

**PROVINSIALE TESOURIE • PROVINCIAL TREASURY •  
UNONDYEBO WEPHONDO**



Verwysing  
Reference  
Isalathiso

PT 13/5/2

Navrae  
Enquiries  
Imibuzo

S Hanekom

**TREASURY CIRCULAR NO. 07/2007**

THE PREMIER

THE MINISTER OF AGRICULTURE  
THE MINISTER OF COMMUNITY SAFETY  
THE MINISTER OF CULTURAL AFFAIRS, SPORT AND RECREATION  
THE MINISTER OF EDUCATION  
THE MINISTER OF ENVIRONMENT, PLANNING AND ECONOMIC DEVELOPMENT  
THE MINISTER OF FINANCE AND TOURISM  
THE MINISTER OF HEALTH  
THE MINISTER OF LOCAL GOVERNMENT AND HOUSING  
THE MINISTER OF SOCIAL SERVICES AND POVERTY ALLEVIATION  
THE MINISTER OF TRANSPORT AND PUBLIC WORKS

For information

THE SPEAKER: PROVINCIAL PARLIAMENT  
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

ALL OTHER MEMBERS OF PARLIAMENT

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (DR GA LAWRENCE)  
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR P WILLIAMS)  
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (MR M DELIWE)  
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR RB SWARTZ)  
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)  
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MS S MAJIET)  
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T TOLMAY)  
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR T MANYATHI)  
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)  
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (DR H FAST) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR MN LINDIE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR H ARENDSE)  
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS A SMIT) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)  
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M MACIKAMA) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)  
THE CHIEF FINANCIAL OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MR PAE BREDEKAMP)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)  
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)  
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)  
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR A ASSIM)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE HEAD: SUSTAINABLE RESOURCE MANAGEMENT (MS SMA ROBINSON)  
THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)  
THE HEAD: FINANCIAL GOVERNANCE (MR TC ARENDSE)  
THE HEAD: PUBLIC FINANCE (MR H MALILA)  
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)  
THE SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT (MS C MILES) (ACTING)  
THE SENIOR MANAGER: ACCOUNTING (MR A REDDY)  
THE SENIOR MANAGER: NORMATIVE FINANCIAL MANAGEMENT (MR F JACOBS) (ACTING)  
THE SENIOR MANAGER: ENTERPRISE RISK MANAGEMENT AND GOVERNANCE SYSTEMS (MR L NENE)  
THE CHIEF AUDIT EXECUTIVE (MS R JAFTHA)  
THE SENIOR MANAGER: ECONOMIC ANALYSIS (MS B BOQWANA)  
THE SENIOR MANAGER: FISCAL POLICY (MR D CORNELISSEN) (ACTING)  
THE SENIOR MANAGER: BUDGET MANAGEMENT (MS AJ HICKEY)  
THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MR DG BASSON)  
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (MR G PAULSE)  
THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)  
THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT  
THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)  
THE HEAD: OFFICE OF THE MINISTRY (MR G GESWINDT)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

## **CASH FLOW FORECAST FOR 2007/08**

### **1. PURPOSE**

- 1.1 The purpose of this circular is to once again bring the contents of section 40(4)(a) of the Public Finance Management Act, 1999 (Act 1 of 1999), as amended, as well as National Treasury Regulation 15.10.2.1, to the attention of the accounting officers.

### **2. BACKGROUND**

- 2.1 Kindly refer to previous Treasury Circulars issued in this regard; the most recent being No. 4/2006 dated 20 February 2006.
- 2.2 For ease of reference, the prescripts mentioned in paragraph 1.1 above, are hereby quoted:

#### **SECTION 40(4)(a):-**

“The accounting officer of a department must each year before the beginning of a financial year provide the relevant treasury in the prescribed format with a breakdown per month of the anticipated revenue and expenditure of that department for that financial year.”

#### **TREASURY REGULATION 15.10.2.1:-**

“The accounting officer must annually submit to the relevant treasury a breakdown of anticipated revenue and expenditure in the format determined by the National Treasury, no later than the last working day of February preceding the financial year to which it relates.”

### **3. FORECAST FOR 2007/2008**

- 3.1 The cash flow projections for 2007/2008 in terms of section 40(4)(a) of the Public Finance Management Act, 1999 (Act 1 of 1999), as amended, must therefore be submitted to the Provincial Treasury in the prescribed IYM format for consolidation and submission to the National Treasury. This information must obviously balance and match the appropriated budget.

- 3.2 Departments are reminded that in terms of the Budget Reform agenda, drawings on the Provincial Revenue Fund must be linked to the targets set in each department's 2007 Strategic and Performance Plans.
- 3.3 The contents of Treasury Regulations 15.10.2.3 and 15.10.2.4, regarding the limitations to draw amounts from the revenue fund for more than what has been approved, as well as the restrictions to adjust the approved projections must be adhered to.
- 3.4 With reference to Treasury Circular 32/2005 (Supplementary No. 1 of 2005), paragraph 6 to 9, the Provincial Treasury will not allow departments to exceed the monthly projected cash flow requirements. Only in exceptional cases and only after receipt of a written motivation, indicating the reasons for the under / over expenditure and steps implemented to prevent a re-occurrence, will consideration be given to the roll-over of the cash withdrawals to the next month.

#### 4. SUBMISSION OF INFORMATION

- 4.1 The IYM format has already been made available to the relevant official in each department. Should any problems be encountered, please contact Surita Hanekom at 483-5203 or e-mail [suhaneko@pgwc.gov.za](mailto:suhaneko@pgwc.gov.za). **The completed schedules must be submitted via e-mail to Ms Hanekom by no later than 28 February 2007.** It is imperative that the information is received electronically as the various inputs must be consolidated and forwarded to the National Treasury via e-mail.

5. Your co-operation in this regard will be greatly appreciated.



**A BASTIAANSE**

**SENIOR MANAGER: SUPPORT & INTERLINKED FINANCIAL SYSTEMS**

**DATE:** 15 February 2007