

## BOOK CLOSURE REQUIREMENTS

1. This annexure serves to summarise the following:

### BAS and LOGIS EBT payments and receipts

2. For expenditure on **BAS** to be recorded against the current financial year's budget (2022/2023), the department must ensure that the expenditure is authorised by no later than **24 March 2023**. The settlement date of these payments should be defaulted by the system and not changed by the department. (Except for **Vote 8 and Vote 10 expenditure must be authorised by no later than 28 March 2023**)

Payments with a release date of **31 March 2023**, will only be actioned in the new financial year if available cash allows.

- 2.1 For capturing expenditure on **LOGIS**, the settlement date for payments must be **24 March 2023**. Payments with **a settlement date after 24 March 2023** will only be paid in the new financial year. (Except for **Vote 8 and Vote 10** the settlement date for payments must be **28 March 2023**)

- 2.2 Please note for LOGIS payments:

- a) The process flag and the re-submission queue must be clear; and
- b) The payment must be 'awaiting disbursement' on ENDO.

- 2.3 **NB: Departments are strongly advised not to delay capturing of payments until 24 March 2023 as this may cause a system overload** (Except for **Vote 8 and Vote 10**, who are allowed to capture payments until the **28th of March 2023**)).

### Deposits

- 2.4 Monies received and receipted on the last working day of the financial year, i.e. **31 March 2023**, must be banked on the same day. BAS manual receipts must be issued in respect of monies received after banking hours on **31 March 2023** and must be dated **1 April 2023**. The words "Received after banking hours" must be endorsed on such receipts for audit purposes. These receipts must be banked on **1 April 2023** and captured on BAS.

### Petty cash expenditure

- 2.5 All petty cash expenditures up to **31 March 2023** and especially reimbursements, by means of, payment advice must be accounted for during March 2023.

### Accounting Month March (3) Transactions

- 2.6 It is imperative that the correct accounting month is used at all times when expenditure is being processed in respect of the 2022/23 financial year.

## Inter-departmental balances

- 2.7 Departments are urged to clear all inter-departmental balances before year-end. When a claim has been settled and the receipt accounted for after 1 April 2023, an explanatory note must be included in the relevant annexure. The schedule below reflects the final settlement dates for payments:

| Payment type       | Payment date  |
|--------------------|---|
| BAS and LOGIS EBTs | <b>31 March 2023</b>  |
| PERSAL             | The last supplementary run will be by <b>22 March 2023</b> for payment <b>27 March 2023</b> |

- 2.8 The date set by National Treasury for the final book closure for the 2022/23 financial year on BAS is **28 April 2023**.

**NB: Departments that fail to close before 16:00 pm on 28 April 2023 will be force-closed.**

## FINANCIAL YEAR-END PROCEDURES

3. The checklist provided in paragraph 5 of BAS Notice 1 of 2023 (**Annexure 3**) serves as a guideline to assist departments to successfully close off for the 2022/23 financial year within the set target dates.

### Asset and liability accounts

4. Every attempt must be made to follow up and clear outstanding amounts currently in the asset and liability accounts. **Annexure 3 appended to BAS Notice 1 of 2023** contains the accounts that must/preferably have a zero balance at financial year-end.

### Year-end procedures

5. The following procedures should be strictly adhered to on the day departments close their financial year:
- 5.1 Request two trial balances (**totals on Fund 2, Item 3, Item 6, and Item 9**) as at **31 March 2023** (one immediate and one deferred) after capturing and authorising the month closure, but before the year-end batch run.
- 5.2 Please remember to request all departmental-specific reports (i.e. trial balances) before capturing the month closure on BAS (Reports must be requested "immediately" to reflect the accounts before closure).

## PERSAL RELATED REPORTS

6. **NB: All departments have the functionality on PERSAL to draw all PERSAL reports to compile the AFS as at 31 March.**

| Report Name                      | Purpose   | Report No.             | Note   |
|----------------------------------|---|------------------------|--|
| <b>State Guarantee Liability</b> | To compile: Contingent Liabilities; Housing Loan Guarantees | 7.11.15 as at 31 March | Standard PERSAL Report   |
| <b>Leave in monetary value</b>   | Employee benefits: Leave entitlement                        | 7.11.13 as at 31 March | All Leave forms of the modernized departments must be submitted to Corporate Service Centre (CSC) by <b>21 April 2023</b> to update all leave records on PERSAL (Capped leave included). |

| Report Name                                      | Purpose                                    | Report No.  | Note   |
|--|--|---|--|
| <b>XX7013 for leave captured early and late.</b> | Leave forms captured early and late.       | XX7013 that should be used in conjunction with the PERSAL Report 7.11.13. | Developed by PT Systems and will be made available to departments <b>by 19 May 2023.</b> |
| <b>Service Bonus Liability</b>                   | Employee benefits: 13 <sup>th</sup> cheque | 7.11.14 as at 31 March  | Standard PERSAL Report   |
| <b>Key Management Personnel</b>                  | Key Management Personnel: Salaries         | XX1015 as at 31 March   | The CFO office of departments has direct access to the available information.            |

- 6.1 Information on PERSAL Report XX1015 will be updated and made available to departments via PERSAL Share for Key Management Personnel information.
- 6.2 CSC will confirm by **15 May 2023** that all leave forms received by **21 April 2023** related to the period 31 March 2023 have been captured.
- 6.3 Information on Compensation of Employees: Internships will be provided to departments via XX1015.
- 6.4 Departments to utilise **Report SR 0031**, printed during the month of April 2022, for all payments related to March 2022 that was paid in April 2022. Leave captured late/early to be provided by PT Systems on **19 May 2023**. Departments should note that leave information not captured as at **15 May 2023** will not be reflected on this report.
- 6.5 The Departments of Health and Education must request the prescribed reports on contingent liabilities and employee benefit provisions from PERSAL on **31 March 2023**.

#### PROCEDURES FOR POST-FINANCIAL YEAR-END CLOSURE

7. The **following** procedures should be executed after the departments have closed the financial year:
- 7.1 Departments should verify that the financial year-end closure batch did process the trial balance report. This report should be kept safely as it would be cleared from the report log on BAS after a period of one week and is required for the compilation of your AFS.
- 7.2 Additional reports required for compiling the AFS include, *inter alia* debtor's reports, detailed reports on expenditure and revenue, etc. as at **31 March 2023** should be requested as soon as the closure of the financial year is authorised.
- 7.3 If the net results of the financial year-end are not as follows, contact the Provincial Treasury BAS User Support:
- All EXPENDITURE (Payment) accounts must have a zero (0) balance;
  - All REVENUE (Receipt) accounts must have a zero (0) balance;
  - The General Account of Fund/Vote account must have a zero (0) balance; and
  - The General Account of Revenue account must have a zero (0) balance.

**FINAL AUDIT CLOSURE**

8. Once the Auditor-General of South Africa's (AGSA) report has been received and all adjustment journals (if applicable) have been captured, the Period Opening and Closing functionality in BAS must be used to finally close (audit closure) the financial year.
9. Important to note, that each Department is requested to submit to the Provincial Treasury: Provincial Government Accounting and Compliance unit a confirmation letter certifying that the accounting month for March (3) has been finally closed on BAS.

**LOGIS Reports**

10. The LOGIS Financial Year-end 2022/23 Preparation Plan, Action Plan, and Checklist is available on the LOGIS Website: <https://logis.pwv.gov.za/logisweb/Procedures>BusinessSupport>Functional>Year-End> (see Annexure 4).
11. It is recommended that Departments compile manual reconciliations on opening and closing balances for major assets, minor assets, and inventory based on the available LOGIS reports (see Annexure 5).

**IMPORTANT DATES**

12. The following table presents a summary of important dates that departments must adhere to:

| Action  | Date  | Reporting authority              |
|---|---|----------------------------------|
| Last payment date for BAS and LOGIS payments.<br><br>(Except for <b>Vote 8 and Vote 10 by no later than 28 March 2023</b> ) | <b>24 March 2023</b>  | Departments                      |
| Settlement date for current payments.<br>(Except for <b>Vote 8 and Vote 10 by no later than 28 March 2023</b> )             | <b>24 March 2023</b>  | Departments                      |
| BAS and LOGIS EBTs.   | <b>31 March 2023</b>  | Departments                      |
| PERSAL last run.  | Departments of Health and Education <b>22 March 2023</b> Rest of Departments <b>22 March 2023</b> | Departments                      |
| Request two trial balances.   | <b>31 March 2023</b>  | Departments                      |
| Request PERSAL reports.   | <b>31 March 2023</b>  | Departments                      |
| Health and Education request reports on contingent liabilities and employee benefits on PERSAL.                             | <b>31 March 2023</b>  | Departments                      |
| Final book-closure date on BAS.   | <b>28 April 2023</b> before 16:00   | Departments                      |
| Submit confirmation letter certifying accounting month March (3) closed on BAS.   | After audit has been finalised.   | PT: PG Accounting and Compliance |