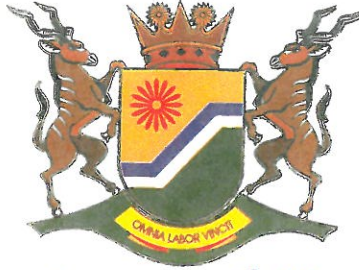# MPUMALANGA PROVINCIAL GOVERNMENT

No. 7 Government Boulevard
Building No. 4, Upper Ground
Riverside Park Extension 2
Nelspruit
1201

Private Bag X 11205
Nelspruit
1200
Tel: (013) 766 4597
Fax: (013) 766 4625
E-mail : mecfinance@mpg.gov.za

Department of Finance
Office of the MEC

Litiko LeteTimali	UmNyango weZeemali	Departement van Finansies	Kgoro ya Matlotlo

Enquiries : Sebenzile E Ntozini
Tel: 013 766-4386

PROVINCIAL TREASURY CIRCULAR 3 OF 2012

TO:-

THE PREMIER MPUMALANGA PROVINCE (MR DD MABUZA)

THE SPEAKER PROVINCIAL LEGISLATURE (MR SW LUBISI)

THE MEC FOR FINANCE (MS YN PHOSA)
THE MEC FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MB MASUKU)
THE MEC FOR AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS C MASHEGO-DLAMINI)
THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MR N MOKOENA)
THE MEC FOR EDUCATION (MS MR MHAULE)
THE MEC FOR PUBLIC WORKS, ROADS & TRANSPORT (MS DG MAHLANGU)
THE MEC FOR SAFETY, SECURITY & LIAISON (MR V SHONGWE)
THE MEC FOR HEALTH AND SOCIAL DEVELOPMENT (DR RC MKASI)
THE MEC FOR CULTURE SPORTS AND RECREATION (MS S MANANA)
THE MEC FOR HUMAN SETTLEMENT (MR S MASANGO)

CHAIRPERSON: SELECT COMMITTEE ON PUBLIC ACCOUNTS (MS NS MTSWENI)
CHAIRPERSON: PORTFOLIO COMMITTEE: EDUCATION, SPORTS, ART AND CULTURE (MS NC MAMABOLO)
CHAIRPERSON: PORTFOLIO COMMITTEE: HEALTH AND SOCIAL SERVICES (MS P NGOBENI)
CHAIRPERSON: PORTFOLIO COMMITTEE: HUMAN SETTLEMENTS; COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR SPD SKHOSANA)
CHAIRPERSON: PORTFOLIO COMMITTEE: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION; ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS RC MAHLOBOGOANE)
CHAIRPERSON: PORTFOLIO COMMITTEE: PUBLIC WORKS, ROADS AND TRANSPORT; SAFETY AND SECURITY (MR JL MAHLANGU)
CHAIRPERSON: OFFICE OF THE PREMIER, FINANCE AND LEGISLATURE (MR VVZ WINDVOEL)

MPUMALANGA
A Pioneering Spirit

SUBJECT: CUT OFF DATES FOR 2011/2012 FINANCIAL YEAR END

1 PURPOSE

The purpose of this circular is to outline the importance of establishing cut off dates for financial year end closure.

2 BACKGROUND

Challenges are often experienced in the systems (BAS and Logis) when payments are made up to and including the last day of the financial year 31 March, through disbursement and incorrect settlement dates being used which results in the budget for the next financial year being used for expenditure that relates to the current financial year without proper roll over approval being followed.

3 DISCUSSION

The cut off dates will assist Departments to minimize accruals and commitments. It will also minimize the risk for Departments using the following financial year (2012/13) budget to incur expenditure which relates to the current (2011/12) financial year without the roll over being approved and included in the budget for 2012/13.

In addition, the cut off dates will assist Departments to have time and clear old commitments on BAS as some are dating back to 2005. Provincial Treasury will provide the necessary assistance if needed.
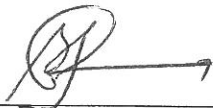
SUBJECT: CUT OFF DATES FOR 2011/ 2012 FINANCIAL YEAR END

Departments are advised to follow the following cut off dates in the process flow:-

DATES	ACTIVITIES TO BE DONE
1 February 2012 – 29 February 2012	Follow up all outstanding orders and finalise them or de-commit if Orders cannot be finalised De-commit old unsettled commitments on Logis and BAS
1 February 2012 – 29 February 2012	Follow-up, and Settlement of all outstanding invoices
16 March 2012	Stop creation of new Orders. No orders must be created after this date unless actions above have been completed New orders processing must not go beyond 31 March 2012. Roll over will only be approved (preliminary) around June.
19 March 2012 – 27 March 2012	Paying all outstanding and current invoices
27 March 2012	Last day for payments to be processed for 2011/12 financial year. No payment after this date must be processed.

Departments are urged to follow the above cut off dates without exception and no exemption will be granted for any Department.

Regards,

MRS YN PHOSA
MEC FOR FINANCE
DATE: _10 / 2 / 2012_