure of this report.

Report on the audit of the Annual Performance Report

As required by the Public Audit Act 25 of 2004 (PAA), I audited the usefulness and reliability of selected performance indicators for the year ended 30 June 2024, under the strategic goal: "To provide a resilient and premier trading facility by June 2027."

Key indicators reviewed:

- Percentage of JM's market share in relation to other Fresh Produce Markets
- Turnover in Rands per Billion (Bn)
- Percentage of operating budget spent
- Percentage of capital budget spent

I carried out procedures to assess whether:

- The performance indicators used for planning and reporting are clearly linked to the entity's mandate and its planned objectives.
- All relevant indicators for measuring performance against key functions and goals are included.
- The indicators are clearly defined, easy to understand, consistently applicable, and verifiable – so that the methods used to measure performance can be confirmed.
- The targets are directly linked to their indicators, and are specific, measurable, and time-bound – making it clear what needs to be delivered, by when, and how success will be evaluated.
- The indicators and targets reported in the annual performance report match those approved in the original or revised planning documents.
- The performance information is presented in the required format and is clear, consistent, and comparable.

I performed these procedures only to identify any material findings – not to provide assurance, an opinion, or a conclusion.

Findings:

The performance information was:

- Aligned with JM's mandate
- Clearly defined, measurable, and time-bound
- Accurately reported and comparable

I found no material issues with the performance reporting.

Report on the Audit of Compliance with Legislation

I also checked JM's compliance with key financial and performance management legislation. The accounting officer is responsible for this compliance.

I found **no material non-compliance** with applicable laws.

Other Information in the Annual Report

The accounting officer is responsible for the other information contained in the annual report. This includes the directors' report, the audit committee's report, and the company secretary's certificate, as required by the Companies Act of South Africa. This "other information" does not include the financial statements, the auditor's report, or the selected strategic objectives reported on in this auditor's report.

My audit opinion on the financial statements, the performance report, and compliance with legislation does not cover the other information in the annual report. Therefore, I do not express an opinion or any assurance on it.

However, I am required to read this information and check whether it is materially inconsistent with the financial statements, the selected performance indicators, or the findings from my audit – or if it appears to be materially incorrect.

Based on the information I reviewed up to the date of this auditor's report, I found no **material misstatements in the other information** and therefore have nothing to report on this matter.

Internal control deficiencies

Auditor - General

I reviewed internal controls relevant to financial reporting and performance management but did not audit them directly. I identified **no significant deficiencies in internal control**.



AUDITOR - GENERAL
SOUTH AFRICA

Johannesburg
30 November 2024





Annexure to the Auditor's Report

This annexure outlines:

- The Auditor-General's responsibilities during the audit, and
- The key legislative requirements tested for compliance.

Auditor-General's Responsibilities for the Audit

Professional judgement and professional scepticism

During the audit, I applied professional judgement and maintained professional scepticism, as required by the International Standards on Auditing (ISAs). This was done while reviewing the financial statements, assessing reported performance information, and checking compliance with selected laws.

Financial Statements

In addition to the responsibilities already mentioned in the main report, I also:

- Identified and assessed risks of material misstatement in the financial statements – whether from fraud or error. I then designed and carried out audit procedures tailored to those risks and obtained enough reliable evidence to support my opinion. Fraud poses a higher risk than error, as it can involve deliberate deception, such as collusion or misrepresentation.
- Gained an understanding of the entity's internal controls to help design relevant audit procedures (though not to express an opinion on how effective those controls are).

- Evaluated whether the accounting policies used were appropriate and whether the estimates and disclosures made were reasonable.
- Assessed whether it was appropriate for the entity to prepare the financial statements using the "going concern" assumption – that is, the assumption that it will continue operating in the foreseeable future. If there were any doubts about this, I would have to highlight them in the audit report or modify my opinion if the financial statements didn't disclose them properly.
- Reviewed the overall presentation, structure, and content of the financial statements to ensure they fairly reflect the entity's actual transactions and financial position.

Communication with those charged with governance

I discussed the audit plan and key findings with the accounting officer, including any major weaknesses found in internal controls.

I also confirmed that I met all ethical standards for independence and disclosed any potential conflicts or relationships that might impact my objectivity. Where necessary, I explained what steps were taken to address those concerns.

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:





Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Municipal Finance Management Act no. 56 of 2003	99(2)(b); 99(2)(c), 95(d); 87(8); 87(6)(c); 122(1); 126(2)(b); 133(1)(a); 133(1)(c)(i); 133(1)(c)(ii) 97(h); 97(e); 97(f); 96(2)(a); 96(2)(b); 99(2)(g) 102(1); 102(2)(a); 172(3)(a) 87(5)(b); 88(1)(a) 116(2)(b); 116(2)(c)(ii); 112 (1)U
Municipal Supply Chain Management Regulations	12(1)(c), 16(a), 17(a) & (c); 17(a) & 17(b); 13(c); 43; 19(a) & (b); 36(1)(a); 12(3); 27(2)(a) & (e); 22(1)(b) & 22(2); 28(1)(a)(i); 21(b); 29(1) (a) & (b), 29(5)(a)(ii) & (b)(i); 38(1)(d)(ii) & (g)(iii); 38(1)(e.); 38(1)(g)(i); 38(1)(g)(ii); 32; 5; 44; 46(2)(f)
Municipal budget and reporting regulation	73(1); 73(2); 75(1); 75(2);
Companies Act	46(1)(a); (b); (c); 112(2)(a); 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 45(2)
Municipal investment regulation	3(2); 3(3); 6; 7; 12(2); 12(3); 90(1); 90(2)(a); 90(2)(b)
Financial Misconduct regulation	5(4); 6(8)(b); 10(1)
PRECCA	34(1)
Municipal Systems Act	93B(a); 5(2), 7(1) & (2); 5(1) and 5A(1) & (2).
PPPFA	2(1)(a); 2(1)(f);
PPR 2017	6(1) and 7(1); 6(8), 7(8), 10(1)&(2) & 11(1); 5(1) & 5(3); 5(6); 5(7); 9(1); 8(5)
PPR 2022	4(1) and 5(1); 4(4) & 5(4)
CIDB	18(1); 17; 25(7A)



ANNEXURE A: BOARD OF DIRECTORS; COMMITTEE ALLOCATION AND ATTENDANCE

BOARD MEMBER COMMITTEES ALLOCATED AND ATTENDANCE				
Committee Members	Full Time / Part Time FT/PT	Committees Allocated	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
			%	%
Mr. Sithole E (Chairperson)	FT	Chairperson of the Board	100%	N/A
Ms. Gumede V	FT	Remuneration, Social, Ethics and Transformation Chairperson	100%	N/A
Mr Vondo C	FT	Strategy and Operations Chairperson	71%	29%
Ms. Nkosi M	FT	Audit and Risk Committee Chairperson	100%	N/A
Ms. Ndlovu L	FT	Acting Chief Executive	74%	26%
Mr. Makhubela S	FT	Acting Chief Executive Officer	100%	N/A
Mr. Baloyi N	FT	Chief Financial Officer	77%	23%
Mr. Xalisa Z	FT	Non-Executive Director	100%	N/A
Mr Bolokang O	FT	Non-Executive Director	64%	36%
Mr. Ramabulana R	FT	Non-Executive Director	67%	33%
Mr. Tsotetsi G	FT	Non-Executive Director	100%	N/A
Ms. Mpongo N	FT	Non-Executive Director	100%	N/A
Ms. Vilakazi M	FT	Non-Executive Director	100%	N/A
Ms. Sicam N	FT	Non-Executive Director	100%	N/A
Mr. Shibambu M	FT	Non-Executive Director	93%	7%
Mr Son G (IAC)	FT	Independent Audit Committee Member	86%	14%
Mr. Karedi M (AIC)	FT	Independent Audit Committee Member	100%	N/A
Mr. Netshidzati G (AIC)	FT	Independent Audit Committee Member	86%	14%
Note: * Councillors appointed on a proportional basis do not have wards allocated to them				T A

ANNEXURE B: COMMITTEE AND COMMITTEE PURPOSE

COMMITTEES AND PURPOSES OF COMMITTEES	
Entity Committees	Purpose of Committee
Audit and Risk Committee (ARC)	The Committee has an independent advisory role with accountability to both the Board and the Shareholder. The main role of the Committee is to ensure the integrity of the financial reporting and audit process and to oversee the maintenance of sound internal control and risk management systems.
Remuneration, Social, Ethics and Transformation Committee (REMSETC)	The Committee is responsible ensure the company attends to all matters relating to Human Capital which includes to: • Enhance, broaden and develop the skills and talents of current and future employees, • Recommend annual salary increases for staff as well as the salary scale, • Review of the performance evaluation assessments for executives and to recommend performance bonuses or remedial intervention, • Facilitate recruitment of executives of the company. Further the Committee takes up the responsibility to develop and implement the Business Code of Conduct and Ethics. The Committee must monitor and report: • On the Company's social impact, • That the Company acts as a responsible corporate citizen,
Strategy and Operations Committee (SOC)	The main role of the Committee is to consider and recommend the Company's short, medium and long-terms strategy as recommended by management. Further the Committee will approve the Company's operational plans.

ANNEXURE C: THIRD TIER ADMINISTRATIVE STRUCTURE

JOBURG MARKET THIRD TIER STRUCTURE	
Directorate	Director/Manager (State title and name)
Office of the CEO	Acting Chief Executive Officer: Mr. Sello Makhubela
Company Secretary	Company Secretary: Mr. Keraan Singh
Executive: Strategy, Planning and Transformation	Executive Manager: Ms. Noxolo Mabuza (Acting)
	Senior Manager Strategy, Planning and transformation: Noxolo Mabuza
	Senior Manager Marketing and Communications: Mr. Hope Mabaso
Executive Corporate Services	Executive Manager: Ms. Phoebe Nimmerhoudt
	Senior Manager Legal: Mr. Ncaphayi Diko
	Senior Manager HR and Administration: Mr Ezekiel Kgomo
	Senior Manager SHE and Security Enforcement: Mr Malebo Malebo
	Senior Manager IT: Mr. Billy Vorster
Executive Operations	Executive Manager: Mr. Bongani Radebe(Seconded to Joscho)
	Executive Manager (Acting): Mr. Cedric Nephaw
	Senior Manager Infrastructure: Mr. Samuel Masike
	Senior Manager: Commision Business: Mr. Charles Park
	Senior Manager: Consignment Control: Mr. Thivhulai Mbedzi
	Senior Manager Property: Mr. Mqhele Mlotshwa
Finance	Chief Financial Officer:Mr. Nkosinathi Baloyi:
	Senior Manager Financial Accounting: Mrs. Lindo Nyembe-Ababio (Actng)
	Senior Manager Supply Chain:Ms. Boitumelo Lephadi (Acting)
	Senior Manager Management Accounting: Mr. Cedric Nephaw and Mr. Sello Mokhatla (Acting)
Office of the Chief Operations Officer	Chief Operations Officer (Acting): Mr. Charles Park
	Senior Manager: monitoring and Evaluation
Audit Risk and Compliance	Risk Officer: Mrs. Phindile Shabalala:Chief
	Senior Manager Internal Audit: Mr. Moses Mabunda
	Senior Manager: ERM
	Senior Manager: Compliance
Office of the Chief Information Officer	Vacant

ANNEXURE D: FUNCTIONS OF ENTITY

JOBURG MARKET FUNCTIONS	
Municipal Entity Functions	Function Applicable to Joburg Market (Yes / No)*
SDA functions:	
The provision and management of facilities and services for the distribution of fresh produce	Yes
Ensuring a competitive, resilient and sustainable fresh produce trading platform	Yes
Enabling market access, sustainable availability and affordable fresh produce	Yes
Enabling food security and safety and compliance to food quality standards	Yes
* If municipality: indicate (yes or No); * If entity: Provide name of entity	

ANNEXURE E: FUNCTIONALITY OF BOARD COMMITTEES

FUNCTIONALITY OF BOARD COMMITTEES					
COMMITTEE NAME	NAME OF COMMITTEE MEMBERS	COMMITTEE ESTABLISHED (YES / NO)	NUMBER OF MONTHLY COMMITTEE MEETINGS HELD DURING THE YEAR	NUMBER OF MONTHLY REPORTS SUBMITTED TO THE COMMITTEE	NUMBER OF QUARTERLY COMMITTEE MEETINGS HELD DURING YEAR
Audit and Risk Committee		Yes	N/A	N/A	7
Remuneration, Social, Ethics and Transformation Committee		Yes	N/A	N/A	5
Strategy and Operations Committee		Yes	N/A	N/A	4

ANNEXURE F: CAPITAL PROJECTS: SIX LARGEST

JOBURG MARKET					
Capital Projects: Six Largest in 2023/24			(Full List: Appendix O)		
No.	JSIP Number	Project Name and details	Start Date	End Date	Total Value
1	2598	Upgrades to the Main Building (Mandela Market, cold rooms and food courtyard)			R8,672,000
2	3331	Installation of Sprinkler System (fire Suppression System OHSA)			R10,357,000
3	22489	Upgrade of Banana Ripening and Cold Rooms			R20,000,000
4	22547	Alternative Energy Systems			R40 000,000
5	23093	Installation of Smart Meters – revenue protection			R12,000,000
6	24065	Ring Feed			R26,000,000

ANNEXURE G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

Independent Audit Committee Members

The independence of JM audit committee members is observed in compliance to the rules of the shareholder and the provisions of the King IV™ code. By providing an independent source of advice to the board, audit committees play a key role in an organisation's governance structure. To ensure the audit committee's independence, it is a leading practice by the shareholder to ensure that the majority of its members are independent from the organisation. The below table reflects the total number of meetings held and the recommendations made for the 2023/24 financial year;

ANNEXURE G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

INDEPENDENT AUDIT COMMITTEE RECOMMENDATIONS		
Date of Committee	Committee recommendations during 2023/24	Recommendations adopted If not adopted (provide explanation)
14/07/2023	The Q4 Report for FY 2022/23 be and is hereby recommended to the Board for approval.	Adopted
14/07/2023	The Compliance Management Policy be and is hereby recommended in principle to the Board for approval subject to the clarity-seeking questions being addressed.	Adopted
29/08/2023	The Audit Strategy as presented by the AGSA be and is hereby recommended to the Board for approval.	Adopted
29/08/2023	The unaudited financial statement for the year ended 30 June 2023 be and is hereby recommended to the Board for approval.	Adopted
29/08/2023	The draft performance information for FY 2022/23 be and is hereby recommended to the Board for approval.	Adopted
29/08/2023	The draft annual integrated report for FY 2022/23 be and is hereby recommended to the Board for approval.	Adopted
29/08/2023	The Draft Audit Strategy as presented be and is hereby approved, subject to amendments.	Adopted
16/10/2023	The Q1 Report for FY 2023/24 be and is hereby recommended to the Board for approval.	Adopted
16/10/2023	Management to track OPEX and CAPEX projects on a continuous basis.	Adopted
16/10/2023	Management to provide quarterly updates on internal audit activities going forward.	Adopted
16/10/2023	Management to submit a comprehensive report on litigation matters detailing each case.	Adopted
28/11/2023	The Auditor General SA Audit report and Management letter – year ended 2022/23 be and is hereby recommended to the Board for approval, subject to dealing with matters of consequence management and the disclosure note on “employee benefits”.	Adopted
28/11/2023	Management to submit a comprehensive report on litigation matters detailing each case.	Adopted
28/11/2023	The Audit and Risk Committee Report for the financial year ended 2022/23 be and is hereby approved subject to the report being improved per the recommendations made.	Adopted
28/11/2023	The audited financial statements for the year ended 30 June 2023 be and is hereby recommended to the Board for approval.	Adopted
28/11/2023	Management to compile a report on mitigation of risk exposure.	Adopted
28/11/2023	The annual integrated report for FY 2022/23 be and is hereby recommended to the Board for approval subject to the report being improved per the recommendations made.	Adopted
28/11/2023	The Mid-Year review report and scorecard be and is hereby recommended to the Board for approval subject to the report being improved per the recommendations made.	Adopted

ANNEXURE G: RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

16/01/2024	The Q2 Report for FY 2023/24 be and is hereby	Adopted
17/04/2024	The Q3 Report for FY 2023/24 be and is hereby	Adopted
17/04/2024	The following finance and supply chain management policies be and is hereby recommended to the Board for further approval: • Delegations of Authority, subject to amendments suggested by the Committee • Supply Chain Management • Petty Cash • Accounts Receivable • Trade Payables	Adopted
17/04/2024	The Asset Management Policy be circulated for round robin approval before the Board Meeting.	Adopted
17/04/2024	The Anti-Fraud and Corruption Policy be and is hereby recommended to the Board for approval.	Adopted
03/06/2024	The UIFW write-off be and is hereby recommended to the Board for approval, subject to comments adopted.	Adopted
03/06/2024	The Audit and Risk Committee Terms of Reference FY2024/25 be and is hereby adopted and recommended to the Board for approval.	Adopted

ANNEXURE H: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule								
(a) Service Indicators	2021/22		2022/23			2022/23		
	Target	Actual	Target	Actual		Target		
	*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
(b) Service Targets (ii)								
% Targeted market share held by JM in relation to other FPMs	45.4%	45.6%	45.6%	45.4%	45.6%	45.80%	48.22%	45.7%
RbN turnover achieved	R8.66Bn	R8.76Bn	R8.76Bn	R9.09Bn	R10.30Bn	R10.3Bn	R11.2Bn	R11 Bn
Percentage of spent on repairs and maintenance to property, plant, and equipment	85%	93.0%	93.0%	8%	8.6%	8%	19.9%	8.6%
Percentage spent on operating budget against approved operating budget	N/A	N/A	N/A	100%	100%	100%	100.2%	98%
Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	N/A	N/A	N/A	50%	99%	10%	67%	100%
Percentage of valid invoices paid within 30 days of invoice date	N/A	N/A	N/A	100%	100%	100%	100%	100%
Percentage spent on capital budget against approved capital budget	85%	86.2%	86.2%	100%	97%	100%	100.2%	100%
Number EPWP job opportunities created	55	118	118	65	103	90	119	N/A
Number of SMMEs supported	N/A	N/A	N/A	65	82	90	108	80
Percentage resolution of AG findings	85 to 95%	85%	85%	100%	100%	100%	100%	100%
Percentage resolution of Internal Audit findings	85 to 95%	85%	85%	100%	100%	100%	100%	100%
Percentage implementation of the strategic risk management action plan findings resolved	N/A	N/A	N/A	100%	100%	100%	71%	95%
Percentage resolution of Internal Audit findings	N/A	N/A	N/A	100%	83.3%	83%	100%	83%
<i>Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; * 'Current Year' refers to the targets set in the Year 0 Budget/IDP round.</i>								

ANNEXURE I: DISCLOSURE OF FINANCIAL INTEREST

Disclosures of Financial Interests		
Period 1 July 2023 to 30 June 2024 of 2023/2024		
Position	Name	Description of Financial interests* (Nil / Or details)
Company Secretary	Keeran Singh	ARC Investments (Ordinary Shares) African Dawn Cap Ltd (Ordinary Shares)
		JM Company Secretary
Chief Executive Officer (A)	Sello Makhubela	JM Chief Executive Officer (Acting)
Chief Financial Officer	Nkosinathi Baloyi	JM Chief Financial Officer
Executive Manager	Phoebe Nimmerhoudt	JM Executive : Corporate Services
	Charles Park	JM Executive: Chief Operating Officer (Acting)
		Phuthumani Shares
	Phindile Shabalala	JM Board Member
	Cedric Nephawe	JM Executive Manager (Acting)
Other S57 Officials		
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J		

ANNEXURE J: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Project	Responsible Department	Project Number	Original Budget	Adjustment Budget	Actual	Variance adjusted budget %
Upgrades to the main building (Mandela Market, cold rooms & food courtyard)	PMO	2598	R18 753 000	R8 672 000	R8 832 891	101.9%
Installation of Sprinkler System (fire Suppression System OHSA)	PMO	2598	R8 075 000	R10 375 000	R10 151 941	97.9%
Upgrade of Banana Ripening and Cold rooms	PMO	22489	R20 000 000	R20 000 000	R19 130 942	95.7%
Smart Market Project	PMO	22541	R1 500 000	R540 000		0.0%
Alternative Energy Systems	PMO	22547	R40 000 000	R40 000 000	R44 000 000	110%
Installation of Smart meters-revenue protection	PMO	23093	R12 000 000	R12 000 000	R12 440 993	103.7%
Rocker bins	PMO	24604	R2 000 000	R600 000		0.00%
Ring feed	PMO	24065	R26 000 000	R26 000 000	R27 140 699	104.4%
Cashless project	PMO	31060	R20 000 000	R2 600 000		0.00%
Soweto Project	PMO	31063	R2 000 000	R720 000		0.00%

ANNEXURE 1 – KPI DEFINITIONS

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION AND METHOD OF VERIFICATION (MOV)
1.1	% Targeted market share held by JM in relation to other FPMs	This KPI aims at Joburg Market achieving a set quarterly target market percentage share rating in relation to the 18 fresh produce markets of which the national statistics are published monthly by the SAUFM. * SAUFM– South African Union of Food Markets for member markets. *NDAFF – National Department of Agriculture, Forestry and Fisheries for Cape Town Market.	This information comes from Monthly National Statistical Reports generated by the South African Union of Food Markets	The indicator is calculated by dividing the turnover at JM by the total turnover in 18 national fresh produce markets, multiplied by 100 to get the percentage market share	JM is dependent on statistical information received from SAUFM. MOV: For the 17 member markets use monthly markets return to populate JM control sheet For Cape Town Market use the Monthly official NDAFF report to populate the JM control sheet. The JM control sheet produces the exact calculation of JM market share.
1.2	RBN turnover achieved	The KPI measures the value of produce sold on the JM through its SPS system.	The KPI is intended to indicate progressive growth in turnover	The information is derived from SPS	Monthly and Quarterly Sales figures are aggregated to produce a cumulative figure MOV: Generate the monthly report for turnover on JM from the SPS central trading system
1.3	Percentage of spent on repairs and maintenance to property, plant, and equipment.	It measures the level of Repairs & Maintenance to prevent breakdowns and interruptions to service delivery.	JM financial accounts	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	None identified

DATA LIMITATION	TYPE OF INDICATOR	CALCULATION TYPE	REPORTING CYCLE	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
The indicator is measuring outcomes	The reported performance is cumulative	The indicator is reported quarterly	The indicator continues without change from previous year	Performance that is higher is desirable	Snr. Manager Strategic planning
No limitation identified	The reported indicator is cumulative	The indicator is reported quarterly	The indicator continues without change from previous year	Performance that is higher is desirable	Executive: Operations & CFO
Cumulative	Monthly	Yes	8%	Percentage of spent on repairs and maintenance to property, plant, and equipment.	It measures the level of Repairs & Maintenance to prevent breakdowns and interruptions to service delivery.

ANNEXURE 1 – KPI DEFINITIONS (CONTINUATION)

KPI NO.	KPI	SHORT DEFINITION	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION
1.4	Percentage operating budget spent against approved budget	Operational costs spent by the organisation against the allocated budget the organization against the allocated budget. The objective is to improve, stabilize and sustain a positive financial position	JM financial accounts	Actual costs /Allocated budget *100
1.5	Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred citywide	Percentage reduction on UIFWE compared to the previous financial year AG finding.	JM financial accounts	The UIFW Expenditure closing balance of the current financial year against (will be compared with) the closing balance of the previous financial year.
1.6	Percentage of valid invoices paid within 30 days of invoice date	It measures the percentage of valid invoices paid within 30 days. The objective is to increase the number paid within 30 days	JM financial accounts	Total number of invoices processed for the month/ Number of invoices paid within 30 days *100
1.7	Percentage capital budget spent against approved capital budget.	The Capex spent on projects against the approved budget. The objective is to improve, stabilize and sustain a positive financial position.	JM financial accounts	Total Capex spend divide by the budget Capex spend* 100
2.1	EPWP job opportunities created	Beneficiaries of job opportunities through EPWP.	JM Payroll	Number of jobs created per annum
2.2	Number of SMME's supported	The number of SMMEs participating in Joburg Market available job opportunities.	JM SCM report	Total number of SMMEs doing business with Joburg Market
3.1	Percentage resolution of AG findings	It measures the number of audit findings resolved against the total number of audit findings issued by the AGSA	Internal Audit Reports	Total number of Auditor General findings resolved/ total number of Auditor General findings (excluding findings that are less than 60 days) *100

DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE
None	Cumulative	Monthly	No	100%
None	Non-cumulative	Quarterly/ Annually	No	50%
None identified	Non-cumulative	Monthly	Yes	100%
None identified	Cumulative	Monthly	No	100%
None identified	Cumulative	Quarterly	No	90%
None identified	Cumulative	Quarterly	No	90%
None identified	Cumulative	Annually	Yes	100%

ANNEXURE 1 – KPI DEFINITIONS (CONTINUATION)

KPI NO.	KPI	SHORT DEFINITION	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION
3.2	Percentage resolution of Internal Audit findings	It measures the number of audit findings resolved against the total number of audit findings issued by the internal audit	Internal Audit Reports	Total number of internal audit findings resolved/total number of internal audit findings (excluding findings that are less than 60 days) *100
3.3	Percentage implementation of the strategic risk management action plan findings resolved	The percentage of strategic risk action plans implemented compared to the total number of strategic risk action plans.	Governance Report; Strategic Risk Plan; Strategic Risk Register and Audit Report	Number of implemented strategic risk action plans divided by total number of strategic risk action plans multiplied by 100
3.4	Percentage achievement of Service Level Standards (SLS)	The percentage of Service Level Standards achieved of the total approved number of Service Level Standards	JM service level reports	The number of KPIs achieved in the Service Level Standards Agreement against total no of Service Level Standards achieved multiply by 100



DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE
None identified	Cumulative	Annually	Yes	100%
None identified	Cumulative	Quarterly	Yes	100%
None identified	Non-cumulative	Monthly	No	83%



THE END!

THANK
YOU





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