

TRANSACTION - MAINTENANCE AND REPAIR OF MACHINERY AND EQUIPMENT - OUTSOURCING

The Provincial Department of Health in the Northern Cape maintain and repair medical and allied equipment for all hospitals in the Northern Cape Province by **OUTSOURCING** all activities. Budget for this expenditure is carried against programme 6, Health Care Support Services and subprogramme 2, Engineering. The total maintenance cost for the MTEF amounts to R 12 mil starting from 2010/11. All funds are appropriated against voted funds.

A. THE ECONOMIC REPORTING FORMAT (ERF)/BUDGET FORMAT PRESENTATION

Table 1.7 Health Care Support Services							
Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R million	1.0	1.3	1.7	1.9	3.0	4.0	5.0
Engineering	1.0	1.3	1.7	1.9	3.0	4.0	5.0
Total	1.0	1.3	1.7	1.9	3.0	4.0	5.0

Economic classification							
Maintenance & Repair, always Current	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
Current payments	1.0	1.3	1.7	1.9	3.0	4.0	5.0
Compensation of employees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goods and services	1.0	1.3	1.7	1.9	3.0	4.0	5.0
of which:							
Contr: M&R Mach&Equipment	1.0	1.3	1.7	1.9	3.0	4.0	5.0
Total	1.0	1.3	1.7	1.9	3.0	4.0	5.0

B. PRESENTATION AND CLASSIFICATION IN THE SEGMENTS OF THE STANDARD CHART OF ACCOUNTS (SCOA)

Project	Objective	Fund	Item	Asset	Responsibility	Region
Projects BAS 1 (NP)	Payments BAS 1 (NP)	Expen voted BAS 1 (NP)	Payments BAS 1 (NP)	Tangible cap ass BAS 1 (NP)	Departmental	Regional identifier BAS 2 (NP)
Proj non infra BAS 54 (NP)	Prov pay BAS 8 (NP)	Dept approp BAS 148 (NP)	Payments BAS 308 (NP)	Mach&Equipment BAS 7 (NP)	Specific	Region Province BAS 3 (NP)
Prj not rel to infra ass BAS 66 (NP)	NC prov pay obj BAS 920 (NP)	Voted funds discret BAS 152 (NP)	Goods & serv BAS 365 (NP)	Oth Mach&Equip BAS 288 (NP)		Northern Cape BAS 48 (NP)
Not rel infra ass prjcurBAS67(NP)	NC Health BAS 1346 (NP)	Voted funds BAS 559 (P)	Contractors BAS 402 (NP)	Medical&Allied equip BAS 305(NP)		NC: Whole of Prov BAS 120 (P)
Ninfrassrel M&R prjcurBAS74(NP)	NHW: Health Care Supp Serv BAS 1582 (NP)		ContM&R Mac&Eq BAS2812(P)	Dept create post lev (P)		
Dept create post lev (P)	NHW: Engineering BAS 1587 (NP)					
	Dept create post lev (P)					

NP - Non posting level
P - Posting level
Always consult the latest SCOA master for updated BAS codes and descriptions at <http://scoa.treasury.gov.za> or via the Treasury website at www.treasury.gov.za

C. PRESENTATION IN THE ANNUAL FINANCIAL STATEMENTS

C.1 APPROPRIATION STATEMENT DEPARTMENT OF HEALTH NORTHERN CAPE Appropriation statement for the year ended 31 March 2011									
Appropriation per programme									
	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
6. HEALTH CARE SUPPORT SERVICES									
Current payment	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Subtotal	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Direct charge against Revenue Fund									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Appropriation per economic classification									
	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payment for capital asset									
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Detail per programme 6 - HEALTH CARE SUPPORT SERVICES									
	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Current payments	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Detail per economic classification Programme 6 - HEALTH CARE SUPPORT SERVICES									
	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual Expenditure
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	3,000	-	-	3,000	3,000	-	100%	1,900	1,900
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payment for capital asset									
Machinery and equipment	-	-	-	-	-	-	-	-	-
Total	3,000	-	-	3,000	3,000	-	100%	1,900	1,900

D. BASIC ACCOUNTING SYSTEM (BAS) TRIAL BALANCE (EXTRACTION FOR ILLUSTRATION PURPOSES)

MAINTENANCE RP0065BS		BAS PROV: HEALTH NORTHERN CAPE TRIAL BALANCE AS AT 31/03/2011 REPORT INTRODUCTORY PAGE		DATE: 15/04/2011 TIME: 06:14:30 PAGE: 1	
INSTALLATION ID	: PROV: HEALTH NORTHERN CAPE				
LOCATION ID	: PROV: HEALTH NORTHERN CAPE				
USERID	: MAINTENANCE				
REPORT REQUEST ID	: 00047408				
SORT CRITERIA	: R M F O P A I				
SELECTION CRITERIA	:				
1. LAST CLOSED MONTH	: 03/2011				
2. ITEM	: I				
3. OBJECTIVE	: O				
4. RESPONSIBILITY	: R				
5. FUND	: F				
6. PROJECT	: P				
7. ASSETS	: A				
8. REGIONAL IDENTIFIER	: M				
SELECTION CRITERIA : TYPE	DETAIL				
RESPONSIBILITY	ALL				
REGIONAL IDENTIFIER	ALL				
FUND	ALL				
OBJECTIVE	ALL				
PROJECT	ALL				
ASSETS	ALL				
ITEM	ALL				
SORT CRITERIA	: R M F O P A I				
TOTALS	: F0002 I0003 I0006 I0011				
PAGE BREAK	: NONE				
LAST CLOSED MONTH	: 03/2011				
TYPE LEVEL	DESCRIPTION	DEBIT	CREDIT		
I 003	GOODS AND SERVICES				
I 004	CONTRACTORS	3,000,000.00	0.00		
I 005	CONTR: M&R MACH&EQUIP	3,000,000.00	0.00		
TOTAL I 003	GOODS AND SERVICES-----	3,000,000.00	0.00		
**** END OF REPORT RP0065BS ****					

Don't FORGET!

FOR GETTING THE ECONOMIC CLASSIFICATION, THE DEPARTMENT NEED TO DRAW AND COMBINE THEIR REPORT BASED ON THE PROJECT, ASSET AND ITEM SEGMENT TOGETHER. THE TRIAL BALANCE IS ONLY BASED ON ITEM.

C.2 STATEMENT OF FINANCIAL PERFORMANCE

DEPARTMENT OF HEALTH NORTHERN CAPE Statement of Financial Performance for the year ended 31 March 2011			
	Note	2010/11 R' 000	2009/10 R' 000
REVENUE			
TOTAL REVENUE			
EXPENDITURE			
Current expenditure		3,000	1,900
Compensation of employees		-	-
Goods and Services		3,000	1,900
Transfers and subsidies		-	-
Expenditure on capital assets		-	-
Tangible capital assets		-	-
Payments for financial assets		-	-
TOTAL EXPENDITURE		3,000	1,900
SURPLUS/(DEFICIT) FOR THE YEAR			

Extraction for illustration purposes
Include notes as required per AFS guideline

DON'T FORGET!
Always consult relevant legislation, guidelines and policies for budgeting, classification and accounting of MAINTENANCE AND REPAIR. i.e.

- Public Finance Management Act
- Treasury Regulations
- National Treasury Budget Guidelines
- Reference Guide to the Economic Reporting Format (ERF)/(Blue Book September 2009)
- Guideline for the Preparation of Annual Financial Statements
- Asset Management Framework
- Classification Circulars and or Instruction Notes

