

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 209 [NO1690E]
DATE OF PUBLICATION: 9 SEPTEMBER 2014

★209. **Ms S J Nkomo (IFP) to ask the Minister of Finance:**

Whether he has found that the new format on government accounts, which is in line with the International Monetary Fund format, has been implemented effectively; if not, (a) what has been the challenges and (b)(i) how and (ii) when will they be resolved; if so, what are the relevant details?

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REPLY: The new format on government accounts was implemented as planned. A new table (Annexure B, Table 9 in Budget Review) was added that delineates the government accounts in its distinct components- the operating account, which measures the ongoing government operations (current revenue and expenditure); the capital account, which measures government's capital investments; and the financing account, which shows how government spending and investments are financed.

At the lowest level, transactions of government have been classified using the International Monetary Fund's Government Finance Statistics Manual 2001 since 2004. The task then was to identify which of the transaction types go to which account. This was accomplished with minimal challenge. Items such as "extra-ordinary" receipts and payments e.g. proceeds from sale of shares by government units, became obsolete in this new format as they are included in the main transaction categories. Transactions in financial assets and liabilities, e.g. loans to public corporations, are shown separately in the financing account.