

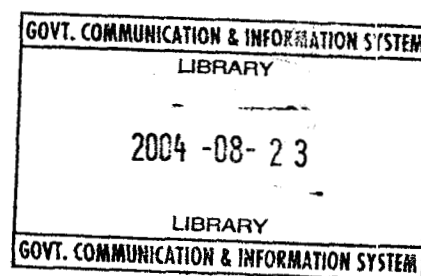
REPUBLIC OF SOUTH AFRICA

FINANCE BILL

(As introduced in the National Assembly as a money Bill)
(The English text is the official text of the Bill)

(MINISTER OF FINANCE)

[B 13—2004]



REPUBLIEK VAN SUID-AFRIKA

FINANSIEWETSONTWERP

(Soos ingedien by die Nasionale Vergadering as 'n Geldwetsontwerp)
(Die Afrikaanse teks is die amptelike vertaling van die Wetsontwerp)

(MINISTER VAN FINANSIES)

[W 13—2004]

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BILL

To charge the National Revenue Fund with certain unauthorised expenditure and to authorise other expenditure; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Defraying of unauthorised expenditure from National Revenue Fund

1. (1) The unauthorised expenditure of R43 905 954,84 referred to in Schedule 1 which— 5
 - (a) the Standing Committee on Public Accounts recommended for authorisation by Parliament; and
 - (b) is more fully described in the reports of the Auditor-General listed in column 5 of that Schedule,
 is hereby authorised. 10
- (2) The amount referred to in subsection (1) is a direct charge against the National Revenue Fund.

Defraying of unauthorised expenditure from National Revenue Fund

2. (1) The unauthorised expenditure of R7 029 560,00 referred to in Schedule 2 which— 15
 - (a) the Standing Committee on Public Accounts recommended for authorisation by Parliament; and
 - (b) is more fully described in the reports of the Auditor-General listed in column 5 of that Schedule,
 is hereby authorised. 20
- (2) The amount referred to in subsection (1) is a direct charge against the National Revenue Fund.

Actions of recovery of money to continue

3. Nothing in this Act may, in any way, be construed as affecting any action to recover unauthorised expenditure. 25

Short title

4. This Act is called the Finance Act, 2004.

SCHEDULE 1

Amount unauthorised R	Report reference	Resolution reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
1 220 000,00	SCOPA 2001 3rd	E1	1998/1999	139-1999	Government Communication and Information System
254 455,00	SCOPA 2002 2nd	4	1999/2000	131-2000	Land Affairs
1 852 035,00	2nd	5	1998/1999	147-1999	Land Affairs
1 367 225,00	3rd	J(1)(b)	1999/2000	117-2000	Correctional Services
243 577,94	3rd	J(1)(b)	2000/2001	148-2001	Correctional Services
50 000,00	3rd	J(2)(b)	2000/2001	148-2001	Correctional Services
27 429 482,00	3rd	J(4)(a)	1998/1999	133-1999	Correctional Services
147 591,00	3rd	J(4)(c)	1996/1997	150-1997	Correctional Services
200 139,00	3rd	J(4)(c)	1997/1998	181-1998	Correctional Services
673 247,60	23rd	2	1999/2000	115-2001	Environmental Affairs and Tourism
10 468 202,30	SCOPA 2003 55th	2B	1995/1996	40-1997	Health
43 905 954,84					

SCHEDULE 2

Amount unauthorised R	Report reference	Resolution reference	Financial year	RP. No.	Vote
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
4 154 442,00	SCOPA 2002 6th	1	2000/2001	111-2001	Government Communication and Information System
1 253 000,00	7th	2	2000/2001	153-2001	Social Development
982 000,00	15th	2	2000/2001	168-2001	The Presidency
640 118,00	SCOPA 2003 83rd	1	1998/1999	191-1998	Justice (Office of the Public Protector)
7 029 560,00					

MEMORANDUM ON THE OBJECTS OF THE FINANCE BILL, 2004

1. The object of clauses 1 and 2 is to give effect to certain resolutions of the Standing Committee on Public Accounts (SCOPA), namely that certain unauthorised expenditure may be authorised.

2. Since an amount equal to the unauthorised expenditure contemplated in clause 1 (as reflected in Schedule 1) has been paid over to the National Revenue Fund, these funds will be refunded to the relevant departments as a direct charge against the National Revenue Fund.

3. In clause 2 the unauthorised expenditure is a consequence of overspending of Votes. These cases were considered by the SCOPA and after intense deliberations were recommended for authorisation. If the proposal to authorise is passed by Parliament, the amounts overspent will form direct charges against the National Revenue Fund.

4. The SCOPA recommended in 1999 that it be stipulated in a validating Act that any legal entitlement regarding the potential recovery of any losses to the State owing to the unauthorised expenditure in question must remain. Although the recommendation referred to a specific batch of unauthorised expenditure, the principle is clear that there should not be any legal uncertainty on this issue. Clause 3 proposes to ensure compliance with this recommendation.

5. FINANCIAL IMPLICATIONS FOR STATE

The amount of R7 029 560,00 referred to in clause 2 will have to be financed from the National Revenue Fund as it must cover the overspending in the Votes concerned. There are no further financial implications as the refunds mentioned in paragraph 2 above came into existence as a result of the prescribed deposits made by departments.

6. CONSTITUTIONAL IMPLICATIONS

None.

7. PARLIAMENTARY PROCEDURE

The State Law Advisers and the National Treasury are of the opinion that this Bill must be dealt with in accordance with the procedure established by section 77 of the Constitution since it contains provisions which propose direct charges against the National Revenue Fund.