



**NATIONAL TREASURY  
REPUBLIC OF SOUTH AFRICA**

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**ALL ACCOUNTING OFFICERS –  
NATIONAL AND PROVINCIAL DEPARTMENTS  
HEADS OF PROVINCIAL TREASURY'S  
PROVINCIAL ACCOUNTANT GENERALS**

**OFFICE OF ACCOUNTANT-GENERAL PRACTICE NOTE 6 OF 2001:**

**MONTH CLOSURE PROCEDURES FOR 2001/02, TO MEET THE REPORTING  
REQUIREMENTS I.T.O. SECTION 32 OF THE PUBLIC FINANCE  
MANAGEMENT ACT**

1. Chapter 5 of the Public Finance Management Act (Act 1 of 1999), prescribes the responsibilities of Accounting officers in respect of financial reporting. Paragraph 4(c) of Section 40 requires that departments must, within 15 days of the end of each month, submit to the relevant treasury and the executive authority responsible for that department:
  - the information for that month;
  - a projection of expected expenditure and revenue collection for the remainder of the current financial year; and
  - when necessary, an explanation of any material variances, and a summary of the steps that are taken to ensure that the projected expenditure and revenue remain within budget.
2. Annexure A reflects the final dates for month closures for 2001/2002 fiscal year.

3. All Accounting officers must certify on a monthly basis, before the closure of the accounting months, compliance to the following financial management performance indicators:
  - The recording of all issued cheques in the General ledger;
  - The recording of all deposits in the General ledger;
  - The recording of all receipts in the General ledger;
  - The recording of all journals;
  - That all interfaces for the month have taken place, and have been reconciled; and
  - That a bank reconciliation has taken place.
  
4. In addition to the above, compliance to the following requirements of Paragraph 17.1 of Part 7 of the National Treasury Regulations, must also be certified:
  - 4.1 That all the transactions of an institution are supported by authentic and verifiable source documents, clearly indicating the approved accounting allocation;
  
  - 4.2 That in all exceptional cases, where it is necessary to account for revenue and expenditure transactions in a control account because the classification has not been resolved, that the accounting officer, or his/her designate, ensured that-
    - the sources of the transactions are readily identifiable;
    - amounts included in the control accounts are cleared each month, and correctly allocated to the relevant cost centres;
    - monthly reconciliations are performed to confirm the balance of each account; and
    - reports are provided on a monthly basis to the Chief Financial Officer about uncleared items.
  
5. The dates on Annexure A reflects the final dates on which month closure will be enforced by the National Treasury. Departments and Provinces must align their departmental processes to ensure that month closure can occur on or before these dates.
  
6. Annexure B lists the final dates on which the relevant Paymaster-General accounts will close, as well as the dates for the subsequent Paymaster-General reconciliations. This information is only applicable to National Departments, and must be used in conjunction with the month-closure dates. This situation can be improved dramatically if EFT's are used for payments in excess of R10 000,00, as per Office of the Accountant General Practice note 1 of 2001.

7. All National and Provincial Departments must ensure that bank reconciliations are performed on a daily basis. This is critical in terms of the amendments to the Bills of Exchange Act, regarding non-transferable cheques which requires departments to take care of their warrant vouchers, to scrutinize statements to detect unauthorized debits, and ensuring timeous bank reconciliations. Please note the proposed amendments to the Act would be that banks can no longer be held liable for forged or altered cheques, where the forgery or alterations was facilitated by negligence of the department.

Your co-operation in this regard, is highly appreciated.



**ISMAIL A MAMOOJEE**  
**ACCOUNTANT-GENERAL**

## ANNEXURE A

**IMPLEMENTATION SCHEDULE FOR MONTH-END CLOSURES  
FOR THE 2001/2002 FISCAL YEAR,  
TO MEET THE REPORTING REQUIREMENTS IN TERMS OF SECTION 32  
OF THE PUBLIC FINANCE MANAGEMENT ACT**

<b>ACCOUNTING MONTH</b>	<b>ALL DATES REFLECT CLOSE OF BUSINESS</b>
<b>MARCH 2001 - PRELIMINARY</b>	<b>2001/04/06</b>
MARCH 2001 - FINAL	2001/04/30
APRIL 2001	2001/05/07
MAY 2001	2001/06/08
JUNE 2001	2001/07/09
JULY 2001	2001/08/08
AUGUST 2001	2001/09/10
SEPTEMBER 2001	2001/10/08
OCTOBER 2001	2001/11/09
NOVEMBER 2001	2001/12/10
DECEMBER 2001	2002/01/08
JANUARY 2002	2002/02/08
FEBRUARY 2002	2002/03/08
MARCH 2002 - PRELIMINARY	2002/04/05
MARCH 2002 - FINAL	2002/04/30

ANNEXURE B

**SCHEDULE ON THE CLOSURE OF PAYMASTER-GENERAL ACCOUNTS  
(NATIONAL DEPARTMENTS ONLY)**

ACCOUNTING MONTH	PMG CLOSURE DATE (END OF DAY)	FINAL DATES FOR AVAILABILITY OF BANK STATEMENTS
March 2001 - Preliminary	2001/04/06	--
March 2001 - Final	2001/04/30	--
April 2001	2001/05/01	2001/05/04
May 2001	2001/06/01	2001/06/05
June 2001	2001/07/02	2001/07/05
July 2001	2001/08/01	2001/08/03
August 2001	2001/09/03	2001/09/05
September 2001	2001/10/01	2001/10/04
October 2001	2001/11/01	2001/11/05
November 2001	2001/12/03	2001/12/05
December 2001	2002/01/02	2002/01/04
January 2002	2002/02/01	2002/02/05
February 2002	2002/03/01	2002/03/05
March 2002 - Preliminary	2002/04/01	2002/04/04
March 2002 - Final	2002/04/01	2002/04/04