

Reference number: RCS/C.6

Private Bag X9165
CAPE TOWN
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TREASURY CIRCULAR NO. 23/2019

THE PREMIER

THE MINISTER OF AGRICULTURE

THE MINISTER OF COMMUNITY SAFETY

THE MINISTER OF CULTURAL AFFAIRS AND SPORT

THE MINISTER OF EDUCATION

THE MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

THE MINISTER OF HEALTH

THE MINISTER OF HUMAN SETTLEMENTS

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

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (MR H MALILA)

THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R ADAMS)

THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MS J GANTANA)

THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (MR G MORRIS)

THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR BK SCHREUDER)

THE ACCOUNTING OFFICER: VOTE 6: HEALTH (DR B ENGELBRECHT)

THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)

THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR T MGULI)

THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)

THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MS J GOOCH)

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 (MR G PAULSE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)

THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)

THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MS A SMIT)

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 S KAYE)

THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)

THE CHIEF FINANCIAL OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR F DE WET)

THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T GILDENHUY)

THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (ADV. C SMITH)

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 (MS B SEWLALL-SINGH)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (MS J GANTANA) (ACTING)

THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (PRO TEM) (MS J GANTANA)

THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)

THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS R SLINGER) (ACTING)

THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK) (ACTING)

THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR M SIGABI) (ACTING)

THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)

THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)

For information

THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS V COETZEE) (ACTING)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)
 THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)
 THE DIRECTOR: FISCAL POLICY (DR N NLEYA)
 THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR L BRINDERS)
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR M BOOYSEN)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR E JOHANNES) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI) (PRO TEM)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE) (ACTING)
 THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK) (PRO TEM)
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS JA HENDRICKS) (ACTING)
 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2019 TO 31 MARCH 2020

PURPOSE

- To inform Accounting Officers (AOs) and Chief Financial Officers (CFOs) of the requirements for compiling and submitting of Interim Financial Statements (IFS) as at:

Period ending	Due date
30 June 2019	30 July 2019
30 September 2019	30 October 2019
31 December 2019	30 January 2020
31 March 2020	Not required

- To note that Provincial Treasury Circular 24 of 2018 dated 7 July 2018 and all relevant supplementary circulars are hereby withdrawn in its entirety.

BACKGROUND

- In terms of National Treasury (NT) Instruction No. 2 of 2018/19 dated 14 January 2019, paragraph 6.3, (see attached), departments are required to compile and submit IFS within 30 days after the periods ending 30 June 2019, 30 September 2019 and 31 December 2019.
- Furthermore, paragraph 6.4 of the Instruction, states that Departments are not required to complete the IFS for the period ending 31 March 2020.

BASIS FOR PREPARATION

- The IFS in respect of the 2019/20 financial year ending as at **30 June 2019, 30 September 2019 and 31 December 2019** respectively, must be prepared based on the final NT 2018/19 Annual Financial Statements template.
- Departments should note that the 2019/20 IFS must be prepared in terms of the Modified Cash Standard read with the additional guidance provided in the Accounting Manual for Departments, issued by NT.

7. The IFS template for 2019/20 will be based on the final populated AFS template of the 2018/19 financial year. Departments are requested to follow the process below:

- *“Go to the Cover sheet. Select the relevant year and relevant quarter from the drop-down menu, i.e. “2019/20” and “Quarter 1”.*
- *Click on the “Clear contents” button at the top of the Cover sheet. This function will clear all capturing cells (blue cells) other than any merged blue cells and the Appropriation Statement.*
- *The Appropriation Statement has its own “Manage Data” button to be able to manage the clearing of information in the Appropriation Statement as well as to carry over previous year figures.*
- *Merged cells must be manually cleared where the information is not relevant to the current year.*
- *There is no Import data button on the Prior Yr TB. The department should check that the amounts are rolled over correctly from the Prior Yr TB to the relevant sheets by running the “Import prior year TB Numbers” macro.*
- *Import the current year TB into the Current Yr TB sheet and map the relevant items.*
- *Check that the programme and sub-programme structure for 2019/20 is correct and inform PT where there are discrepancies. Send PT the correct approved structure including where there are transfer of functions and prior year programmes/sub-programmes that should be included for comparatives. NT will then be requested to create a specific macro to address these.*
- *Proceed to complete the rest of the template.”*

8. Departments should save the template as at each quarter and use the same template for the next quarter. Departments have the option to populate the Appropriation Statement during the year or not, as it is not compulsory for the IFS.

9. **BAS Reports**

The Trial Balance must be drawn from BAS as at 30 June 2019, 30 September 2019, and 31 December 2019 respectively after month closure has been effected.

10. **LOGIS Reports**

LOGIS Reports as at the end of each quarter must be requested for the compilation of disclosure notes.

11. **PERSAL Reports**

The PERSAL reports as at each quarter must be requested from the system and where applicable from the Corporate Services Centre (CSC).

12. **Audit File**

The IFS must be submitted together with an Audit Information File which should be aligned to the requirements of Treasury Circular 8 of 2019 dated 8 March 2019.

13. **GG Vehicles**

For the periods ending 30 June 2019 and 31 December 2019, GG Vehicle disclosure information will not be provided by GMT. The future lease commitments and asset disclosure will not be required for the IFS as at 30 June 2019 and 31 December 2019. The information for the period ending 30 September 2019 will be provided and must be disclosed.

14. REPORTING REQUIREMENTS

The following must be submitted to the Provincial Treasury: Provincial Government Accounting and Compliance:

- 1 Hardcopy of the IFS
- Excel version
- Certificate signed by AO (Annexure F of NT Instruction 2 of 2018/19)
- Audit Information File

WAY FORWARD

15. The following time frames will apply for the managing of the IFS process for the period ending 31 March 2020:

Table 1: IFS process and steps

	Action/step	Responsibility	30 June 2019 Due date	30 September 2019 Due date	31 December 2019 Due date
1.	Submit IFS to PT: Provincial Government Accounting	Departments	30 July 2019	30 October 2019	30 January 2020
2.	Review the IFS and supporting information submitted for accuracy and completeness and clear with CFO, where required	Provincial Government Accounting and Compliance	8 August 2019	8 November 2019	7 February 2020
3.	Refer any unresolved issues to the CFO for further attention	Provincial Government Accounting and Compliance	16 August 2019	15 November 2019	14 February 2020
4.	Conduct an assessment based on the audit file information and IFS and inform CFO of findings	Provincial Government Accounting and Compliance	23 August 2019	22 November 2019	21 February 2020
5.	Compile and issue assessment report to the AO/CFO	Provincial Government Accounting and Compliance	30 August 2019	29 November 2019	28 February 2020
6.	Follow up on action plans to address recommendations	Provincial Government Accounting and Compliance	20 September 2019	24 January 2020	20 March 2020

Your co-operation in this regard is highly appreciated.

A handwritten signature in black ink, appearing to read 'A Reddy', written in a cursive style.

MR A REDDY
DIRECTOR: PROVINCIAL GOVERNMENT AND ACCOUNTING
DATE: 16 July 2019