

TRANSACTION - REFURBISHMENT, REHABILITATION, UPGRADE AND ADDITIONS (RRUA) OF BUILDINGS AND OTHER FIXED STRUCTURES - OUTSOURCED

The National Department of Correctional Services **UPGRADE** Correctional Facilities in Gauteng Province by **OUTSOURCING** the entire project. Budget for this expenditure is carried against programme 7, Facilities and subprogramme 3, Building and Maintenance. The total upgrading cost for the MTEF amounts to R 1 bil starting from 2010/11. Funding for these projects will be recorded against specifically and exclusively appropriated funds for correctional and other facilities maintenance and upgrades.

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

| Table 1.8 Facilities | | | | | | | |
|--------------------------|-----------------|--------------|--------------|------------------------|-----------------------------------|--------------|--------------|
| Subprogramme | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimates | | |
| | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
| R million | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
| Building and Maintenance | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |
| Total | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |

| Economic classification | Audited outcome | | | Adjusted appropriation | Medium-term expenditure estimates | | |
|------------------------------------|-----------------|--------------|--------------|------------------------|-----------------------------------|--------------|--------------|
| | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
| 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 | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |
| Build & other fixed structures | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |
| Buildings | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |
| Other fixed structures | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 100.0 | 130.0 | 150.0 | 170.0 | 200.0 | 350.0 | 450.0 |

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) | Nat pay BAS 9 (NP) | Dept approp BAS 148 (NP) | Payments BAS 308 (NP) | Build&Oth fix struc BAS 5 (NP) | Specific | Region Province BAS 3 (NP) |
| Prj exist infrastr ass BAS 55 (NP) | Nat dept BAS 10 (NP) | Earm&Spec funds BAS 153 (NP) | Goods & serv BAS 365 (NP) | Res buildings BAS 237 (NP) | | Western Cape BAS 50 (NP) |
| Upgrade&Add Cap BAS 61 (NP) | Correctional Services BAS 16 (NP) | E&S Funds national BAS 167 (NP) | Property payments BAS 385 (NP) | Prisons&Rehab BAS 281 (NP) | | WC: Whole Province BAS 51 (P) |
| Upgr&Add noprjlistBAS 64(P) | DCS: Facilities BAS 454 (NP) | E&S/F Corr Serv BAS 196 (NP) | Upgrade&Add prop BAS 2984 (NP) | Dept create post lev (P) | | |
| or | DCS: Build&Maintenance BAS 458 (NP) | Spec&Excl appr BAS 271 (NP) | | | | |
| Dept create specific proj code | Dept create post lev (P) | C/W/P/I:Cor&Oth fac | | | | |
| | | Main&Upgr BAS 542 (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 | | | | | | | | | |
|--|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| NATIONAL DEPARTMENT OF CORRECTIONAL SERVICES | | | | | | | | | |
| 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 |
| 7. FACILITIES | | | | | | | | | |
| Current payment | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Payment for capital assets | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Payment for financial assets | - | - | - | - | - | - | - | - | - |
| Subtotal | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Direct charge against Revenue Fund | | | | | | | | | |
| Current payment | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Payment for capital assets | - | - | - | - | - | - | - | - | - |
| Payment for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |

| 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 | - | - | - | - | - | - | - | - | - |
| Interest and rent on land | - | - | - | - | - | - | - | - | - |
| Payment for capital asset | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Build & other fixed structures | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Total | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |

| Detail per programme 7 - FACILITIES | | | | | | | | | |
|-------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 |
| 7.3 BUILDING AND MAINTENANCE | | | | | | | | | |
| Current payment | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies | - | - | - | - | - | - | - | - | - |
| Payment for capital assets | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Payment for financial assets | - | - | - | - | - | - | - | - | - |
| Total | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |

| Detail per economic classification programme 7 - FACILITIES | | | | | | | | | |
|---|------------------------|-------------------|----------|---------------------|--------------------|----------|---|---------------------|--------------------|
| | 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 | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Build & other fixed structures | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |
| Total | 200,000 | - | - | 200,000 | 200,000 | - | 100% | 170,000 | 170,000 |

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

| MAINTENANCE | | BAS | | DATE: 15/04/2011 |
|------------------------|---|----------------------------|--|------------------|
| RP0065BS | | NAT: CORRECTIONAL SERVICES | | TIME: 06:14:30 |
| | | TRIAL BALANCE | | PAGE: 1 |
| | | AS AT 31/03/2011 | | |
| | | REPORT INTRODUCTORY PAGE | | |
| INSTALLATION ID | : | NAT: CORRECTIONAL SERVICES | | |
| LOCATION ID | : | NAT: CORRECTIONAL SERVICES | | |
| 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 | PROPERTY PAYMENTS | 200,000,000.00 | 0.00 |
| I 005 | P/P:UPGR&ADD PROP | 200,000,000.00 | 0.00 |
| TOTAL I 003 | GOODS AND SERVICES | 200,000,000.00 | 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 Refurbishment, Rehabilitation, Upgrade and Additions (RRUA) when OUTSOURCED, it is only presented at item level. Draw report as a combination of Project, Asset and Item to get the ECONOMIC CLASSIFICATION

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

| NATIONAL DEPARTMENT OF CORRECTIONAL SERVICES | | | |
|---|------|----------------|----------------|
| 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 | | | |
| Compensation of employees | | | |
| Goods and Services | | | |
| Transfers and subsidies | | | |
| Expenditure on capital assets | | 200,000 | 170,000 |
| Tangible capital assets | | 200,000 | 170,000 |
| Payments for financial assets | | | |
| TOTAL EXPENDITURE | | 200,000 | 170,000 |
| SURPLUS/(DEFICIT) FOR THE YEAR | | | |

Extraction for illustration purposes
Include notes as required per AFS guideline

! Note the difference in presentation for the Economic Reporting Format and Annual Financial Statements vs. SCOA segments and the BAS Trial Balance for Refurbishment, Rehabilitation, Upgrade and Additions when OUTSOURCED

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