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CFO/R/106/1/B

Secretary for Defence
(Financial Management Division)
Private Bag X175
Pretoria
0001

15 April 2005

DEPARTMENT OF DEFENCE INSTRUCTION FOR THE PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

- References:
- A. Public Finance Management Act,
 - B. Treasury Regulations
 - C. Guide for the Preparation of Annual Reports for Departments
 - D. Specimen Annual Financial Statements for Departments
- Appendix
- A – F: Responsibilities for the compilation of the Financial Statements
 - G: Matters addressed by the Auditor-General in the previous financial year

BACKGROUND

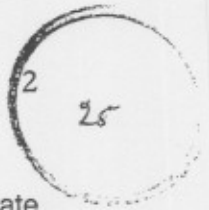
1. Departments are required to prepare financial statements on a modified cash basis of accounting in the form of the Statement of Financial Performance, Statement of Financial Position, Cash Flow Statement and Notes thereto.
2. Government is gradually moving towards an accrual basis of accounting. On an accrual basis transactions are recorded when an event takes place and not upon receipt and payment of actual cash. Additional notes in the Notes to the financial statements are required. The additional notes are in terms of accrual accounting and are part of the gradual movement to an accrual basis of accounting.

INTRODUCTION

3. The Accounting Officer must, in terms of PFMA Section 40(1) prepare financial statements for each financial year in accordance with recognised accounting practice and submit the statements to the Auditor-General for auditing and the National Treasury on or before 31 May. The Accounting Officer must also submit the financial statements and the Auditor-General Report to National Treasury on or before 31 July. Failing this will result in financial misconduct in terms of the PFMA Section 81.
4. In terms of the PFMA Section 76(2)(a) the National Treasury issued the Treasury Regulations in which the preparation and submission of the Financial and Annual Statements are covered (see Section 18). The National Treasury also issued instructions for the finalisation of the financial statements. The instructions cover the format of the statements as well as changed/new information to be included in the statements for the financial year. Attached herewith a CD with:

- a. Guide for the Preparation of Annual Reports of departments
- b. Specimen Annual Financial Statements for departments

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 PRETORIA 0001
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 UITB. 4 ERASMUSKLOOF.



5. Kindly download the information onto your computer and return the CD to Directorate Central Accounts, sub directorate Accounts Control.

AIM

6. The aim of this instruction is to:
 - a. Ensure that role players, who must provide required inputs, are identified and informed.
 - b. Ensure that role players are equipped with the relevant information (Guide for the preparation of Annual Reports of Departments and Specimen Annual Financial Statements for Department).
 - c. Ensure that role players are aware of the required timescales for submission of inputs.
 - d. Ensure that role players submit their inputs in the correct format.

SCOPE

7. The scope of this instruction will address the following issues:
 - a. Responsibility
 - b. Relevant information
 - c. Timescales
 - d. Format of inputs
 - e. Implementation

RESPONSIBILITIES

8. Responsible Divisions are indicated in Appendix A to Appendix F.

RELEVANT INFORMATION

9. Information required is stipulated in Appendix A to Appendix F.

MATTERS ADDRESSED IN THE AUDITOR-GENERAL'S REPORT OF THE PREVIOUS FINANCIAL YEAR

10. Detail of the qualification/non-qualification and emphasis of matters of the previous financial year are set out in Appendix G. Extreme care must be taken to ensure that inputs provided are accurate in order to prevent the Auditor-General from reporting on the same issues addressed in the Auditor-General' Report for the financial year under review.

TIME SCALES

11. The inputs in respect of the Annual Financial Statements are the responsibility of the CFO. All inputs are to reach the CFO (Director Central Accounts) by not later than 20 April 2005.

RESTRICTED



FORMAT

12. Inputs must be provided as a hardcopy and an electronic copy. The electronic copy shall be in Excel. First letters of sentences must be in upper case (capital letters) and the rest of the sentences in lower case. Rand values must be either "currency" or "accounting" format – NOT IN TEXT FORMAT.

IMPLEMENTATION

13. The implementation of this instruction is mandatory with effect of signature.

(J.B. MASILELA)
SECRETARY FOR DEFENCE: DIRECTOR GENERAL

15/4/05

(S. NYANDA)
CHIEF OF THE SANDF: GENERAL

22 Apr 05
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INSTRUCTION DOCUMENT

Responsibilities for the compilation of the financial statements

Management Report	Appendix A
Statement of Financial Performance	Appendix B
Statement of Financial Position	Appendix C
Cash Flow Statement	Appendix D
Disclosure Notes	Appendix E
Additional Annexures	Appendix F

APPENDIX A TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

MANAGEMENT REPORT

SER	OUTPUT	PAR NO OF THE GUIDE TO THE MANAGEMENT REPORT	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1	General review of the state of financial affairs	Par 5.2.3.1				
	i. Important policy decisions and strategic issues.		CPP (CD StratMan)	Mr T.E. Motumi	355 6207	
	ii. Comment on significant events that have taken place during the year with significant financial impact		CFO	Mr J.L. Gründling	355 6217	
	iii. Comment on major projects undertaken or completed during the year with significant financial impact		CFO	Mr J.L. Gründling	355 6217	
	iv. Spending trends and adjustment estimates - Reasons for under/over spending - Discuss the impact on programmes and service delivery - Actions taken or planned to avoid recurrence		CFO (DBC)	Mr J.J. Rautenbach	355 5554	
	v. Any other material matter with significant financial impact		CFO CFO (DBC) (support) CFO (D BUD) (support)	Mr J.L. Gründling Mr J.J. Rautenbach Mr B.J. Engelbrecht	355 6217 355 5554 355 5842	

MANAGEMENT REPORT

SER	OUTPUT	PAR NO OF THE GUIDE TO THE MANAGEMENT REPORT	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
2	Services rendered by the department i. List of services rendered ii. Tarriff policy iii. Free services iv. List of inventories at year-end	Par 5.2.3.2	CPP (CDStratMan) C Log (support) CFO (DSSRP) CFO (DFSS) (support) C Log C Log	Mr T.E. Motumi Col M.J. Craig Mr J.A. Steyn Mr T.T. Molotsi Col M.J. Craig Col M.J. Craig	355 6207 339 5615 392 2890 392 2559 339 5615 339 5615	
3	Capacity constraints i. Description ii. Impact on planned programmes	Par 5.2.3.3	CPP (CDStratMan)	Mr T.E. Motumi	355 6207	
4	Utilisation of donor funds: i. Description ii. Analysis of factors contributing to effective/ineffective utilisation	Par 5.2.3.4	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
5	Trading entities/public entities i. Summary of activities ii. Comparative information iii. Any new developments iv. Indication of losses and guarantees	Par 5.2.3.5	CFO (DCA)	Mr H.J. Fourie	392 2735	
6	Organisations to whom transfer payments have been made i. List of entities ii. Reasons for transfer payments iii. Accountability arrangements	Par 5.2.3.6	CFO (DBC) CFO (DBC) CFO (DSSRP)	Mr J.J. Rautenbach Mr D. Fourie Mr J.A. Steyn	355 5842 355 5569 392 2890	

MANAGEMENT REPORT

SER	OUTPUT	PAR NO OF THE GUIDE TO THE MANAGEMENT REPORT	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
7	Public/private partnerships (PPP)	Par 5.2.3.7	C Acq Surgeon General (support) SA Navy (support)	Col R.T. Majola Brig Gen H. Wallis Mr W.A.K. van Rooyen	355 5576 671 5244 339 4202	
8	Corporate Governance arrangements i. Description risk management approach ii. Description fraud prevention policies iii. Description effectiveness of internal audit iv. Audit Committee v. Description other governance structures vi. Management bodies vii. Code of conduct viii. Occupational health and safety ix. Environmental matters	Par 5.2.3.8	CFO (DFCS) IG DOD IG DOD CFO (DFCS) CFO (DFCS) CFO CFO Surgeon General Joint Support (Defence Logistic Agency)	Ms R. Mathura Ms Z.P. Heystek Ms Z.P. Heystek Ms R. Mathura Ms R. Mathura Mr J.L. Gründling Mr J.L. Gründling Lt Gen V.J. Ramlakan Brig Gen E.P. Navratil	355 5962 312 4762 312 4762 355 5962 355 5962 355 6217 355 6217 671 5911 339 5154	
9	Discontinued activities/to be discontinued i. List activities ii. Reasons for discontinuance iii. Effect on operations/services by the department iv. Financial implications of each discontinued activity	Par 5.2.3.9	CPP (CD StratMan) CPP (CD StratMan) CPP (CD StratMan) CPP (CD Strat Man) CFO (DBC) (support) CFO (D BUD) (support)	Mr T.E. Motumi Mr T.E. Motumi Mr T.E. Motumi Mr T.E. Motumi Mr J.J. Rautenbach Mr B.J. Engelbreht	355 6207 355 6207 355 6207 355 6207 355 5554 355 5842	If not included in the management report, information must be included in annual report on performance
10	New/proposed activities i. List new/proposed activities ii. Reasons for new activities iii. Effect on operations of the Department iv. Financial implications of each new activity	Par 5.2.3.10	CPP (CDStratMan) CPP (CDStratMan) CPP (CDStratMan) CPP (CD Strat Man) CFO(DBC & DBUD support)	Mr T.E. Motumi Mr T.E. Motumi Mr T.E. Motumi Mr T.E. Motumi Mr J.J. Rautenbach Mr B.J. Engelbreht	355 6207 355 6207 355 6207 355 6207 355 5554 355 5842	If not included in the management report, information must be included in annual report on performance

SER	OUTPUT	PAR NO OF THE GUIDE TO THE MANAGEMENT REPORT	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
11	Events after the accounting date i. Nature of any events ii. Estimate of financial effect, or statement that estimate cannot be made	Par 5.2.3.11	CPP (CD StratMan) CFO (DBC) (support)	Mr T.E. Motumi Mr J.J. Rautenbach	355 6207 355 5554	
12	Performance information i. Processes to deliver performance information ii. Progress made to report on performance information iii. Systems in place		CFO	Mr J.L. Gründling	355 6217	
13	Other Any other material fact or circumstance that may have effect on the understanding of the financial state or affairs.	Par 5.2.3.12	CFO	Mr J.L. Gründling	355 6217	

APPENDIX B TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1	Annual Appropriation i. Voted funds per programme, final appropriation, actual funds received, funds not requested/not received and appropriation received (2004/05) and explanation funds not requested/not received ii. Conditional grants iii. Unconditional grants	Note 1 Note 1.1 Note 1.2 Annex 1A Note 1.3 Annex 1B	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
2	Statutory appropriation	Note 2	CFO (DBC)	Mr J.J. Rautenbach	355 5554	

FINANCIAL PERFORMANCE

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
3	<p>Departmental revenue to be surrendered to revenue fund</p> <p>i. Tax revenue</p> <p>ii. Sales of goods and services other than capital assets</p> <ul style="list-style-type: none"> - Sales of goods and services produced by the department Sales by market establishment Administrative fees Other sales - Sales of scrap, waste and other used current goods <p>iii. Fines, penalties and forfeits</p> <p>iv. Interest, dividends and rent on land</p> <p>v. Sales of capital assets</p> <ul style="list-style-type: none"> - Land and subsoil assets - Other capital assets <p>vi. Financial transactions in assets and liabilities</p> <ul style="list-style-type: none"> - Loans - Receivables - Other receipts <p>vii. Transfers received</p> <ul style="list-style-type: none"> - Other governmental units - Universities and technikons - Public corporations and private enterprises 	<p>Note 3</p> <p>Note 3.1</p> <p>Note 3.2</p> <p>Note 3.3</p> <p>Note 3.4</p> <p>Note 3.5</p>	<p>CFO (DSSRP/Revenue Accountant)</p> <p>CFO (DBC) (support)</p> <p>C Log (DSSS) (support)</p>	<p>Mr J.A. Steyn</p> <p>Mr J.S. Rademeyer</p> <p>Mr A. Cordier</p> <p>Mr J.J. Rautenbach</p> <p>Col M.J. Craig</p>	<p>392 2890</p> <p>392 2884</p> <p>392 2867</p> <p>355 5554</p> <p>339 5615</p>	

STATEMENT OF FINANCIAL PERFORMANCE

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
4	Local and foreign aid assistance	Note 4	CFO (DBC)	Mr J.J. Rautenbach	355 5554 355 5803	
			CFO (DSSRP/Revenue Accountant) (support)	Mr J.A. Steyn Mr J.S. Rademeyer Mr A. Cordier	392 2890 392 2884 392 2867	
			CFO (DCA) Bank Management (support)	Mr A.J.B. Burger	392 2751	
	i. Assistance received in cash from RDP Local - Opening balance - Revenue - Expenditure Current Capital	Note 4.1	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
	ii. Assistance received in cash: Other Local and Foreign - Opening balance - Revenue - Expenditure Current Capital		CFO (DBC)	Mr J.J. Rautenbach	355 5554	
	iii. Analysis of balance					
5a	Compensation of employees (Current expenditure) Salaries and wages i. Basic salary ii. Performance award iii. Service Based iv. Compensative/circumstantial v. Periodic payments vi. Other non-pensionable allowances	Note 5 Note 5.1	CFO (DBC)	Mr J.J. Rautenbach	355 5554	

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
5b	Social contributions Employer contributions i. Pension ii. Medical iii. UIF iv. Bargaining council v. Official unions and associations vi. Insurance	Note 5.2 Note 5.2.1	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
5c	Social contributions Post retirement benefits i. Medical	Note 5.2 Note 5.2.2	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
5d	Average number of employees	Note 5	D HR Plan	Brig Gen A.L. de Wit	355 5870	
6	Goods and services i. External audit fees ii. Inventory iii. Travel and subsistence iv. See Specimen for complete list	Note 6 Note 6.1 Note 6.2 Note 6.3	CFO(DBC) C Log (DSSS)	Mr J.J. Rautenbach Col M.J. Craig	355 5554 339 5615	
7	Interest and rent on land i. Interest expense ii. Rent on land	Note 7	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
8	Financial transactions in assets and liabilities i. Material losses through criminal conduct ii. Other material losses written off iii. Debts written off iv. Theft v. Forex losses vi. Recoverable revenue debts written off	Note 8.1 Note 8.2 Note 8.3 Note 8.4 Note 8.5 Note 8.6	CFO (DFCS) CFO (DFCS) CFO (DSSRP) (support) CFO (DCA) (support) CFO(DCA) Debtors CFO(DBC) CFO (DBC) CFO (DCA) Debtors	Ms R. Mathura Ms R. Mathura Mr J.A. Steyn Mr A.P.J. Dippenaar Mr A.P.J. Dippenaar Mr J.J. Rautenbach Mr J.J. Rautenbach Mr A.P.J. Dippenaar	355 5962 355 5962 392 2890 392 2778 392 2778 355 5554 355 5554 392 2778	

STATEMENT OF FINANCIAL PERFORMANCE

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
9	Transfers and subsidies i. Provinces and municipalities ii. Departmental agencies and accounts iii. Universities and technikons iv. Foreign governments and international organisations v. Public corporations and private enterprises vi. Non-profit institutions vii. Households viii. Unauthorised expenditure approved by Parliament	Note 9 Annex 1C, 1D, 1E, 1F Annex 1G Annex 1H Annex 1J Annex 1I Annex 1K Annex 1L	CFO (DBC) CFO (D BUD) (support) CFO (DSSRP) (support)	Mr J.J. Rautenbach Mr B. Engelbrecht Mr J.A. Steyn	355 5554 355 5842 392 2890	
10	Expenditure for capital assets i. Buildings and other fixed structures ii. Machinery and equipment iii. Heritage assets iv. Biological or cultivated assets v. Land and subsoil assets vi. Software and other intangible assets	Note 10 Annex 4 Annex 4 Annex 4 Annex 4 Annex 4 Annex 5	CFO (DBC) C Log (DSSS) (support)	Mr J.J. Rautenbach Col M.J. Craig	355 5554 339 5615	
11	Unauthorised expenditure i. Reconciliation ii. Analysis - Incident - Disciplinary steps taken/criminal proceedings	Note 11 Note 11.1 Note 11.2	CFO (DBC) CFO (DCA) (support) CFO (DSSRP) (support) CFO (DFCS) (support)	Mr J.J. Rautenbach Mr H.J. Fourie Mr J.A. Steyn Ms R. Mathura	355 5554 392 2735 392 2890 355 5962	

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL PERFORMANCE	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
12	Fruitless and wasteful expenditure i. Reconciliation ii. Analysis - Incident - Disciplinary steps taken/criminal proceedings	Note 12 Note 12.1 Note 12.2	CFO (DCA) CFO (DSSRP) CFO(DFCS) (support) C Acq (support)	Mr H.J. Fourie Mr J.A. Steyn Ms R. Mathura Col R.T. Majola	392 2735 392 2890 355 5962 355 5576	
13	Voted Funds to be surrendered to the Revenue Fund	Statement of Financial Performance	CFO (DBC) CFO (DCA) (support)	Mr J.J. Rautenbach Mr H.J. Fourie	355 5554 392 2735	

APPENDIX C TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL POSITION	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1	Cash and cash equivalents i. Consolidated Paymaster General Account ii. Cash receipts iii. Disbursements iv. Cash on hand v. Cash with commercial banks	Note 13	CFO (DCA) Bank Management CFO (DSSRP) (support)	Mr A.J.B. Burger Mr J.A. Steyn	392 2751 392 2890	
2	Other financial assets i. Current (domestic and foreign) ii. Non-current	Note 14	All Directors in Finance Division			If not aware of any other financial assets a nil return must be submitted
3	Prepayments and advances i. Staff advances ii. Travel and subsistence iii. Prepayments iv. Advances paid to other entities v. SOCPEN advances	Note 15	CFO (DDPP) CFO (DCA) Debtors (support) CFO (DSSRP) (support)	Mr N.M. Pretorius Mr A.P.J. Dippenaar Mr J.A. Steyn	392 2352 392 2778 392 2890	

STATEMENT OF FINANCIAL POSITION

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL POSITION	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
4	Receivables - current i. Age analysis of receivables ii. Households and non profit institutions iii. Private enterprises iv. Staff debtors v. Other debtors vi. Debts revised vii. Claims recoverable	Note 16 Note 16 Note 16.1 Note 16.2 Note 16.3 Note 16.4 Note 16.5 Annex 6	CFO (DCA) Debtors CFO (DSSRP) (support) CFO (DDPP) (support) CFO (DFCS) (support)	Mr A.P.J. Dippenaar Mr J.A. Steyn Mr N.M. Pretorius Ms R. Mathura	392 2778 392 2890 392 2352 355 5962	
5	Investments i. Current ii. Non-current	Note 17 Annex 2	CFO (D BUD) CFO (DBC) CFO (DSSRP) C Acq	Mr B.J. Engelbrecht Mr J.J. Rautenbach Mr J.A. Steyn Col R.T. Majola	355 5842 355 5554 392 2890 355 5576	If not aware of any investments, a nil return must be submitted
6	Loans i. Public corporations ii. Universities and technikons iii. Foreign governments iv. Private enterprises	Note 18	CFO (DCA) Debtors	Mr A.P.J. Dippenaar	392 2778	
7	Voted funds to be surrendered to the Revenue Fund	Note 19	CFO (DBC) CFO (DCA) (support)	Mr J.J. Rautenbach Mr H.J. Fourie	355 5554 392 2735	

STATEMENT OF FINANCIAL POSITION

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL POSITION	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
8	Departmental receipts to be surrendered to the Revenue Fund i. Opening balance ii. Transfer from Statement of Financial Performance iii. Departmental revenue budgeted iii. Transfer from local and foreign aid assistance iv. Paid during the year	Note 20	CFO (DSSRP/Revenue Accountant) CFO (DBC) (support) CFO (DCA) Bank Management (support)	Mr J.A. Steyn Mr J.S. Rademeyer Mr A. Cordier Mr J.J. Rautenbach Mr A.J.B. Burger	392 2890 392 2884 392 2867 355 5554 392 2751	
9	Bank overdraft i. Consolidated Paymaster General Account ii. Fund requisition account iii. Cash receipts iv. Disbursements v. Commercial banks	Note 21	CFO (DCA) Bank Management CFO (DSSRP) (support)	Mr A.J.B. Burger Mr J.A. Steyn	392 2751 392 2890	
10	Payables - current i. Age analysis ii. Amounts owing to other entities iii. Advances received iv. Clearing accounts v. Other payables	Note 22 Note 22 Annex 7 Note 22.1 Note 22.2 Note 22.3	CFO (DSSRP) CFO (DCA) (support) CFO (DDPP) (support) CFO (DFSS) (support)	Mr J.A. Steyn Mr H.J. Fourie Mr N.M. Pretorius Mr T.T. Molotsi	392 2890 392 2735 392 2352 392 2559	

STATEMENT OF FINANCIAL POSITION

SER	OUTPUT	NOTE TO THE STATEMENT OF FINANCIAL POSITION	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
11	Payables - non-current i. Age analysis ii. Amounts owing to other entities iii. Advances received iv. Other payables	Note 23 Note 23 Annex 7 Note 23.1 Note 23.2	CFO (DSSRP) CFO (DCA) (support) CFO (DDPP) (support) CFO (DFSS) (support)	Mr J.A. Steyn Mr H.J. Fourie Mr N.M. Pretorius Mr T.T. Molotsi	392 2890 392 2735 392 2352 392 2559	

APPENDIX D TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

CASH FLOW STATEMENT

SER	OUTPUT	NOTE TO THE CASH FLOW STATEMENT	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1	Net cash flow available from operating activities	Note 24				
	Non -cash movements					
	i. Proceeds from sale of capital assets		CFO (DSSRP/Revenue Accountant)	Mr J.A. Steyn Mr J.S. Rademeyer Mr A. Cordier	392 2890 392 2884 392 2867	
	ii. Proceeds from sale of investments		CFO (DSSRP/Revenue Accountant)	Mr J.A. Steyn Mr J.S. Rademeyer Mr A. Cordier	392 2890 392 2884 392 2867	
	iii. Proceeds on sale of other financial assets		CFO (DSSRP/Revenue Accountant)	Mr J.A. Steyn Mr J.S. Rademeyer Mr A. Cordier	392 2890 392 2884 392 2867	
	iv. Expenditure on capital assets		CFO (DBC)	Mr J.J. Rautenbach	355 5554	
	v. Voted funds not requested/not received		CFO (DCA) Bank Management	Mr A.J.B. Burger	392 2751	
	vi. Other non-cash items					
2	Reconciliation of cash and cash equivalents for cash flow purposes	Note 25	CFO (DCA) Bank Management	Mr A.J.B. Burger	392 2751	
	i. Consolidated Paymaster General Account					
	ii. Fund requisition account					
	iii. Cash and cash receipts					
	iv. Disbursements					
	v. Cash on hand					
	vi. Cash with commercial banks					

APPENDIX E TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

SER	OUTPUT	DISCLOSURE NOTES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1	Contingent liabilities	Note 26				
	i. Motor vehicle guarantees	Annex 3A	CFO (DFSS)	Mr T.T. Molotsi	392 2559	CFO (DFSS) to consolidate all inputs from C HRS concerning ser 1(ii)
	ii. Housing loan guarantees	Annex 3A	C HRSC (DPM) CFO (DFSS)	Brig Gen V.R. Masondo Mr T.T. Molotsi	339 5081 392 2559	
	iii. Other guarantees	Annex 3A	CFO (DFSS)	Mr T.T. Molotsi	392 2559	
	iv. Claims against the Department	Annex 3B	CFO (DFCS)	Ms R. Mathura	355 5962	
	v. Other departments (interdepartmental unconfirmed balances)	Annex 7	CFO (DSSRP)	Mr J.A. Steyn	392 2890	
	vi. Environmental rehabilitation liability	Annex 3B	Joint Support (Defence Logistic Agency) CFO (DFCS) (support)	Brig Gen E.P. Navratil Ms R. Mathura	339 5154 355 5962	
	vii. Other	Annex 3B	CFO (DFCS)	Ms R. Mathura	355 5962	
2	Commitments (capital & current)	Note 27	CFO (DBC)	Mr J.J. Rautenbach	355 5554	
	i. Approved and contracted/ordered					
	ii. Approved but not yet contracted					
3a	Accruals (outstanding payments not recognised)	Note 28	CFO (DSSRP)	Mr J.A. Steyn	392 2890	CFO (DSSRP) to consolidate all inputs concerning ser 3
	Goods/services received and invoice received but not paid at 31 March 2006					
	i. Listed by economic classification ii. Listed by programme level					
3b	Goods/services received but no invoice received for payment at 31 March 2006	Note 28	C LOG	Brig Gen Z.J. van der Merwe Col M.J. Craig	355 5558 339 6515	
	i. Listed by economic classification ii. Listed by programme level					
3c	Confirmed balances with other departments	Note 28	CFO (DSSRP)	Mr J.A. Steyn	392 2890	

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

SER	OUTPUT	DISCLOSURE NOTES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
4	Employee benefit provisions i. Leave entitlement ii. Thirteenth cheque iii. Performance bonus iv. Capped leave commitments	Note 29	CFO (DDPP) C HRSC (DPM) (support) D HR Plan (support)	Mr N.M. Pretorius Mr G. Grové Brig Gen V.R. Masondo Brig Gen A.L. de Wit	392 2352 339 5081 355 5870	
5a	Operating leases i. Name of institution ii. Not later than 1 year iii. Later than 1 year and not later than 5 years iv. Later than 5 years	Note 30.1	C Acq	Col R.T. Majola	355 5576	
5b	Finance leases	Note 30.2	C Acq	Col R.T. Majola	355 5576	
6	Receivables for departmental revenue i. Tax revenue ii. Sales of goods and services other than capital assets iii. Fines, penalties and forfeits iv. Interest, dividends and rent on land v. Sales of capital assets vi. Financial transactions in assets and liabilities vii. Transfers received viii. Other	Note 31	CFO (DCA) Debtors	Mr A.P.J. Dippenaar	392 2778	

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

SER	OUTPUT	DISCLOSURE NOTES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
7	<p>Irregular expenditure</p> <p>i. Reconciliation of irregular expenditure</p> <p>ii. - Incident</p> <p>- Disciplinary steps taken/ criminal proceedings</p> <p>iii. Analysis</p>	<p>Note 32</p> <p>Note 32.1</p> <p>Note 32.2</p>	<p>CFO (DCA)</p> <p>C Acq</p> <p>CFO (DSSRP) (support)</p> <p>CFO (DFCS) (support)</p>	<p>Mr H.J. Fourie</p> <p>Col R.T. Majola</p> <p>Mr J.A. Steyn</p> <p>Ms R. Mathura</p>	<p>392 2735</p> <p>355 5576</p> <p>392 2890</p> <p>355 5962</p>	
8	<p>Related party transactions</p> <p>i. Types of related party relationships</p> <p>ii. Types of transactions that have occurred</p> <p>iii. Elements of transactions</p> <p>iv. Revenue received/(paid)</p> <p>v. Movement of funds between department and related party</p> <p>vi. Balances between department and related party</p>	Note 33	CFO (DCA)	Mr H.J. Fourie	392 2735	
9	<p>Key management personnel</p> <p>i. Compensation of key management</p> <p>ii. Number of individuals determined on a full time equivalent basis</p> <p>iii. Political office bearers</p> <p>iv. Officials</p> <p>- Level 15 to 16</p> <p>- Level 14</p> <p>v. Family members of key management personnel</p>	Note 34	<p>D HR Plan</p> <p>C Acq</p>	<p>Brig Gen A.L. de Wit</p> <p>Col R.T. Majola</p>	<p>355 5870</p> <p>355 5576</p>	

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

SER	OUTPUT	DISCLOSURE NOTES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
10	Public/Private partnerships i. A description of the arrangement ii. Arrangements that may affect amount, timing and certainty of future cash flows iii. Nature and extent of: see note 35 of the specimen iv. Changes in the arrangement occurring during the period	Note 35	C Acq Surgeon General (support) SA Navy (support)	Col R.T. Majola Brig Gen H. Wallis Mr W.A.K. van Rooyen	355 5576 671 5911 339 4202	
11	Provisions i. Potential irrecoverable debts - Households and non profit institutions - Private enterprises - Staff debtors - Other debtors - Claims recoverable ii. Provisions - Impairment of investments - Provision for non-recoverable loans - Other	Note 36	CFO (DCA) Debtors CFO (DCA)	Mr A.P.J. Dippenaar Mr H.J. Fourie	392 2778 392 2735	
12	Inventory at year end See specimen for complete list	Note 37	C Log (DSSS)	Col M.J. Craig	339 5615	

APPENDIX F TO
CFO/R/106/1/B dd FEB 2005

RESPONSIBILITIES FOR THE COMPILATION OF THE FINANCIAL STATEMENTS

ADDITIONAL ANNEXURES TO THE FINANCIAL STATEMENTS

SER	OUTPUT	ANNEXURES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
1a	Statement of gifts, donations and sponsorships received in cash for the year ended 31 March 2006 i. Name of organisation ii. Nature of gift, donation or sponsorship	Annex 1M	CFO (DBC) CFO (DCA) Bank Management C Log (DSSS) (Support)	Mr J.J. Rautenbach Mr A.J.B. Burger Col M.J. Craig	355 5554 392 2751 339 5615	
1b	Statement of gifts, donations and sponsorships received in kind for the year ended 31 March 2006 i. Name of organisation ii. Nature of gift, donation or sponsorship	Annex 1M	CPP (D MR Pol) C Log (DSSS) (support)	Mr S.D. Dladla Col M.J. Craig	355 5216 339 5615	
2a	Statement of local and foreign aid assistance received in cash for the year ended 31 March 2006 i. Name of donor ii. Purpose iii. Opening balance iv. Revenue v. Expenditure vi. Closing balance	Annex 1N	CFO (DBC) CFO (DCA) Bank Management C Log (DSSS) (Support)	Mr J.J. Rautenbach Mr A.J.B. Burger Col M.J. Craig	355 5554 392 2751 339 5615	

SER	OUTPUT	ANNEXURES	RESPONSIBILITY	DEDICATED PERSON	CONTACT NUMBER	COMMENTS
2b	<p>Statement of local and foreign aid assistance received in kind for the year ended 31 March 2006</p> <p>i. Name of donor ii. Purpose iii. Opening balance iv. Revenue v. Expenditure vi. Closing balance</p>	Annex 1N	<p>CPP (D MR Pol) C Log (DSSS) (support)</p>	<p>Mr S.D. Dladla Col M.J. Craig</p>	<p>355 5216 339 5615</p>	
3a	<p>Statement of gifts, donations and sponsorships made and remissions, refunds and payments made as an act of grace for the year ended 31 March 2006 (paid in cash)</p> <p>i. Name of organisation ii. Nature of gift, donation or sponsorship iii. Remissions, refunds and payments made as an act of grace</p>	Annex 1O	<p>CFO (DSSRP) CFO (DFCS)</p>	<p>Mr J.A. Steyn Ms R. Mathura</p>	<p>392 2890 355 5962</p>	
3b	<p>Statement of gifts, donations and sponsorships made and remissions, refunds and payments made as an act of grace for the year ended 31 March 2006 (made in kind)</p> <p>i. Name of organisation ii. Nature of gift, donation or sponsorship</p>	Annex 1O	<p>CPP (D MR Pol) C Log (DSSS) (support)</p>	<p>Mr S.D. Dladla Col M.J. Craig</p>	<p>355 5216 339 5615</p>	
4	<p>Statement of actual monthly expenditure per grant for the year ended 31 March 2006</p> <p>i. Old age ii. War Veterans iii. Disability iv. Grant in Aid v. Foster Care vi. Care Dependency vii. Child Support Grant viii. Other</p>	Annex 1P	<p>CFO (DBC) CFO (DSSRP) (support)</p>	<p>Mr J.J. Rautenbach Mr J.A. Steyn</p>	<p>355 5554 392 2890</p>	
5	Appropriation Statement		CFO (DBC)	Mr J.J. Rautenbach	355 5554	