



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO ALL : ACCOUNTING OFFICERS OF DEPARTMENTS
: ACCOUNTING OFFICERS OF CONSTITUTIONAL INSTITUTIONS
: ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES LISTED IN
SCHEDULES 2, 3A AND 3B TO THE PFMA
: HEAD OFFICIALS OF PROVINCIAL TREASURIES

CIRCULAR: 2017 FINANCIAL YEAR END PROCEDURES, CLOSURE AND SUBMISSION DATES FOR ALL PUBLIC FINANCE MANAGEMENT ACT (PFMA) COMPLIANT INSTITUTIONS.

1. PURPOSE

Section 40 and 55 of the Public Finance Management Act (PFMA) (Act 1 of 1999) requires accounting officers for departments and public entities respectively to prepare and submit Annual Financial Statements (AFS) and Annual Reports to the National Treasury (NT), the Auditor General of the South Africa (AGSA) and the Executive Authority. This circular serves to remind:

- Accounting Officers (AO) and Accounting Authorities (AA) of departments, constitutional institutions and public entities of important financial year end procedures and closure/submission dates relating to the preparation and auditing of AFS and preparation of Annual Reports (AR) where such institutions have 31 March as their financial year end, and
- Accounting Authorities of entities with a financial year end other than 31 March of important financial year end procedures and submission dates relating to preparation and auditing of AFS and preparation of AR.

2. FINANCIAL YEAR END CLOSURE AND SUBMISSION DATES FOR NATIONAL AND PROVINCIAL DEPARTMENTS

Annexures A and B stipulate the financial year end closure dates for the above mentioned institutions.

2016/17 FINANCIAL YEAR END PROCEDURES, CLOSURE AND SUBMISSION DATES

Table 1

FINANCIAL YEAR END AND ACCOUNTING CLOSURE FOR NATIONAL AND PROVINCIAL DEPARTMENTS		
ACTION	DATE	RESPONSIBILITY
Financial Year end closure		
March 2017 Reporting to Vulindlela	07 April 2017	Accounting Officer
March 2017 – Preliminary	28 April 2017	Accounting Officer

Whilst the above dates represent the latest time periods, earlier closure is always encouraged. Departments on BAS are required to perform their preliminary closure for March 2017 in accordance with BAS notice number 1 of 2016/2017 as well as in accordance with Treasury Instruction 5 of 2015/16, which is available on the National Treasury website at the following link:

<http://www.treasury.gov.za/legislation/pfma/TreasuryInstruction/default.aspx>

Treasury does not prescribe accounting closure dates for Entities at this stage. Institutions that have 31 March 2017 as their financial year end are required to comply with the submission dates as prescribed by the PFMA and/or Treasury Regulations. **Refer to Annexure A.**

Institutions that have year ends other than 31 March 2017 are required to comply with the submission dates as prescribed by the PFMA and/or Treasury Regulations. **Refer to Annexure B.**

3. SPECIMEN AFS, AFS EXCEL TEMPLATES, MODIFIED CASH STANDARD AS WELL AS ACCOUNTING MANUAL FOR DEPARTMENTS

Departments and Entities can access the specimen AFS, Excel Template, the Modified Cash Standard (MCS) and the Accounting Manual for Departments (AMD) by following the links on the Office of the Accountant General's Website as illustrated in **Annexure C.**

4. IMPLEMENTATION PLANS ON AUDIT OUTCOMES (2016/17)

In December 2008, Cabinet passed a resolution that supported the need for accounting officers and accounting authorities to immediately implement recommendations contained in the AGSA's management letters for the past financial year. Cabinet also noted National Treasury's request for institutions to provide corrective steps to be taken to address concerns raised in their audit reports on an annual basis.

It is therefore a requirement for all PFMA compliant institutions to submit implementation plans (corrective plans) detailing how the institutions plan to correct matters raised in their audit report.

For National Institutions, the implementation plans should be submitted, in the format prescribed by the National Treasury, to the relevant cluster manager by no later than 30 September 2017. For Provincial institutions, the implementation plans should be submitted to the relevant Treasury by no later than 30 September 2017.

5. ADDITIONAL NOTES

Accounting Officers and Accounting Authorities should take note of the following:

- In terms of sections 40(1)(c) and 55(1)(c) of the PFMA, financial statements submitted to the Auditor General and Treasury must be complete and accurate. Failure to submit accurate AFS constitutes non-compliance with the aforementioned sections of the PFMA and may be seen as an act of Financial Misconduct in terms of Section 81 and 83 of the PFMA.
- Should there be misstatements that were identified during the audit process, the affected departments and entities must correct these. We would like to urge departments and entities to also correct immaterial misstatements as these might have an impact on the consolidated AFS prepared by Treasury.
- Where institutions do not submit a final audited template that agrees to published AFS by the 31 July 2017, National Treasury will record the submission as late and all late recordings will be disclosed in the consolidated financial statements.
- Submissions by Provincial Institutions should follow relevant Provincial circulars.
- Submission to the relevant Treasury means relevant cluster managers at the OAG (National Institutions) or relevant contacts at the PAG offices (Provincial Institutions).
- The Executive Authority should advise the relevant Treasury of any entity under its ownership or control that the relevant Treasury may not be aware of.
- Accounting Officers and Authorities who are unable to comply with any of the submission requirements of this circular must promptly report that inability together with reasons to the relevant Treasury. This requirement to report is in line with section 40(5) and 51(2) of the PFMA, and does not absolve an entity of its responsibility.
- The accounting framework to be used for departments is Modified Cash Basis (MCS). The entities' template for 2016/17 is a GRAP compliant template and entities are required to complete and submit the template in line with the Consol Group Instructions for 2016/17 issued by OAG and available on the OAG website.

2016/17 FINANCIAL YEAR END PROCEDURES, CLOSURE AND SUBMISSION DATES

It is imperative for PFMA compliant institutions to adhere to the requirements of this circular, especially those requirements relating to the submission of audited AFS. This will assist the NT in compiling the consolidated AFS as prescribed by Section 8(1)(a) of the PFMA.

6. CONTACT DETAILS

National Departments, Constitutional Institutions, National Trading Entities and National Public Entities

National Institutions that have to submit information to the relevant Treasury, or require further information and clarity on the contents of this circular and any issue relating to the preparation, submission and audit of AFS and AR should contact the relevant cluster manager (*National Institutions Only*) as detailed below:

CLUSTER	CONTACT NAME	TELEPHONE
SOCIAL SERVICES	Thomas Matjeni	(012) 315 5792
	Nthua Motlhala	(012) 315 5244
JUSTICE AND PROTECTION SERVICES	Star Kafu	(012) 315 5763
	Musa Ndlovu	(012) 315 5741
ECONOMIC SERVICE AND INFRASTRUCTURE DEVELOPMENT	John Watson	(012) 315 5590
	Andrea Wolfaardt	(012) 406 9091
CENTRAL GOVERNMENT ADMINISTRATION	Thokozile Motsweni	(012) 315 5233
	Palesa Nhlangothi	(012) 315 5383
FINANCIAL AND ADMINISTRATIVE SERVICES	Keitumetse Malebye	(012) 315 5989
	Gomotsegang Tsatsimpe	(012) 395 6542

All submissions by National Institutions relating to this circular must be submitted via the relevant cluster managers.

Provincial Departments and Provincial Public and Trading Entities

Provincial Institutions that have to submit information to the relevant Treasury, or require further information and clarity on the contents of this circular and any issue relating to the preparation, submission and audit of AFS and AR should contact the relevant Provincial Treasury.



JAYCE NAIR
ACTING ACCOUNTANT-GENERAL

DATE: 2017 -03- 2 2

2016/17 FINANCIAL YEAR END PROCEDURES, CLOSURE AND SUBMISSION DATES

ANNEXURE A

SUBMISSION DATES – PUBLIC INSTITUTIONS WITH 31 MARCH YEAR END			
ACTION	PFMA/ TR	DATE	RESPONSIBILITY
Commence preparation of AFS	40(1)(b) & 55(1)(b)	1 April 2017	Accounting Officer/Accounting Authority
Submit prepared AFS and AFS template to external auditor and relevant Treasury: <ul style="list-style-type: none"> ▪ Electronic copy on CD or USB ▪ Hard copy, duly signed off by the AO/AA or CFO Additional instructions included in Consol Group Instructions for 2016/17.	40(1)(c) & 55(1)(c)	31 May 2017	Accounting Officer/Accounting Authority
Submission of the Annual Report (including performance information and report of Accounting Officer) to external audit for final review.	41 & 51(1)(f) & 76	31 May 2017	Accounting Officer
Submission of the Audited AFS to the Audit committee for final evaluation	Treasury Regulation 3.1.13(c)	Preferably by 15 July 2017	Accounting Officer/Accounting Authority
Submit final and audited AFS template to the relevant Treasury as follows: <ul style="list-style-type: none"> ▪ Electronic copy on CD or USB ▪ Hard copy, duly signed off by the AO/AA or CFO Additional instructions included in Consol Group Instructions for 2016/17.	41 & 51(1)(f) & 76 To finalise consolidation on audited figures as per Sec 8.	31 July 2017	Accounting Officer
Submission of Annual report, audited AFS & audit report to relevant Treasury and the executive authority	40(1)(d) & 55(1)(d)	31 August 2017	Accounting Officer
Tabling of Annual report and AFS to Parliament or Relevant Legislature	65(1)(a) & 65(2)	30 September 2017	Executive Authority
Where the Executive Authority fails to table the annual report by 30 September 2017 – Executive Authority must table an explanation to Parliament or Relevant Legislature	65(2)(a)	Immediately after 30 September 2017	Executive Authority

2016/17 FINANCIAL YEAR END PROCEDURES, CLOSURE AND SUBMISSION DATES

ANNEXURE B

SUBMISSION DATES – PUBLIC INSTITUTIONS WITH FINANCIAL YEAR END OTHER THAN 31 MARCH (30 JUNE)			
ACTION	PFMA	DATE	RESPONSIBILITY
Commence preparation of AFS	55(1)(b)	1 July 2017	Accounting Authority
Submit prepared AFS and AFS template to external auditor and relevant Treasury: <ul style="list-style-type: none"> ▪ Electronic copy on CD or USB ▪ Hard copy, duly signed off by the AO/AA or CFO Additional instructions included in Consol Group Instructions for 2016/17.	55(1)(c)	31 August 2017	Accounting Authority
Submission of the Annual Report (including performance information) to external audit for final review.	51(1)(f)	31 August 2017	Accounting Authority
Submission of the Audited AFS and AFS template to the Audit committee for final evaluation	Treasury Regulation 3.1.13(c)	Preferably by 15 September 2017	Accounting Authority
Submit final and audited AFS template to the Relevant Treasury as follows: <ul style="list-style-type: none"> ▪ Electronic copy on CD or USB ▪ Hard copy, duly signed off by the AO/AA or CFO Additional instructions included in Consol Group Instructions for 2016/17.	To finalise consolidation on audited figures as per Sec 8.	30 September 2017	Accounting Authority
Submission of Annual report, audited AFS & audit report to relevant Treasury and the executive authority	40(1)(d) & 55(1)(d)	30 November 2017	Accounting Officer
Tabling of Annual report and AFS to Parliament or Relevant Legislature	65(1)(a) & 65(2)	30 December 2017	Executive Authority
Where the Executive Authority fails to table the annual report by 31 December 2017 – Executive Authority must table an explanation to Parliament or Relevant Legislature	65(2)(a)	Immediately after 30 December 2017	Executive Authority

ANNEXURE C

Departments can access the specimen AFS, Excel Template and the MCS by following the links on the Office of the Accountant General's Website as illustrated below:

(i) NATIONAL AND PROVINCIAL DEPARTMENTS

Step 1: Go to <http://oag.treasury.gov.za> and then select "**Publications**" from the menu

Step 2: Select "**01. Annual Financial Statements**"

Step 3: Select "**03. For Prov. And Nat. Departments**"

Step 4: Select "**GRAP for National and Provincial Departments**".

Step 5: Select the relevant folder and documents

(ii) PUBLIC ENTITIES, CONSTITUTIONAL INSTITUTIONS AND TRADING ENTITIES

Step 1: Follow steps 1 and 2 as for National and Provincial Departments above, then.

Step 2: Select "**04. For Entities**"

Step 3: Select "**For fin. Year ending 31-03-2017**"

Step 4: Select the relevant folder and documents

Please note that the public entity AFS template for 2016/17 will not be published on the OAG website but rather emailed to each entity individually as in previous years.