

TRANSACTION - PURCHASE OF BUILDINGS AND OTHER FIXED STRUCTURES

The Provincial Department of Education in Mpumalanga PURCHASE a new primary school from Group 5 LTD. for peoples in the Steve Tshwete district. Budget for this expenditure is carried against programme 2, Public Ordinary School Education and subprogramme 1, Public Primary Schools. The total purchase cost is payable in year 1 of the MTEF and amounts to R 2 bil. Funding for this project will be recorded against Provincial Earmarked and Specific funding.

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

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09		2010/11	2011/12	2012/13
R million	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0
Public Primary Schools	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0
Total	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09		2009/10	2010/11	2011/12
Current payments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Compensation of employees	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goods and services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments for capital assets	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0
Build & other fixed structures	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0
Buildings	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0
Other fixed structures	0	0	0	0.0	0	0	0.0
Total	0.0	0.0	0.0	0.0	2,000.0	0.0	0.0

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)
Projects infrastruct BAS 53 (NP)	Prov pay BAS 8 (NP)	Dept approp BAS 148 (NP)	Puri/Const Cap Ass BAS 310 (NP)	Build&Oth fix struc BAS 5 (NP)	Specific	Region Province BAS 3 (NP)
Prj new infr ass cap BAS 79 (NP)	Mpu prov pay obj BAS 919 (NP)	Earm&Spec funds BAS 153 (NP)	Build&Oth Fix Struct BAS 311 (NP)	Non Res buildings BAS 238 (NP)		Mpumalanga BAS 47 (NP)
Prj new infr ass cap BAS 80 (NP)	Mpu Education BAS 1641 (NP)	E&S Funds provincial BAS 562(NP)	Build&Oth Fix Str BAS1483(P)	Univ, Coll&Schools BAS 256 (NP)		MP: Municipalities BAS 160 (NP)
New infr noprj listedBAS81(P)	MED: Pub Ord School Educ BAS 1922(NP)	Dept create post lev (P)		Schools BAS 267 (NP)		Nkangala Municipalities BAS 162 (NP)
or	MED: Pub Prim Schools BAS 1945 (NP)			Schools new BAS 270 (NP)		MP313 Steve Tshwete BAS 172 (NP)
Dept create specific proj code	Dept create post lev (P)			Dept create post lev (P)		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

	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
2. PUBLIC ORDINARY SCHOOL EDUCATION									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Subtotal	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Direct charge against Revenue Fund									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-

	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	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payment for capital asset	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Build & other fixed structures	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Total	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-

	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
2.1 PUBLIC PRIMARY SCHOOLS									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
Total	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-

	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	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payment for capital asset	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Build & other fixed structures	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Total	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-

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

MAINTENANCE	BAS	DATE: 15/04/2011
RP0065BS	PROV: EDUCATION MPUMALANGA	TIME: 06:14:30
	TRIAL BALANCE	PAGE: 1
	AS AT 31/03/2011	
	REPORT INTRODUCTORY PAGE	
INSTALLATION ID : PROV: EDUCATION MPUMALANGA	LOCATION ID : PROV: EDUCATION MPUMALANGA	
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 BUILDINGS AND OTHER FIXED STRUCTURES		
I 004 BUILD&OTH FIX STRUCT	2,000,000,000.00	0.00
TOTAL I 003 GOODS AND SERVICES	2,000,000,000.00	0.00
**** END OF REPORT RP0065BS ****		

WHAT ABOUT THE ASSET REGISTER
CONSULT THE RELEVANT GUIDELINES FOR RECORDING ASSETS

Please note the presentation of items in the trial balance for the purchase of a new school.

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

	Note	2010/11	2009/10
		R' 000	R' 000
REVENUE			
TOTAL REVENUE			
EXPENDITURE			
Current expenditure			
Compensation of employees			
Goods and Services			
Transfers and subsidies			
Expenditure on capital assets		2,000,000	
Tangible capital assets		2,000,000	
Payments for financial assets			
TOTAL EXPENDITURE		2,000,000	
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 RRU. 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

Don't FORGET!

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Presentation for the Economic Reporting Format, Annual Financial Statements, SCOA item segment and the BAS Trial Balance for Purchase of the new school are all the same

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