

Reference number: RCS/C.6

Private Bag X9165
CAPE TOWN
8000

TREASURY CIRCULAR NO 6/2021

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 (DR H MALILA)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R ADAMS)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MR D SAVAGE)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (ADV. Y PILLAY)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR BK SCHREUDER)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (DR K CLOETE)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)
THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MS J SAMSON)
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 (DR M SEBOPETSA)
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 A GAFFOOR) (ACTING)
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 (MR D SAVAGE)
THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (DR R HAVEMANN)
THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MS J GANTANA)
THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MR M BOOYSEN) (ACTING)
THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (DR R HAVEMANN) (PRO TEM)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR S KENYON)
THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR I SMITH)
THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
THE CHIEF FINANCIAL OFFICER (MS A SMIT)
THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS C GREEN)

For information

THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P 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 F SALIE)
THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR D CRONJE) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR C MAPEYI)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MS E WENN) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR EJ JOHANNES) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MS A ABOO)
THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE) (ACTING)
THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)
THE PROVINCIAL AUDITOR
MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT
THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)
THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

AUDIT INFORMATION FILES: 2020/21 ANNUAL FINANCIAL STATEMENTS FOR DEPARTMENTS

PURPOSE

1. To provide Accounting Officers (AOs) and Chief Financial Officers (CFOs) of departments with requirements for the 2020/21 Audit File. These consist of an Audit File Checklist and guidelines for the preparation of an Audit Information File to assist with the auditing process of the Annual Financial Statements (AFS) for the 2020/21 financial year.
2. This circular replaces Treasury Circular No. 7 of 2020 dated 17 March 2020 in its entirety.

BACKGROUND

3. In terms of section 40(1) of the PFMA the Accounting Officer must prepare financial statements for the financial year in accordance with Generally Recognised Accounting Practice within two months after the financial year-end.
4. The Audit File Checklist annexed to the Circular is aligned to the format of the AFS Word Specimen and should be read with the Modified Cash Standard (MCS) and Accounting Manual for Departments (AMD) as prescribed by NT in February 2021.

OBJECTIVE

5. To provide departments with:
 - An Audit File Checklist (**Annexure A**) that provides supporting evidence in hard copy or "electronic format" on the primary and secondary financial information and annexures of the AFS; and
 - Audit Information File (**Annexure B**) guideline on information in hard copy or electronic format that should be included that will assist in the audit process.
6. It is recommended that the audit file checklist be co-ordinated by the CFO's Office in the department.

SUBMISSION OF ELECTRONIC AUDIT FILE INFORMATION

7. Departments are urged to submit audit file information electronically to PT: Provincial Government Accounting and Compliance and the AGSA.
8. Electronic audit file information should be provided, based on the requirements of this Circular and folders created per AFS notes, as well as the sign-off of information by the relevant compiler and reviewer.

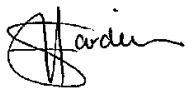
REQUIRED

9. This Circular must be supplemented by the department's own quality control processes that supports the completeness and accuracy of the AFS.
10. The Audit File should be made available on Monday **17 May 2021** to PT (PG Accounting and Compliance) to conduct a preview of the AFS before submission to the Auditor-General South Africa (AGSA) on **31 May 2021**. A combined AFS review session will be conducted by PT with departments to discuss and resolve 2020/21 AFS issues. Dates and logistics will be advised.
11. All information in the Audit File must be cross-referenced to the financial statements and relevant notes, reviewed and signed off by the responsible official.
12. This Circular has been prepared taking into account the National Treasury Regulations, Provincial Treasury instructions, MCS and AMD for the year ended 31 March 2021, however the AGSA may require additional information.
13. The AGSA has communicated with Provincial Treasury that the 2021 audits are delayed slightly. The auditors have indicated that they will request information directly from the departments in their initial meeting a host of information in preparation for the late start to the audit. This circular will assist the CFOs in providing the requested information.

COMMUNICATION

14. Any enquires on the compilation and submission of the AFS and the Audit Information File should be forwarded to PThelpme@treasury.gov.za.

Your co-operation in this regard would be highly appreciated.



MR A HARDIEN
PROVINCIAL ACCOUNTANT-GENERAL
DATE: 4 March 2021