



## PROVINCIAL TREASURY CIRCULAR NO. 40 OF 2026

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### TO:

**DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA  
CHIEF EXECUTIVE OFFICERS OF PUBLIC ENTITIES  
CHIEF FINANCIAL OFFICERS OF PUBLIC ENTITIES**

### CC:

**EXECUTIVE AUTHORITIES (WITH PUBLIC ENTITIES)  
HEADS OF DEPARTMENTS (WITH PUBLIC ENTITIES)  
CHIEF FINANCIAL OFFICERS OF DEPARTMENTS (WITH PUBLIC ENTITIES)**

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**SUBJECT: SUBMISSION OF IN-YEAR MONITORING (IYM) REPORTS BY PUBLIC ENTITIES**

### 1. PURPOSE

The purpose of this circular is to inform Public Entities of the mandatory submission of monthly In-Year Monitoring (IYM) reports to the Provincial Treasury for the 2026/27 financial year, notwithstanding that the Public Finance Management Act (PFMA) and Treasury Regulations provide for quarterly reporting as a minimum requirement.

While Treasury Regulations prescribe quarterly reporting to Executive Authorities, Provincial Treasury is exercising its oversight and monitoring powers in terms of section 18 of the PFMA to require monthly financial reporting from Public Entities. This measure is intended to strengthen in-year monitoring, early identification of financial risks, and timely corrective action, in line with In-Year Management, Monitoring and Reporting framework

### 2. LEGISLATIVE AND REGULATORY FRAMEWORK

This circular is issued in terms of, and must be read together with, the following legislative and regulatory provisions:

#### 2.1. Public Finance Management Act, 1999 (Act No. 1 of 1999)

- **Section 18 of the PFMA** empowers a Provincial Treasury to monitor and exercise oversight over Public Entities, and to take appropriate steps to ensure that financial management is conducted in a transparent, efficient and effective manner.

#### 2.2. Treasury Regulations

- **Treasury Regulations 5.3.1, 29.3.1 and 30.2.1** require:

- The Accounting Officer of an institution and the Accounting Authority of a Public Entity to establish procedures for quarterly reporting to the Executive Authority;
- Such reporting to facilitate effective performance monitoring, evaluation and corrective action.
- **Treasury Regulation 26.1.1** provides that the designated Accounting Officer must ensure that the Public Entity submits information on its actual revenue and expenditure, as required by the relevant treasury.

These provisions establish **quarterly reporting as the minimum statutory requirement** for Public Entities

### 3. BACKGROUND

National Treasury has consistently emphasised the importance of In-Year Monitoring (IYM) as a mechanism to:

- Monitor performance against approved budgets;
- Identify financial risks early;
- Enable corrective action during the financial year rather than after year-end.

While the PFMA already mandates monthly reporting, Provincial Treasury hereby formalises and standardises the submission of IYM reports by Public Entities to improve the quality, consistency and timeliness of information for oversight and legislative reporting purposes.

### 4. APPLICABILITY

This circular applies to:

- All provincial Public Entities listed in Schedules 3C and 3D of the PFMA; and
- Unlisted provincial Public Entities that are required to report to or are accountable to the Provincial Legislature, whether directly or through a parent department.

### 5. REPORTING REQUIREMENTS

#### 5.1. NATURE OF REPORTS

Public Entities are required to submit **monthly** In-Year Monitoring (IYM) reports, which must include, at a minimum:

- Actual revenue and expenditure for the month and year-to-date;
- Budget versus actual performance;
- Projections to year-end;
- Explanations for material variances;

- Key financial risks and mitigation measures;
- Progress reports on implementation of earmarked funding; and
- Monthly reports on Unauthorized, Irregular, Fruitless and Wasteful expenditures.

National Treasury's In-Year Monitoring Report Guide and templates must be used, where applicable.

## 5.2. SUBMISSION DEADLINE

- IYM reports must be submitted **by no later than the 22nd day of each month**.
- Where the **22nd day falls on a weekend or public holiday**, submission must be made on the **next working day**.

This timeframe aligns with National Treasury reporting cycles.

## 6. METHOD OF SUBMISSION

Public Entities must submit their IYM reports:

- Electronically, in the prescribed format; and
- Signed off by the Accounting Authority / Accounting Officer i.e. CEO or a duly delegated official.

Failure to submit complete and accurate reports may constitute non-compliance with the PFMA.

## 7. EFFECTIVE DATE

This circular is effective from **01 April 2026**.

All IYM reports must comply with the requirements set out herein.

## 8. NON-COMPLIANCE

Provincial Treasury will monitor compliance with this circular. Persistent late or non-submission of IYM reports may result in:

- Engagements with Accounting Authorities and Executive Authorities; and
- Further corrective measures in terms of the PFMA and Treasury Regulations.

## 9. CONCLUSION

Public Entities are urged to ensure strict compliance with this circular, as effective In-Year Monitoring is integral to sound financial management, accountability and legislative oversight.



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**MS. GUGU MASHITENG**  
**HEAD OF DEPARTMENT**  
**DATE: 28-04-2026**