

**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**

Table 1.3 Public Ordinary School Education							
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
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.0</b>

  

Economic classification	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2006/07	2007/08	2008/09		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
<b>Payments for capital assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.0</b>
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
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,000.0</b>	<b>0.0</b>	<b>0.0</b>

**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)	<b>Build&amp;Oth Fix Str BAS1483(P)</b>	Univ, Coll&Schools BAS 256 (NP)		MP: Municipalities BAS 160 (NP)
<b>New infr noprj listedBAS81(P)</b>	MED: Pub Ord School Educ BAS 1922(NP)	<b>Dept create post lev (P)</b>		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)
<b>Dept create specific proj code</b>	<b>Dept create post lev (P)</b>			<b>Dept create post lev (P)</b>		<b>Dept create post lev (P)</b>

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](http://www.treasury.gov.za)

**C. PRESENTATION IN THE ANNUAL FINANCIAL STATEMENTS**

C.1 APPROPRIATION STATEMENT DEPARTMENT OF EDUCATION MPUMALANGA 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
<b>2. PUBLIC ORDINARY SCHOOL EDUCATION</b>									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>Direct charge against Revenue Fund</b>									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>

  

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	-	-	-	-	-	-	-	-	-
<b>Payment for capital asset</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>
Build & other fixed structures	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
<b>Total</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>

  

Detail per programme 2 - PUBLIC ORDINARY SCHOOL EDUCATION									
	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
<b>2.1 PUBLIC PRIMARY SCHOOLS</b>									
Current payment	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
Payment for financial assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>

  

Detail per economic classification Programme 2 - PUBLIC ORDINARY SCHOOL EDUCATION									
	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	-	-	-	-	-	-	-	-	-
<b>Payment for capital asset</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>
Build & other fixed structures	2,000,000	-	-	2,000,000	2,000,000	-	100%	-	-
<b>Total</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>

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

MAINTENANCE RP0065BS		BAS PROV: EDUCATION MPUMALANGA TRIAL BALANCE AS AT 31/03/2011 REPORT INTRODUCTORY PAGE		DATE: 15/04/2011 TIME: 06:14:30 PAGE: 1	
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 RP065BS \*\*\*\*

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**

DEPARTMENT OF EDUCATION MPUMALANGA Statement of Financial Performance for the year ended 31 March 2011			
	Note	2010/11 R' 000	2009/10 R' 000
<b>REVENUE</b>			
TOTAL REVENUE			
<b>EXPENDITURE</b>			
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		-	-
<b>TOTAL EXPENDITURE</b>		<b>2,000,000</b>	<b>-</b>
<b>SURPLUS(DEFICIT) FOR THE YEAR</b>			

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 RUA. 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

! 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