



Reference number: RCS/C.6

Private Bag X9165
CAPE TOWN
8000

TREASURY CIRCULAR NO. 4 OF 2025

THE PREMIER

THE MINISTER OF AGRICULTURE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE
THE MINISTER OF HEALTH AND WELLNESS
THE MINISTER OF INFRASTRUCTURE
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
THE MINISTER OF MOBILITY
THE MINISTER OF POLICE OVERSIGHT AND COMMUNITY SAFETY
THE MINISTER OF SOCIAL DEVELOPMENT

THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER D BAARTMAN)
THE EXECUTIVE AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MINISTER A BREDELL)
THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER I MEYER)
THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER I MEYER)
THE EXECUTIVE AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MINISTER R MACKENZIE)
THE EXECUTIVE AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MINISTER R MACKENZIE)
THE EXECUTIVE AUTHORITY: WESTERN CAPE HERITAGE (MINISTER R MACKENZIE)
THE EXECUTIVE AUTHORITY: CASIDRA (MINISTER I MEYER)
THE EXECUTIVE AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MINISTER A MARAIS)

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 (MS J GANTANA)
THE ACCOUNTING OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (MR H ARENDSE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR B WALTERS)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH AND WELLNESS (DR K CLOETE)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)
THE ACCOUNTING OFFICER: VOTE 8: MOBILITY (MR D JACOBS)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR G GERBER)
THE ACCOUNTING OFFICER: VOTE 10: INFRASTRUCTURE (ADV. C SMITH)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (DR M SEBOPETSA)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS J JOHNSTON)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR G REDMAN)
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: POLICE OVERSIGHT AND COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH AND WELLNESS (MR S KAYE)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: MOBILITY (MR R WIGGILL) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR J FRITZ) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 10: INFRASTRUCTURE (MS P VAN DER MERWE) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MS L GOVENDER)
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)

For information

THE ACCOUNTING AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MR C BASSUDAY)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MS M LOUBSER)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (DR S ZINN)
 THE ACCOUNTING AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MR I ESAU) (ACTING)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MR L NOKWAZA)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MS G LENTZ)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE HERITAGE (MS R GANI)
 THE ACCOUNTING AUTHORITY: CASIDRA (MR C VAN DER RHEEDE)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (ADV. SIBONILE KHOZA)
 THE ACCOUNTING AUTHORITY: ATLANTIS SPECIAL ECONOMIC ZONE (MR S FAKIR)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (DR A NAIDOO)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS W STANDER)
 THE CHIEF EXECUTIVE OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR N MATJIE)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE (MR M JANSE VAN RENSBURG)
 THE CHIEF EXECUTIVE OFFICER: CASIDRA (DR K DU PLESSIS)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S GEORGE)
 THE CHIEF EXECUTIVE OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MR M CULLINAN)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MS Z SIWA)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR M BHAYAT)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR S GCWABE)
 THE CHIEF FINANCIAL OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR H BONESCHANS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MS X NGQONGWA)
 THE CHIEF FINANCIAL OFFICER: ATLANTIS SPECIAL ECONOMIC ZONE (MS W SAIB)
 THE DIRECTOR: GOVERNMENT MOTOR TRANSPORT (MR R WIGGILL)
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MS J GANTANA)
 THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (MR S KENYON) (ACTING)
 THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR I SMITH) (ACTING)
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS T VAN DE RHEEDE) (ACTING)
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK)
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR S KENYON)
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK) (ACTING)
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD OF MINISTRY (DR G CASWELL)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR P PIENAAR)
 THE DIRECTOR: CORPORATE GOVERNANCE (MR K MOTINGWE) (ACTING)
 THE DIRECTOR: FISCAL POLICY (MR M BOOYSEN)
 THE DIRECTOR: INFRASTRUCTURE (MR Z MAJLET)
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR F SALIE)
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MS K DAVIDS) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MS W MOHAMED) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR I TSIE)
 THE DIRECTOR: LOCAL GOVERNMENT MFMA COORDINATION (MR D CRONJE)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS S ROY)
 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MS I JURAMS) (ACTING)
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS T VAN DE RHEEDE) (PRO TEM)
 THE DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS M NICHOLAS)
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS L CUPIDO) (ACTING)
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR M NONKONYANA) (ACTING)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

GUIDELINES: 2024/25 BOOK CLOSURE AND ANNUAL FINANCIAL STATEMENTS

1. PURPOSE

- 1.1 To provide **direction and guidance** to departments on the compilation of the Annual Financial Statements (AFS) process for the 2024/25 financial year.
- 1.2 This circular replaces Treasury Circular No. 8 of 2024 dated 28 March 2024, in its entirety.

2. BACKGROUND

- 2.1 In order to ensure synergy with the annual financial statements process and the annual reporting process, it is imperative that Departments as well as Trading Entities that are reliant on BAS, read this Circular in conjunction with the following:
- National Treasury Circular: 2025 Financial Year End Procedures, Closure, and Submission Date for All Public Finance Management Act (PFMA) Compliant institutions dated, 26th of March 2025 (**Annexure 2**); and
 - BAS notice number 2 of 2025, **Guidelines for the Financial Year-end Closure: 2024/25 (Annexure 3)** issued 4th of February 2025.
 - BAS notice number 5 of 2025, **Last working day of Financial Year-end 2024/25 (Annexure 4)** issued on 13th of February 2025.
- 2.2 Departments should note that the 2024/25 financial year reporting framework on the AFS is covered by the updated **Modified Cash Standard (MCS) issued in March 2024** with guidance provided in the **Accounting Manual for Departments (AMD) issued in September 2024** and the final **Specimen AFS** was issued in **December 2024**.

The latest information applicable to the 2024/25 AFS is available on the National Treasury website: [Prescribed Formats - Default \(treasury.gov.za\)](https://treasury.gov.za) for departments for the year ending 31 March 2025.

- 2.3 Any further changes and developments on the MCS, AMD, and Specimen AFS will be communicated to departments.

3. LEGAL FRAMEWORK

- 3.1 In terms of sections 40(1)(b), (c) & (d) of the PFMA, Accounting Officers and Executive Authorities must prepare financial statements in terms of generally recognized accounting practice and submit within two (2) months after the end of the financial year, Annual Financial Statements (AFS) to the:
- (i) Auditor-General for auditing; and
 - (ii) Relevant treasury to enable the treasury to prepare consolidated financial statements in terms of Section 19.
- 3.2 Treasury Regulation 18.2 requires the Accounting Officer of a department to ensure that the annual financial statements are prepared on a modified cash basis in accordance with the formats prescribed by the National Treasury.
- 3.3 The Office of the Accountant General (OAG) issued **Instruction 1 of 2023/24 Modified Cash Standard dated 19th of April 2023 (Annexure 5)**, to inform national and provincial departments of the reporting framework to be applied in the preparation of financial statements, stipulating the MCS as the primary authoritative document. National Treasury has indicated that an instruction was not issued for the 2024/25 financial year, as the Modified Cash Standard remain the same from the previous year.
- 3.4 In terms of sections 40(1)(d) of the PFMA, the Accounting Officer and Executive Authority of a department, trading entity or constitutional institution must submit within five (5) months after the end of the financial year:
- (i) an annual report on the activities of that department, trading entity or constitutional institution during that financial year.

- (ii) the financial statements for that financial year after those statements have been audited; and
- (iii) the Auditor-General's report on those statements.

- 3.5 In terms of section 65(1)(a) of the PFMA, the annual report must be tabled with the provincial legislature within one month of receiving the audit report. If there is a delay in the completion of the 2024/25 audits, the impacted departments must submit their annual reports accordingly.
- 3.6 The following sections of the PFMA and corresponding Treasury Regulations apply to the compilation of Annual Financial Statements and should be noted:
- i.) Section 38(1)(f) of the PFMA requires that the Accounting Officer for a department, trading entity or constitutional institution must settle any contractual obligations and pay all money owing, including intergovernmental claims within the prescribed or agreed period.
 - ii.) Treasury Regulation 8.2.3 stated that "Unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within 30 days from receipt of an invoice, or in the case of civil claims, from the date of settlement or court judgement."
 - iii.) Furthermore, Treasury Regulation 17.1.2(b) prescribes that: "amounts included in clearing accounts or suspense accounts are cleared and correctly allocated to the relevant cost centres on a monthly basis".

4. ANNUAL FINANCIAL STATEMENTS (AFS)

Comparative figures (2023/24)

- 4.1 If necessary, comparative (2023/24) figures must be restated to conform to changes in the presentation of the 2024/25 AFS as prescribed in the MCS and AMD. The Provincial Treasury Directorate: Provincial Government Accounting and Compliance requests departments to submit their comparative AFS information, as loaded on the 2024/25 AFS template, **before or on Monday, 31st of March 2025 (Electronic copy of Excel template)**. The Provincial Treasury Directorate: Provincial Government Accounting and Compliance will check the comparative information of departments against the published AFS to identify any changes or discrepancies.

Audit Working File

- 4.2 As conveyed in **Treasury Circular No. 26/2024 issued on the 10th of September 2024**, it is important that an Audit Information File be made available for audit purposes. The necessary working/supporting documentation, BAS, LOGIS, PERSAL and other reports and calculations must be available for audit purposes.

Submission of AFS

- 4.3 The information presented in the AFS must be reviewed by the CFO or delegated official against the relevant supporting documentation, comply with the MCS and be in line with the accounting policies included in the 2024/25 AFS Word Specimen. In order to prevent material misstatements, the supporting information used must be reviewed by the CFO or delegated official to ensure complete and proper disclosure of information.
- 4.4 The Modified Cash Standard, Accounting Manual for Departments, prescribed formats in MS Word, Excel templates and any macros issued for the preparation of the 2024/25 AFS for departments are made available on the National Treasury website: [Prescribed Formats - Default \(treasury.gov.za\)](https://treasury.gov.za/prescribed-formats).
- 4.5 Please note that the formats (lay-out, sequence, headings, etc.) of the statements, as presented in the MS Word Specimen, cannot be altered. If a note on the Excel template has a nil balance, it will

not appear when printed. For assistance in this regard, please refer to the Guide on the Completion of the AFS template on the NT OAG website.

Irregular expenditure

- 4.6 **National Treasury Instruction 4 of 2022/23** and the concomitant PFMA Compliance and Reporting Framework was issued on the 23rd of December 2022. This framework provides guidance on the interpretation and implementation on managing and reporting irregular, unauthorised and fruitless and wasteful expenditure. This framework also provides the reporting requirements on payment of supplier invoices and supply chain management information.
- 4.7 National Treasury Instruction 4 of 2022/23 became effective as from the 3rd of January 2023.
- 4.8 Irregular, unauthorised, fruitless and wasteful expenditure must be disclosed in the Annual Financial Statements upon confirmation, as follows:
- (i) The current financial year disclosure must include:
 - a. amounts incurred and confirmed in that financial year; and/or
 - b. payments made as it relates to multi-year contracts.
 - (ii) The previous financial year disclosure must include:
 - a. amounts confirmed in that financial year.
 - b. amounts that were under assessment in that financial year and confirmed in the current financial year; and
 - c. amounts not identified in that financial year and discovered and confirmed in the current financial year.
- 4.9 Accounting Officer's must disclose the details of irregular, unauthorised, fruitless and wasteful expenditure in Part E of the Annual Report. Please refer to Provincial Treasury Circular No. 27 of 2020 (Supplementary 1 of 2023) for further details on irregular, unauthorised, fruitless and wasteful expenditure annual reporting requirements.

Preview of AFS

- 4.10 In order to improve the quality of the information in the 2024/25 AFS, the Provincial Treasury Directorate: Provincial Government Accounting and Compliance requests departments to submit an **electronic copy** of their AFS **before or on Friday, the 16th of May 2025, as per the Treasury Circular No. 26/2024**. A combined AFS review session with departments will be conducted on **Thursday, the 8th of May 2025** to discuss and resolve the AFS issues for 2024/25. The Provincial Treasury Directorate: Provincial Government Accounting and Compliance will conduct a preview and provide feedback before the **final submission date Saturday, the 31st of May 2025**.

5. Submission to the AGSA and PT (Unaudited)

On Saturday, the 31st of May 2025, departments must submit their unaudited AFS to the Auditor-General and to the Provincial Treasury in both Excel and Word formats. Departments are required to submit to Provincial Treasury:

- Confirmation certificate signed by the AO; and
- Electronic copy of Excel and Word.

6. Submission to PT (Audited)

On Thursday, the 31st of July 2025, departments must submit their audited AFS to the Provincial Treasury in both Excel and Word formats. Departments are required to submit to Provincial Treasury:

- Confirmation certificate signed by the AO.
- Electronic copy of (Word stamped by AGSA and Excel); and
- External confirmation certificate from AGSA to confirm review of AFS Excel template.

Where a department's audit is delayed, this would be based on a communication received from the Auditor-General, the department is encouraged to submit the above requested information, as soon as, it is available.

7. Exemption

Any request for exemption from the MCS must please be directed to the Provincial Treasury Provincial Accountant General, for the attention of Mr Isac Smith and Ms Ielhaam Jurams.

8. Audit Process

Departments are urged to correct immaterial misstatements in the AFS as these may impact the consolidated AFS of departments.

Departments requesting assistance on accounting and/or audit issues can address them to PT.helpme@westerncape.gov.za and the departments respective PT official as indicated in paragraph 27.

9. IMPORTANT DATES

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

Action	Date	Reporting authority
Submit comparative AFS information (Departments).	31 March 2025	PT: PG Accounting and Compliance
Departmental AFS Consistency Workshop	8 May 2025	PT: PG Accounting and Compliance
Submit full set of provisional AFS (Departments) for review.	16 May 2025	PT: PG Accounting and Compliance
Submit full set of unaudited AFS (Departments).	31 May 2025	PT: PG Accounting and Compliance and AGSA
Submit full set of final audited AFS (Departments).	31 July 2025	PT: PG Accounting and Compliance and AGSA

10. PT OFFICIALS

The following officials may be contacted for assistance during this process:

Department/Entity	Name	Telephone number	E-mail address
Education Economic Development and Tourism	Shaun Manuel	021 483 6600	Shaun.Manuel@westerncape.gov.za
Health and Wellness Cultural Affairs and Sport Provincial Revenue Fund	Neil Schippers	021 483 8666	Neil.Schippers@westerncape.gov.za
Infrastructure Provincial Treasury Social Development	Yolanda Solomons	021 483 6415	Yolanda.Solomons@westerncape.gov.za
Environmental Affairs and Development Planning Premier	Mohamed Hassan	021 483 8835	Mohamed.Hassan@westerncape.gov.za
Agriculture Police Oversight and Community Safety Provincial Parliament	Tasneem Daniels	021 483 3023	Tasneem.Daniels@westerncape.gov.a
Mobility Local Government	Aslam Abrahams	021 483 6802	Aslam.Abrahams@westerncape.gov.za
Condonation of irregular expenditure	Jason Facoline	021 483 4388	Jason.facoline@westerncape.gov.za

Departments should ensure that public entities and trading entities under their control comply with the prescripts regarding the preparation and submission of the Annual Financial Statements and Annual Reports.

Attached for your information and ease of reference are the following Annexures:

- Annexure 1: Year-end procedures relating to BAS, LOGIS and PERSAL;
- Annexure 2: NT OAG Final Year-end Communication March 2025;
- Annexure 3: BAS Notice Number 2 of 2025;
- Annexure 4: BAS Notice Number 5 of 2025;
- Annexure 5: Instruction 1 of 2023/24 Modified Cash Standard (Applicable to 2024/25 as indicated by NT);
- Annexure 6: LOGIS Financial Year End Procedures and Action Plan; and
- Annexure 7: Systems Reports.

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

MS MELISSA VAN NIEKERK
ACTING CHIEF DIRECTOR: FINANCIAL GOVERNANCE