



# PROVINCIAL TREASURY

Provincial Government of the Western Cape

## FINANCIAL GOVERNANCE

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**REFERENCE:** T7/2/1

**ENQUIRIES:** HJ du Toit

## TREASURY CIRCULAR NO. 3 /2011

THE PREMIER

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT  
THE MINISTER OF COMMUNITY SAFETY  
THE MINISTER OF CULTURAL AFFAIRS AND SPORT  
THE MINISTER OF EDUCATION  
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM  
THE MINISTER OF HEALTH  
THE MINISTER OF HOUSING  
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING  
THE MINISTER OF SOCIAL DEVELOPMENT  
THE MINISTER OF TRANSPORT AND PUBLIC WORKS  
THE SPEAKER: PROVINCIAL PARLIAMENT  
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT  
ALL OTHER MEMBERS OF PARLIAMENT

} For information

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)  
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 (DR GA LAWRENCE)  
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)  
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KC HOUSEHAM)  
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)  
THE ACCOUNTING OFFICER: VOTE 8: HOUSING (MR M TSHANGANA)  
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS)  
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)  
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)  
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)  
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)  
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON))  
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)  
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)  
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: HOUSING (MR F DE WET) (ACTING)  
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 (MS BG RUTGERS)  
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MR F DE WET) (ACTING)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)  
THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR TC ARENDSE)  
THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)  
THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)  
THE HEAD: FINANCIAL GOVERNANCE (MR A REDDY) (ACTING)  
THE HEAD: ASSET MANAGEMENT (MR TC ARENDSE) (PRO TEM)  
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)  
THE SENIOR MANAGER: ACCOUNTING SERVICES: PROVINCIAL GOVERNMENT (MR A REDDY)  
THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MR A REDDY) (PRO TEM)  
THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)  
THE SENIOR MANAGER: BUDGET MANAGEMENT: PROVINCIAL GOVERNMENT (MS M SHERATON)  
THE SENIOR MANAGER: BUDGET MANAGEMENT: LOCAL GOVERNMENT (MR ML BOOYSEN)  
THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)  
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR F SABBAT)  
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MR M SIGABI)  
THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS C HORTON)  
THE SENIOR MANAGER: IMMOVABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)  
THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT (MS N EBRAHIM)  
THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)  
THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS A SMIT)  
THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

## INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2010

### Purpose

1. The purpose of this Circular is to request Accounting Officers (AO) and Chief Financial Officers (CFO) to compile and submit Interim Financial Statements (IFS) as at 31 December 2010.

### Background

2. In terms of Practice Note 1 of 2010/11, paragraph 8.3, issued by the National Treasury: Office of the Accountant-General, departments are required to compile and submit IFS within 30 days after the periods ending 30 September 2010 and 31 December 2010.
3. The Interim Financial Statements as at the end of September 2010 have been assessed and reports will be issued to Accounting Officers by 31 January 2011.
4. The Provincial Treasury did request National Treasury for exemption from compiling IFS as at 31 December 2010, for which approval was not granted by the Accountant – General of the National Treasury.
5. In order to comply with the National Treasury Practice Note 1 of 2010/11, the interim financial reporting requirements as at 31 December 2010 has been refined to build on the value added by previous processes. Interim financial statements must be compiled on a quarterly basis i.e. 30 September and 31 December. Given time and capacity constraints and the year – end processes involved, IFS as at 31 December 2010 must be compiled consisting of the financial statements and notes only. Disclosure notes and annexures are not required.

### Basis for Preparation

6. The IFS 2010/11 as at 31 December 2010 must be prepared based on the 2010/11 IFS for the applicable reporting period (1 April – 31 December 2011), excluding disclosure notes and annexures.
7. The latest template and guidance for compiling the IFS can be down loaded from the NT OAG website by following the link: [www.treasury.gov.za/oag/publications/interim financial statements](http://www.treasury.gov.za/oag/publications/interim%20financial%20statements).
8. BAS Reports

The Trial Balance must be drawn from BAS as at 31 December 2010 after month closure has been effected.



## Reporting Requirements

9. Departments must compile IFS as at 31 December 2010 and submit it to the Provincial Treasury: Provincial Government Accounting Services by 15 February 2011 based on:
- AO letter – Annexure A
  - Interim AFS Excel template
10. The following information is not required:
- Appropriation Statement
  - Notes to the Appropriation Statement
  - Disclosure Notes
  - Annexures
11. The following additional reporting requirements should be noted:
- In note 1, the voted funds received by the department should be disclosed.

## Way Forward

12. The following time frames will apply for the managing of the IFS process for the period ending 31 December 2010:

**Table 1: IFS process and steps**


No.	Action/step	Responsibility	Due date
1.	Issue IFS Circular	Provincial Government Accounting Services	24 January 2011
2.	Submit IFS to PT: Provincial Government Accounting	Departments	15 February 2011
3.	Review the information/template submitted for accuracy and completeness and clear with CFO, where required.	Provincial Government Accounting Services	28 February 2011
4.	Refer any unresolved issues to the CFO for further attention.	Provincial Government Accounting Services	15 March 2011

13. The following officials may be contacted for any enquires and assistance during this process:

**Table 2: Provincial Government Accounting Services**

Department	Name	Telephone number	e-mail address
Environmental Affairs &	Kwandisa Dinga	483-6802	Kdinga@pgwc.gov.za

Department	Name	Telephone number	e-mail address
Education Economic Development and Tourism	Shaun Manuel	483-6600	Spmanuel@pgwc.gov.za
Health	Neil Schippers	483-8666	Nschippe@pgwc.gov.za
Premier Local Government Housing	Latimer Jeffery	483-8621	Ljeffery@pgwc.gov.za
Transport and Public Works	Yolanda Solomons	483-6415	Ysolomon@pgwc.gov.za
Provincial Treasury Provincial Parliament Cultural Affairs and Sport	Luthando Botshobana	483-3884	Lbotshob@pgwc.gov.za
Social Development Agriculture Community Safety	Andrea Wolfaardt	483-6289	Awolfaar@pgwc.gov.za



**PROVINCIAL ACCOUNTANT-GENERAL**

DATE: 25/01/2011

**CONFIRMATION OF THE ACCURACY AND COMPLETENESS OF THE INTERIM ANNUAL FINANCIAL STATEMENTS SUBMITTED**

TO: .....<sup>1</sup> DATE: .....

**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2010**

I hereby acknowledge that the interim annual financial statements of .....<sup>2</sup>, have been submitted to the Provincial Treasury.

I acknowledge my responsibility for the accuracy of the accounting records and the fair presentation of the interim financial statements and confirm, to the best of my knowledge and belief, the following:

- The interim financial statements have been prepared in accordance with modified cash basis of accounting in terms of Treasury Circular no 3 of 2011;
- The interim financial statements are complete and accurate;
- All amounts appearing on the interim financial statements have been cast and cross-cast and been accurately cross referenced;
- The interim financial statements are free from material misstatements, including omissions; and
- Accounting estimates are reasonable in the circumstances.

Yours faithfully

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ACCOUNTING OFFICER

<sup>1</sup> The letter should be addressed to Provincial Treasury as required by Provincial Treasury circular 3/2011.

<sup>2</sup> Insert the name of the entity.