



**PROVINSIALE TESOURIE •
PROVINCIAL TREASURY •
UNONDYEBO WEPHONDO**



**HOOFDIREKTORAAT: BATEBESTUUR
CHIEF DIRECTORATE: ASSET MANAGEMENT**

Verwysing T/16/2/R
Reference
Isalathiso

Navrae Juliet Rudolph
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TREASURY CIRCULAR NO: 6/2010

Inventory Management Reporting

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER) (ACTING)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR RB SWARTZ)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KG HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)
THE ACCOUNTING OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MS S MAJIET)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR R ELLIS) (ACTING)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR T MANYATHI)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR B ROBERTS)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS) (ACTING)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR P O'BRIEN) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MR D BASSON)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)

THE SUPPLY CHAIN MANAGER: VOTE 1: PREMIER (MS A STASSEN)
THE SUPPLY CHAIN MANAGER: VOTE 3: PROVINCIAL TREASURY (MR A SEALE)
THE SUPPLY CHAIN MANAGER: VOTE 4: COMMUNITY SAFETY (MS E ISAACS)
THE SUPPLY CHAIN MANAGER: VOTE 5: EDUCATION (MR W CARELSE)
THE SUPPLY CHAIN MANAGER: VOTE 6: HEALTH (MR I SMITH)
THE SUPPLY CHAIN MANAGER: VOTE 7: SOCIAL DEVELOPMENT (MS P MABHOKWANA)
THE SUPPLY CHAIN MANAGER: VOTE 8: LOCAL GOVERNMENT AND HOUSING (MS L NEL)
THE SUPPLY CHAIN MANAGER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR W PHASWANE)
THE SUPPLY CHAIN MANAGER: VOTE 10: TRANSPORT AND PUBLIC WORKS (ADV.C MENTOR)
THE SUPPLY CHAIN MANAGER: VOTE 11: AGRICULTURE (MS M VAN BREDA)
THE SUPPLY CHAIN MANAGER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE SUPPLY CHAIN MANAGER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR R LE BRETON)

INVENTORY MANAGEMENT REPORTING

Purpose

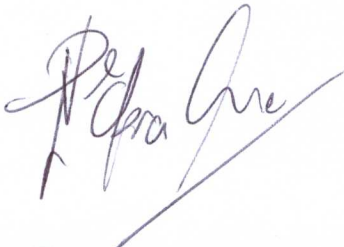
To solicit issues or queries in respect of the first phase of implementation with regards to Inventory Management.

Background

- In terms of Chapter 8, Disclosure Note 42, of the Departmental Financial Reporting Framework Guide for the year ending 31 March 2010, “departments are required to provide additional disclosure of inventory in a form of an annexure”.
- Entities that are not yet preparing and presenting their financial statements on an accrual basis, such as national and provincial departments, are not required to follow GRAP 12. However, these departments are moving from cash to accrual accounting and will phase in the requirements of GRAP 12 to facilitate inventory accounting.
- In order to achieve this, they must first obtain reliable values for inventory for the required annexures in the 2009/10 Annual Financial Statements (AFS) leading to full compliance with GRAP 12 for the 2012/13 financial year –end.
- The inventory management practices compel national and provincial departments to review all inventory management policies and practices for all inventory operations and compare actual practice with the requirements of the Inventory Management Framework.
- Draft policies and procedures must be documented as far as possible with a view to approving all the required policies and procedures by the end of 2010/11.

Request

- The departments are requested to document and forward all challenges they may be experiencing with the first phase of the inventory management implementation, to Juliet Rudolph (jrudolph@pgwc.gov.za) by no later than 22 March 2010.
- These challenges will be consolidated and addressed at the next forum meeting scheduled for the 25 March 2010.



SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT

DATE: 17/03/2010