



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

TREASURY INSTRUCTION NOTE NO.2: OF 2019/20: SUBMISSION OF IYM REPORT – 2019/20 FINANCIAL YEAR.

THE PREMIER
THE MEC FOR EDUCATION
THE MEC FOR AGRICULTURE
THE MEC FOR PROVINCIAL TREASURY
THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM
THE MEC FOR HEALTH
THE MEC FOR PUBLIC WORKS, ROADS AND INFRASTRUCTURE
THE MEC FOR TRANSPORT AND COMMUNITY SAFETY
THE MEC FOR COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
THE MEC FOR SOCIAL DEVELOPMENT
THE MEC FOR SPORT, ARTS AND CULTURE
THE SPEAKER: PROVINCIAL LEGISLATURE
THE DEPUTY SPEAKER: PROVINCIAL LEGISLATURE
ALL OTHER MEMBERS OF PROVINCIAL LEGISLATURE

For
noting

THE ACCOUNTING OFFICER: VOTE 01: DIRECTOR GENERAL
THE ACCOUNTING OFFICER: VOTE 02: SECRETARY, PROVINCIAL LEGISLATURE
THE ACCOUNTING OFFICER: VOTE 03: EDUCATION
THE ACCOUNTING OFFICER: VOTE 04: AGRICULTURE AND RURAL DEVELOPMENT
THE HEAD OF DEPARTMENT: VOTE 05: PROVINCIAL TREASURY
THE ACCOUNTING OFFICER: VOTE 06: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM
THE ACCOUNTING OFFICER: VOTE 07: HEALTH
THE ACCOUNTING OFFICER: VOTE 08: TRANSPORT
THE ACCOUNTING OFFICER: VOTE 09: PUBLIC WORKS ROADS AND INFRASTRUCTURE
THE ACCOUNTING OFFICER: VOTE 10: COMMUNITY SAFETY
THE ACCOUNTING OFFICER: VOTE 11: COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT
THE ACCOUNTING OFFICER: VOTE 13: SPORT, ARTS AND CULTURE
THE ACCOUNTING OFFICER/CHIEF EXECUTIVE OFFICER: ROAD AGENCY LIMPOPO
THE CHIEF EXECUTIVE OFFICER: LIMPOPO GAMBLING BOARD
THE CHIEF EXECUTIVE OFFICER: LIMPOPO TOURISM AGENCY
THE CHIEF EXECUTIVE OFFICER: GATEWAY AIRPORT AUTHORITY LIMITED
THE MANAGING DIRECTOR: LIMPOPO ECONOMIC DEVELOPMENT AGENCY

THE CHIEF FINANCIAL OFFICER: VOTE 01: OFFICE OF THE PREMIER
THE CHIEF FINANCIAL OFFICER: VOTE 02: LIMPOPO LEGISLATURE
THE CHIEF FINANCIAL OFFICER: VOTE 03: EDUCATION
THE CHIEF FINANCIAL OFFICER: VOTE 04: AGRICULTURE AND RURAL DEVELOPMENT
THE CHIEF FINANCIAL OFFICER: VOTE 05: PROVINCIAL TREASURY
THE CHIEF FINANCIAL OFFICER: VOTE 06: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM
THE CHIEF FINANCIAL OFFICER: VOTE 07: HEALTH
THE CHIEF FINANCIAL OFFICER: VOTE 08: TRANSPORT
THE CHIEF FINANCIAL OFFICER: VOTE 09: PUBLIC WORKS, ROADS AND INFRASTRUCTURE
THE CHIEF FINANCIAL OFFICER: VOTE 10: COMMUNITY SAFETY
THE CHIEF FINANCIAL OFFICER: VOTE 11: COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT
THE CHIEF FINANCIAL OFFICER: VOTE 13: SPORT, ARTS AND CULTURE
THE CHIEF FINANCIAL OFFICER: ROAD AGENCY LIMPOPO
THE CHIEF FINANCIAL OFFICER: LIMPOPO GAMBLING BOARD
THE CHIEF FINANCIAL OFFICER: GATEWAY AIRPORT AUTHORITY LIMITED
THE CHIEF FINANCIAL OFFICER: LIMPOPO TOURISM AGENCY
THE CHIEF FINANCIAL OFFICER: LIMPOPO ECONOMIC DEVELOPMENT AGENCY

THE PROVINCIAL AUDITOR-GENERAL

1. PURPOSE

To inform Head of Departments and CFO of departments and Public Entities, of the financial reporting requirements in order to standardise the reporting in the Province that meet the requirements of National Treasury.

2. BACKGROUNDS

- 2.1. In terms of chapter 5, section 40 (4) (a) of the PFMA ,1999 as amended the accounting officer of a department must at the beginning of a financial year provide the relevant Treasury in the prescribed format with a breakdown of the anticipated revenue and expenditure of that department for that financial year.
- 2.2. Section 40 (4) (b) states that the designated accounting officer of the department must submit information to the provincial treasury in the prescribed format on actual revenue and expenditure for the preceding month and the amounts anticipated for that month in terms of section 40 (4) (a). Section 40(4) (c) stipulates that accounting officer of a department must ensure to submit within 15 days of the end of each month to the provincial Treasury and Executive Authority the information for that month, projected expenditure and revenue collection for the remainder of the current financial year and the explanation for variances and the summary of steps to be taken to ensure that the projected expenditure and revenue remain within the budget.
- 2.3. Section 51 (1) (f) of the PFMA requires that the accounting authority(ies) of the public entity be responsible for the submission by that entity all reports, returns notices and other information as may be required by the act.

Section 54 (1) further states that the accounting authority for the public entity must submit to the relevant treasury or the Auditor General information, returns, documents, explanations and motivations as may be prescribed or as the relevant treasury or the Auditor General may require.

The accounting officer for a department must submit to the relevant treasury such information, returns, documents, explanations and motivations as may be prescribed or as the relevant treasury may require.

3. REPORTING REQUIREMENTS

3.1. Budget Capturing

- 3.1.1. Department's and/or public entity's budget must be captured as indicated in the tabled Estimates of Provincial Revenue and Expenditure (EPRE).
- 3.1.2. Any deviation to the EPRE will require prior approval from treasury or the board of the entity.

National Treasury IYM report provides for reporting as follows: -

- All expenditure must be captured as per economic classifications and must be in line with the approved budget and the projection for the remaining financial year.
- Conditional grants expenditure must be captured for each grant indicating the actual amount received from the Provincial Treasury, the actual expenditure for the month and the projections for the remaining months for each grant.

3.1.3. Departments must ensure that the cash flow focus reflected on the IYM is aligned to and exactly the same as submitted to the Provincial Treasury in terms of Section 40 (4) (a) of the PFMA.

3.2. Infrastructure Reporting Model (IRM)

3.2.1. All infrastructure departments are required to submit monthly and quarterly infrastructure reports using the prescribed Infrastructure Reporting Model (IRM).

3.2.2. All public entities that have infrastructure budget/projects must report as per 3.2.1 to their respective parent department.

3.2.3. IRM must be accompanied by a report detailing the expenditure detailing the expenditure versus the budget on each funding source (equitable share, infrastructure conditional grants) capital versus current, challenges, root causes and proposed interventions, the reason for under/over spending must be clearly stated, the projected expenditure must be followed by motivations and all deviations from planning IRM (table B5) must be highlighted.

3.3. Revenue Reporting

3.3.1. All departments/ public entities are required to submit monthly revenue reports in the prescribed format. Variations must be explained in terms of each revenue source in detail.

3.4. Compensation of Employees Processes Report.

All departments/ public entities are requested to submit on a monthly basis together with the IYM a report on the number of vacant budgeted posts for 2019/20 financial year, number of advertised post, number of filled posts, number of remaining vacant posts and reasons for non-filling of advertised posts as per the attached template.

3.5. Contractual obligation and Transfers

All departments/ public entities are required to submit, on a monthly basis, a report in the prescribed format all contractual obligations spending and transfers to Non Profit Organisations(NPOs), Non-Government Organisations (NGOs) and Public Entities.

3.6. Explanations for variances.

- 3.6.1. All variances must be explained in detail and the variance report must be per economic classification.
- 3.6.2. Earmarked allocations must be reported on a monthly and quarterly basis on a separated sheet. This should include narrations which outline progress made in terms of delivering outputs.

4. Reporting Dates.

- 4.1. Section 40(4) (c) stipulates that accounting officer of a department must **within 15 days** of the end of each month submit to the Provincial Treasury and Executive Authority the information for that month, projected expenditure and revenue collection for the remainder of the current financial year and the explanation for any material variances and the summary of steps to be taken to ensure that the projected expenditure and revenue remain within the budget.
- 4.2. In terms of the current arrangement within the Province, Public Entities are also **required to submit on the 15th of each month.**
- 4.3. In terms of the current arrangement within the Province, where the 15th falls within a weekend, monthly reports submission should be on a Friday before the 15th.
- 4.4. For the purpose of earlier submission by National Treasury to Government Printers for publishing of the Quarterly Section 32 Reports, Provincial Departments and Public Entities are requested to comply to the reporting dates as follows:

Departments should note these dates for the submission of the quarterly reports:

Reporting period	Preliminary IYM (data file only)	Submission by Department/ Entity to Provincial Treasury	Submission by Provincial Treasury to National Treasury
30 April 2019	06 May 2019	14 May 2019	21 May 2019
31 May 2019	05 June 2019	14 June 2019	21 June 2019
2018/19 Pre- audit IYM		02 June 2019	07 June 2019
30 June 2019 (1st quarter)	05 July 2019	12 July 2019	17 July 2019
31 July 2019	05 August 2019	15 August 2019	21 August 2019
31 August 2019	04 September 2019	13 September 2019	20 September 2019
2018/19 Audited outcome		30 August 2019	06 September 2019
30 September 2019 (2nd quarter)	03 October 2019	10 October 2019	16 October 2019
31 October 2019	06 November 2019	15 November 2019	21 November 2019
30 November 2019	04 December 2019	09 December 2019	13 December 2019
31 December 2019 (3rd quarter)	06 January 2020	10 January 2020	16 January 2020
31 January 2020	05 February 2020	14 February 2020	21 February 2020
29 February 2020	05 March 2020	13 March 2020	20 March 2020
31 March 2020 (4th quarter)	06 April 2020	14 April 2020	20 April 2020 (preliminary outcome)

4.4. If an Accounting Officer / Accounting Authority is unable to comply with any of the responsibilities as outlined in the Instruction Note the responsible Accounting Officer **must** promptly report the non-compliance and reasons thereof to the Provincial Treasury and the Executive Authority together with action plans and timeframes to address the non-compliances.

5. Action required

The Accounting Officers and CFOs of departments/Public Entities are required to:

- Take note of the content of this instruction note and
- Ensure that the Monthly In Year Monitoring (IYM) report that are duly signed off by the Accounting Officer are submitted to the Provincial Treasury as per the stipulated dates above.

6. Applicability

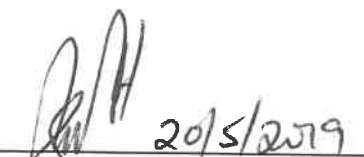
The Instruction Note is applicable to all Provincial Departments/ Public Entities. Failure to comply with the Instruction Note shall be regarded as financial misconduct in terms of Treasury Regulations Chapter 10.

7. Effective date

This instruction note take effect from the date of approval.

CONTACT INFORMATION

Ms Semanya PA
Acting Deputy Director General: Sustainable Resource Management
Provincial Treasury
Tel: 015 298 7085
Cell: 071 372 1051


Pratt GC CA (SA)
Head of the Department
Provincial Treasury