



Statistical release

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Financial statistics of national government

2010/2011

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Key findings

The net change in the stock of cash from the national revenue fund and donor funds amounted to R51 832 million for the 2010/2011 fiscal year

Cash receipts from operating activities amounted to R688 371 million and cash payments for operating activities amounted to R791 956 million, resulting in a net cash outflow from operating activities of R103 585 million for the 2010/2011 fiscal year ending 31 March 2011. Purchases of non-financial assets amounted to R12 404 million for 2010/2011. Sales of non-financial assets amounted to R12 million for the 2010/2011 fiscal year, resulting in a net cash outflow from investments in non-financial assets of R12 392 million. The net acquisition of financial assets other than cash amounted to R20 802 million for the 2010/2011 fiscal year. The net incurrence of liabilities amounted to R188 611 million, resulting in net a cash inflow of R167 809 million for the 2010/2011 fiscal year. The total net change in the stock of cash for national government amounted to R51 832 million (see Table A, p. 4).

Economic classification of the cash payments for operating activities and purchases of non-financial assets from the national revenue fund and donor funds received

The national revenue fund refers to the votes of the national departments as well as to fixed statutory appropriations and standing appropriations. Economic classification of expenditure is in general a measure of the nature and economic effect of government operations on the economy of a country. Seven main economically classified cash payments for operating activity categories exist: compensation of employees; purchases of goods and services; interest; subsidies; grants; social benefits; and other payments.

The accounts of the national government are kept on a cash basis, i.e. all transactions are recorded at the time when warrant vouchers are issued for payment regardless of when the obligations for payments originated.

The contribution of cash receipts from operating activities, and the contribution of cash payments for operating activities and purchases of non-financial assets to total expenditure by economic classification

Cash receipts from operating activities increased by R76 849 million from R611 522 million in 2009/2010 to R688 371 million in 2010/2011 mainly due to an increase in taxes collected.

Cash payments for operating activities increased by R60 582 million from R731 374 million in 2009/2010 to R791 956 million in 2010/2011 mainly due to an increase in grant payments and compensation of employees.

The largest contributor to total cash payments for operating activities for the 2010/2011 fiscal year was grants (R468 900 million), followed by social benefits (R91 477 million), compensation of employees (R87 067 million), interest (R66 537 million), purchases of goods and services (R43 539 million), other payments (R23 504 million) and subsidies (R10 932 million) (see Table A, p. 4, Figure 1, p.5).

The increase of R29 126 million in grants from R439 774 million in 2009/2010 to R468 900 million in 2010/2011 was mainly due to an increase in transfers from national government to provincial governments.

The increase of R11 626 million in compensation of employees from R75 441 million in 2009/2010 to R87 067 million in 2010/2011 was mainly due to an increase in compensation of employees by the South African Police Services, the Department of Defence and Military Veterans and the Department of Justice and Constitutional Development.

The increase of R9 366 million in interest from R57 171 million in 2009/2010 to R66 537 million in 2010/2011 was mainly due to an increase in interest paid on public debt.

The increase of R5 977 million in social benefits from R85 500 million in 2009/2010 to R91 477 million in 2010/2011 was mainly due to an increase in payments of social grants to households by the Department of Social Development.

The increase of R2 293 million in purchases of goods and services from R41 246 million in 2009/2010 to R43 539 million in 2010/2011 was mainly due to the creation of new votes in the 2010/2011 fiscal year and an increase in purchases of goods and services by the South African Police Services, the Department of Home Affairs and the Department of Correctional Services

The increase of R1 877 million in subsidies from R9 055 million in 2009/2010 to R10 932 million in 2010/2011 was mainly due to an increase in subsidies paid by the Department of Transport to public corporations.

The increase of R1 778 million in purchases of non-financial assets from R10 626 million in 2009/2010 to R12 404 million in 2010/2011 was mainly due to increases in capital expenditure on other constructions by the Department of Water Affairs and on machinery and equipment by the Department of Environmental Affairs.

The increase of R318 million in other payments from R23 186 million in 2009/2010 to R23 504 million in 2010/2011 was mainly due to an increase in capital transfer payments to public corporations.

Table A – Economic classification of statement of sources and uses of cash of national government for the 2009/2010 and 2010/2011 fiscal years (Summary)¹

GFS'01 codes	Economic classification of sources and uses of cash	2009/2010	2010/2011	Change between 2009/2010 and 2010/2011
		R million	R million	R million
	Cash flows from operating activities:			
	Cash receipts from operating activities a	611 522	688 371	76 849
11	Taxes	598 481	673 928	75 447
12	Social contributions	0	0	0
13	Grants	1 127	1 293	166
14	Other receipts	11 914	13 150	1 236
	Cash payments for operating activities b	731 374*	791 956	60 582
21	Compensation of employees	75 441	87 067	11 626
22	Purchases of goods and services	41 246*	43 539	2 293
24	Interest	57 171	66 537	9 366
25	Subsidies	9 055*	10 932	1 877
26	Grants	439 774*	468 900	29 126
27	Social benefits	85 500	91 477	5 977
28	Other payments	23 186*	23 504	318
	<i>Net cash flow from operating activities:(outflow)/inflow (a-b)=c</i>	-119 852*	-103 585	16 267
	Cash flows from investments in non-financial assets:			
	Purchases of non-financial assets d	10 626	12 404	1 778
611	Fixed assets	10 518*	12 404	1 886
612	Inventories	0	0	0
613	Valuables	0	0	0
614	Non-produced assets	107	0	-107
	Sales of non-financial assets e	17	12	-5
311	Fixed assets	14	11	-3
312	Inventories	0	0	0
313	Valuables	0	0	0
314	Non-produced assets	3	1	-2
	<i>Net cash flow from investments in non-financial assets: (outflow)/inflow (e-d)=f</i>	-10 609	-12 392	
	CASH SURPLUS/ (DEFICIT) (c+f)=g	-130 461*	-115 977	
	Cash flows from financing activities:			
	Net acquisition of financial assets other than cash:			
	Cash outflow/(inflow) h	35 257*	20 802	
321	Domestic	35 200*	20 747	
322	Foreign	57	55	
	Net incurrence of liabilities: cash (outflow)/inflow i	192 022	188 611	
331	Domestic	167 670	185 428	
332	Foreign	24 352	3 182	
	<i>Net cash flow from financing activities: (outflow)/inflow (i-h)=j</i>	156 765*	167 809	
99999	NET CHANGE IN THE STOCK OF CASH (g+j)=k	26 304*	51 832	

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

* Revised since the previous publication.

Figure 1 – Economic classification of the cash payments for operating activities and purchases of non-financial assets for the 2009/2010 and 2010/2011 fiscal years

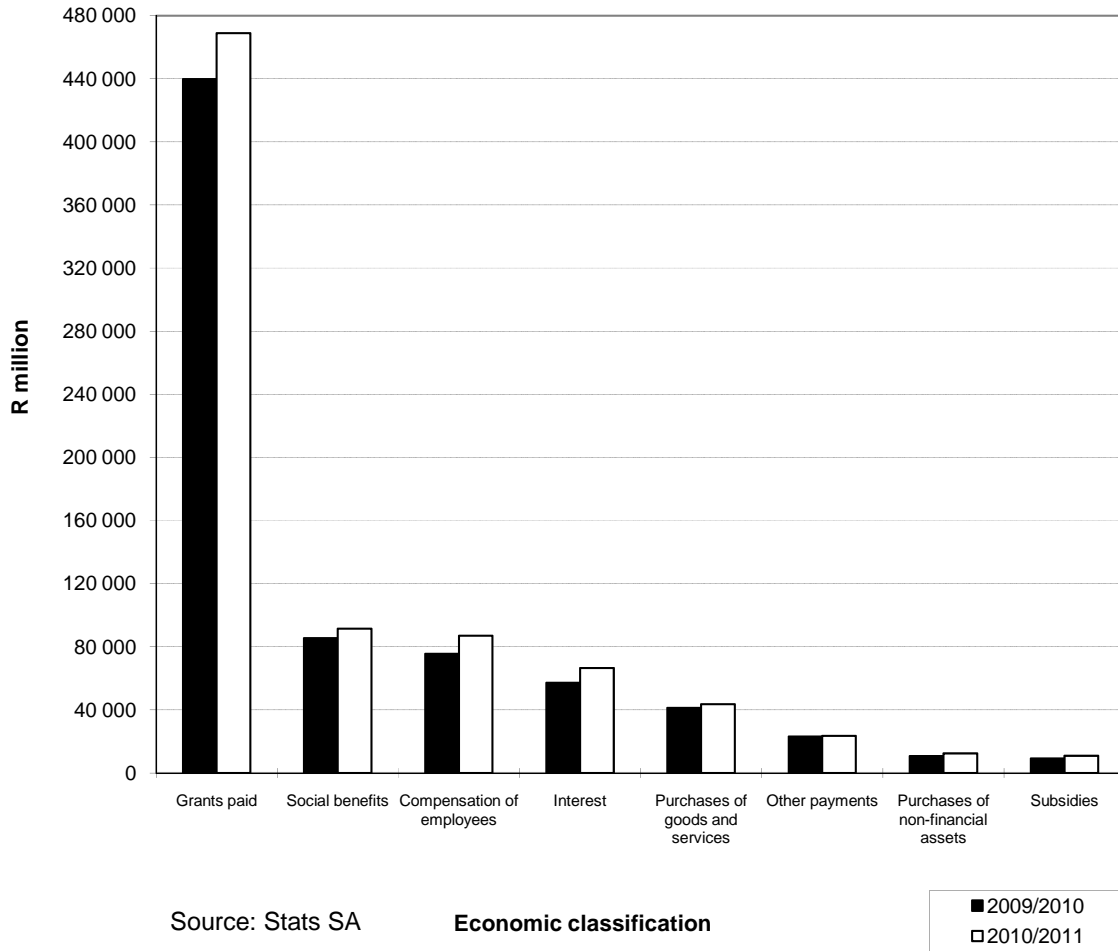
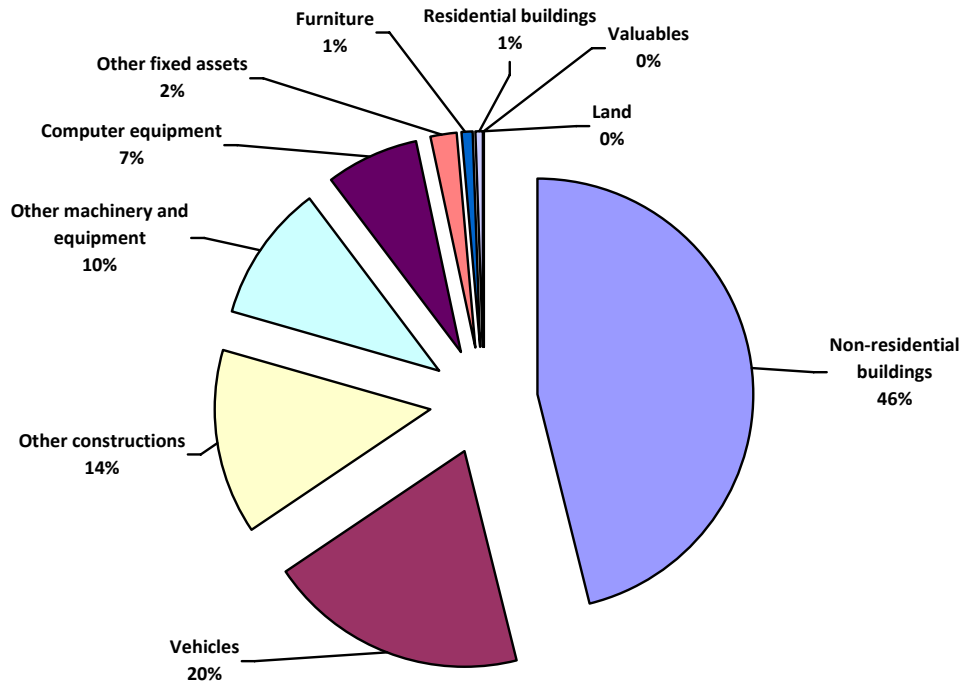


Figure 2 – Economic classification of cash payments for purchases of non-financial assets for the 2010/2011 fiscal year



Source: Stats SA

Functional classification of the cash payments for operating activities and purchases of non-financial assets from the national revenue fund and donor funds received

Functional classification of expenditure measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources by government in order to promote government objectives and various services rendered to the community. The functionally classified expenditure categories are indicated in Table B, page 9. There are ten main categories of functional classification of cash payments for operating activities and purchases of non-financial assets: general public services; defence; public order and safety; economic affairs; environmental protection; housing and community amenities; health; recreation, culture and religion; education; and social protection.

The contribution of cash payments for operating activities and purchases of non-financial assets to total expenditure by functional classification

Total cash payments for operating activities and purchases of non-financial assets from the national revenue fund and donor funds increased by R62 360 million from R742 000 million in 2009/2010 to R804 360 million in the 2010/2011 fiscal year.

The largest contributors to the total cash payments for operating activities and purchases of non-financial assets of R804 360 million from the national revenue fund and donor funds for the 2010/2011 fiscal year were transfers of a general character between different levels of government institutions and funds (R303 587 million or 37,7%) (mainly to provincial governments to defray their expenditure on general government services); followed by total social protection (R97 028 million or 12,1%); total public order and safety (R83 013 million or 10,3%); interest on state debt (R66 170 million or 8,2%); total economic affairs (R60 643 million or 7,5%); executive and legislative services, financial and fiscal affairs, foreign affairs other than foreign aid (R44 807 million or 5,6%); total housing and community amenities (R37 650 million or 4,7%); total defence (R30 601 million or 3,8%); total education (R29 577 million or 3,7%); total health (R24 486 million or 3,0%); general services (R13 898 million or 1,7%); total recreation, culture and religion (R4 438 million or 0,6%); basic research (R4 153 million or 0,5%) and total environmental protection (R2 254 million or 0,3%) (see Table B, p. 9, Figure 3, p. 10).

The increase of R32 595 million in cash payments for transfers of a general character between different levels of government from R270 992 million in 2009/2010 to R303 587 million in 2010/2011 was mainly due to an increase in grants paid to provincial governments.

The increase of R9 154 million in cash payments for public debt transactions from R57 016 million in 2009/2010 to R66 170 million in 2010/2011 was mainly due to increased payments of interest on public debt.

The increase of R7 938 million in cash payments for education from R21 639 million in 2009/2010 to R29 577 million in 2010/2011 was mainly due to increased grants by the Department of Basic Education and Department of Higher Education and Training to provincial governments.

The increase of R6 677 million in cash payments for social protection from R90 351 million in 2009/2010 to R97 028 million in 2010/2011 was mainly due to an increase in social grants to households by the Department of Social Department.

The increase of R6 392 million in cash payments for police from R49 113 million in 2009/2010 to R55 505 million in 2010/2011 was mainly due to increased spending on compensation.

The increase of R4 646 million in cash payments for housing and community amenities from R33 004 million in 2009/2010 to R37 650 million in 2010/2011 was mainly due to an increase in grants paid by the Department of Human Settlements and grants paid by the Department of Cooperative Governance and Traditional Affairs to municipalities.

The increase of R3 485 million in cash payments for health from R21 001 million in 2009/2010 to R24 486 million in 2010/2011 was mainly due to an increase in grants by the national Department of Health to provincial departments of health for the funding of health services.

The increase of R1 747 million in cash payments for general services from R12 151 million in 2009/2010 to R13 898 million in 2010/2011 was mainly due to increased grant payments to provinces and extra-budgetary accounts and funds, and spending on goods and services.

The increase of R938 million in cash payments for agriculture, forestry, fishing and hunting from R9 155 million in 2009/2010 to R10 093 million in 2010/2011 was mainly due to an increase in transfer payments to households by the Department of Rural Development and Land Reform.

The decrease of R507 million in cash payments for mining, manufacturing and construction from R4 625 million in 2009/2010 to R4 118 million in 2010/2011 was mainly due to a decrease in capital transfers to public corporations and a decrease in grants to extra-budgetary accounts and funds.

The decrease of R727 million in cash payments for communications from R2 299 million in 2009/2010 to R1 572 million in 2010/2011 was mainly due to a decrease in transfers paid to public corporations by the Department of Communications.

The decrease of R1 185 million in cash payments for recreation, culture and religion from R5 623 million in 2009/2010 to R4 438 million in 2010/2011 was mainly due to a decrease in grants paid by the Department of Sports and Recreation South Africa to municipalities for the completion of stadiums.

The decrease of R1 346 million in cash payments for fuel and energy from R5 532 million in 2009/2010 to R4 186 million in 2010/2011 was mainly due to a decrease in capital transfers to public corporations.

The decrease of R9 910 million in cash payments for executive and legislative services, financial and fiscal affairs, foreign affairs other than foreign aid from R54 717 million in 2009/2010 to R44 807 million in 2010/2011 was mainly due to decreased payments to the Southern African Customs Union.

Table B – Functional classification of cash payments for operating activities and purchases of non-financial assets for the 2009/2010 and 2010/2011 fiscal years (Summary)¹

GFS 2001 codes	Type of service	2009/2010	2010/2011	Change between 2009/2010 and 2010/2011	Percentage of total cash payments
		R million	R million	R million	2010/2011
	General government services				
701	General public services				
7011	Executive and legislative services, financial and fiscal affairs, foreign affairs other than foreign aid	54 717*	44 807	-9 910	5,6
7012	Foreign economic aid	425	474	49	0,1
7013	General services	12 151*	13 898	1 747	1,7
7014	Basic research	4 236	4 153	-83	0,5
7015	Research and development general public services	144*	142	-2	0,0
7016	General public services n.e.c.	937*	1 438	501	0,2
7017	Public debt transactions (mainly interest)	57 016	66 170	9 154	8,2
7018	Transfers of a general character between different levels of government	270 992	303 587	32 595	37,7
	Total general public services a	400 617	434 671	34 054	54,0
702	Defence b	31 895*	30 601	-1 294	3,8
703	Public order and safety				
7031	Police	49 113*	55 505	6 392	6,9
7032	Fire protection services	0	0	0	0,0
7033	Law courts	11 489*	12 602	1 113	1,6
7034	Prisons	13 901*	14 906	1 005	1,9
	Total public order and safety c	74 503*	83 013	8 510	10,3
704	Economic affairs				
7041	General economic, commercial and labour affairs	10 092*	10 239	147	1,3
7042	Agriculture, forestry, fishing and hunting	9 155*	10 093	938	1,3
7043	Fuel and energy	5 532	4 186	-1 346	0,5
7044	Mining, manufacturing and construction	4 625*	4 118	-507	0,5
7045	Transport	26 378*	26 938	560	3,3
7046	Communications	2 299*	1 572	-727	0,2
7047	Other industries	1 673	1 817	144	0,2
7048	Research and development economic affairs	1 188	1 680	492	0,2
	Total economic affairs d	60 942*	60 643	-299	7,5
705	Environmental protection e	2 426*	2 254	-172	0,3
706	Housing and community amenities f	33 004*	37 650	4 646	4,7
707	Health g	21 001*	24 486	3 485	3,0
708	Recreation, culture and religion h	5 623*	4 438	-1 185	0,6
709	Education i	21 639*	29 577	7 938	3,7
710	Social protection j	90 351	97 028	6 677	12,1
	Total general government cash payments for operating activities and purchases of non-financial assets (k=a+b+c+d+e+f+g+h+i+j) k	742 000	804 360	62 360	100,0

¹ The sum of the data may not necessarily add up to totals due to rounding-off of figures.

* Revised since the previous publication.

Figure 3 – Functional classification of cash payments for operating activities and purchases of non-financial assets from the consolidated general government for the 2009/2010 and 2010/2011 fiscal years

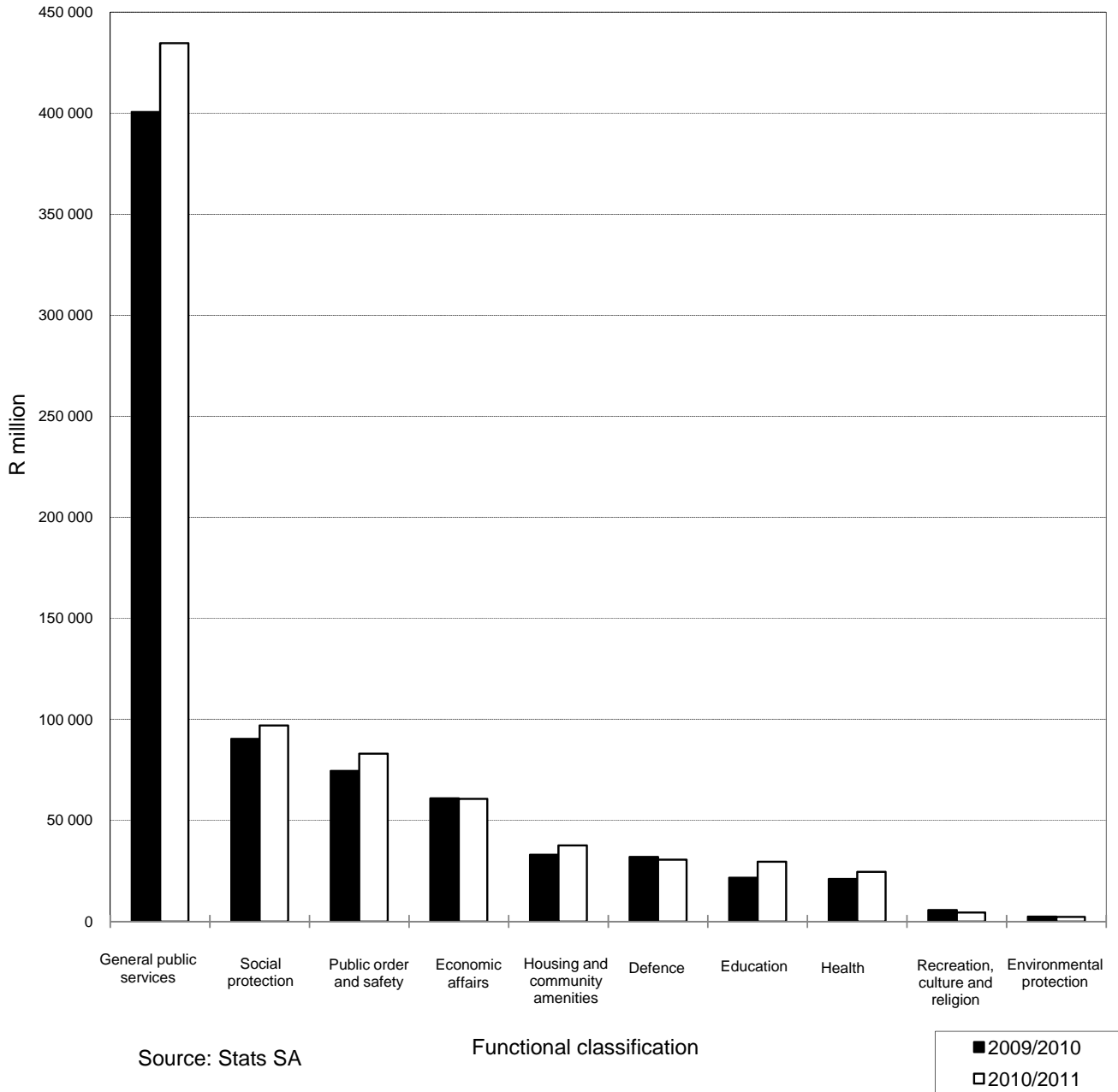


Table C – Transactions from the national revenue fund and donor funds for the 2009/2010 and 2010/2011 fiscal years**

Transactions	2009/2010 R' 000	2010/2011 R' 000
Vote expenditure	433 287 400	455 863 480
Fixed statutory appropriations	313 969 560	349 614 534
Donor funds***	1 468 804	938 748
SACU payments	27 915 405	17 905 679
Extraordinary payments and non-operating expenditure		
Exchange rate loss: ECA Loans	9 805	0
Losses on the Gold and Foreign Exchange Contingency Reserve Account (GFECRA)	180 668	172 750
IGCC Interest	0	2 103
Loss on exchange rate	425 396	437 910
Premiums paid on debt portfolio restructuring	0	226 740
Total expenditure	777 257 038¹	825 161 944

* The figures have been revised.

** Sources: Auditor-General and National Treasury.

*** Sources: Auditor-General and the RDP Fund records 2009/2010. This amount includes surrender of donor funds to foreign donors

1. The sum of the data may not necessarily add up to the totals due to rounding off of figures.

Remarks on certain items in Table C

Fixed statutory appropriations consist of amounts forming a direct charge on the national revenue fund, including transfers to provincial governments by the National Treasury, commitments in respect of state debt and loans by community councils, salaries of the President and the Deputy President, salaries and allowances of office bearers and other members of the National Assembly and the National Council of Provinces, and judges' salaries and allowances.

Notes

Forthcoming issues**Issue****Expected release date**

Financial statistics of national government for 2011/2012

27 June 2013

Purpose of this statistical release

This statistical release provides financial statistics of cash transactions of national government. Cash payments defrayed from the national revenue fund for operating activities and purchases of non-financial assets for the 2010/2011 fiscal year were classified economically and functionally.

Expected changes in next issue

No changes are expected.

PJ Lehohla
Statistician-General

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year

	R '000
Table 1 Cash receipts from operating activities	688 370 726
11 Taxes	673 927 805
12 Social contributions	0
13 Grants	1 293 279
14 Other receipts	13 149 642

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
70	GENERAL GOVERNMENT SERVICES	87 067 345	43 539 478	66 537 164	10 931 572	468 899 881	91 476 826	23 503 965	791 956 231
701	GENERAL PUBLIC SERVICES	7 351 951	6 805 363	66 397 130	1 003 273	348 419 493	26 500	2 097 141	432 100 851
7011	Executive and legislative services, financial and fiscal affairs, other than foreign aid	3 246 930	2 926 201	112 188	290 295	36 944 801	10 416	1 139 027	44 669 858
7012	Foreign economic aid	0	0	0	0	473 987	0	0	473 987
7013	General services	3 894 221	3 614 579	114 195	0	3 546 046	15 531	294 204	11 478 776
7014	Basic research	192 976	140 248	333	712 978	2 429 769	552	663 892	4 140 748
7015	R&D General public services	17 824	124 335	3	0	0	1	18	142 181
7016	General public services n.e.c.	0	0	0	0	1 437 940	0	0	1 437 940
7017	Public debt transactions (mainly interest)	0	0	66 170 411	0	0	0	0	66 170 411
7018	Transfers of a general character between different levels of government	0	0	0	0	303 586 950	0	0	303 586 950
702	DEFENCE	14 597 671	7 917 576	0	737 510	6 331 480	107 336	35 180	29 726 753
7021	Military defence	14 597 671	7 709 518	0	721 674	3 024 728	107 336	35 180	26 196 107
7022	Civil defence	0	0	0	0	0	0	0	0
7023	Foreign military aid	0	0	0	0	0	0	0	0
7024	R&D Defence	0	208 058	0	15 836	0	0	0	223 894
7025	Defence n.e.c.	0	0	0	0	3 306 752	0	0	3 306 752
703	PUBLIC ORDER AND SAFETY	55 767 388	18 288 995	14 943	0	1 896 135	404 746	238 660	76 610 867
7031	Police services	39 311 444	11 630 705	0	0	349 983	294 618	191 845	51 778 595
7032	Fire protection services	0	0	0	0	0	0	0	0
7033	Law courts	6 948 345	3 111 874	14 943	0	1 536 010	70 557	25 859	11 707 588
7034	Prisons	9 504 463	3 537 907	0	0	10 142	39 571	20 956	13 113 039
7035	R&D Public order and safety	3 136	8 509	0	0	0	0	0	11 645
7036	Public order and safety n.e.c.	0	0	0	0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
704	ECONOMIC AFFAIRS	4 412 969	3 723 786	69 943	8 716 856	23 567 837	266 864	19 576 484	60 334 739
7041	General economic, commercial and labour affairs	1 310 466	1 066 651	345	1 725 044	5 011 031	3 811	1 014 896	10 132 244
7042	Agriculture, forestry, fishing and hunting	2 101 121	1 324 393	67 474	2 790	2 533 686	11 772	3 903 595	9 944 831
7043	Fuel and energy	148 949	92 425	0	574 598	1 425 756	58	1 940 661	4 182 447
7044	Mining, manufacturing and construction	336 441	213 224	1 806	172 590	2 434 618	471	930 251	4 089 401
7045	Transport	249 827	676 285	0	5 934 257	8 540 864	954	11 533 605	26 935 792
7046	Communication	116 596	159 781	316	307 577	771 365	0	214 795	1 570 430
7047	Other industries	97 133	110 136	0	0	1 314 992	249 704	28 559	1 800 524
7048	R&D Economic affairs	52 436	80 891	2	0	1 535 525	94	10 122	1 679 070
7049	Economic affairs n.e.c.	0	0	0	0	0	0	0	0
705	ENVIRONMENTAL PROTECTION	345 642	514 336	1	0	415 569	461 968	37 671	1 775 187
7051	Waste management	24 352	6 168	0	0	0	74 804	23 887	129 211
7052	Waste water management	21 945	16 256	1	0	0	0	11	38 213
7053	Pollution abatement	38 028	115 045	0	0	0	81	3 013	156 167
7054	Protection of biodiversity and landscape	86 391	136 228	0	0	395 413	364 764	7 756	990 552
7055	R&D Environmental protection	28 904	80 916	0	0	99	61	518	110 498
7056	Environmental protection n.e.c.	146 022	159 723	0	0	20 057	22 258	2 486	350 546
706	HOUSING AND COMMUNITY AMENITIES	1 232 739	3 047 520	3 531	0	31 386 198	19 002	346 524	36 035 514
7061	Housing development	190 857	200 984	172	0	15 487 755	1 252	45 075	15 926 095
7062	Community development	63 281	580 478	98	0	12 741 010	57	236 541	13 621 465
7063	Water supply	974 949	2 262 063	3 260	0	3 157 433	17 693	64 908	6 480 306
7064	Street lighting	0	0	0	0	0	0	0	0
7065	R&D Housing and community amenities	3 652	3 995	1	0	0	0	0	7 648
7066	Housing and community amenities n.e.c.	0	0	0	0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
707	HEALTH	2 362 236	1 555 755	0	0	20 069 908	13 653	384 167	24 385 719
7072	Outpatient services	0	0	0	0	0	0	0	0
70724	Ambulance services	0	0	0	0	0	0	0	0
7073	Hospital services	2 025 007	990 697	0	0	12 831 517	13 270	137 466	15 997 957
7074	Public health services	183 082	403 788	0	0	6 613 521	188	241 171	7 441 750
7075	R&D Health	0	0	0	0	406 018	0	0	406 018
7076	Health n.e.c.	154 147	161 270	0	0	218 852	195	5 530	539 994
708	RECREATION, CULTURE AND RELIGION	222 751	314 158	17	473 933	2 710 616	199	696 136	4 417 810
7081	Recreational and sporting services	68 043	100 138	0	0	973 258	0	101 425	1 242 864
7082	Cultural services	102 433	142 735	0	0	1 109 833	162	312 533	1 667 696
7083	Broadcasting and publishing services	0	0	0	473 933	106 054	0	0	579 987
7084	Religious and other community services	22 744	34 843	0	0	497 068	19	282 049	836 723
7085	R&D Recreation, culture and religion	0	2 168	0	0	0	0	0	2 168
7086	Recreation, culture and religion n.e.c.	29 531	34 274	17	0	24 403	18	129	88 372
709	EDUCATION	513 957	1 032 608	51 548	0	27 936 849	573	23 470	29 559 005
7091	Pre-primary and primary education	6 196	1 505	0	0	0	0	0	7 701
7092	Secondary education	0	0	0	0	64 467	0	0	64 467
7093	Post-secondary non-tertiary education (e.g. ABET)	96 245	41 953	0	0	3 803 958	4	0	3 942 160
7094	Tertiary education	26 598	16 609	0	0	19 332 833	0	495	19 376 535
7095	Education not definable by level	0	0	0	0	0	0	0	0
7096	Subsidiary services to education	0	0	0	0	0	0	0	0
7097	R&D Education	2 575	1 961	0	0	129 312	0	0	133 848
7098	Education n.e.c.	382 343	970 580	51 548	0	4 606 279	569	22 975	6 034 294

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 2 Cash payments for operating activities							TOTAL (21 - 28)
		21 Compensation of employees	22 Purchases of goods and services	24 Interest	25 Subsidies	26 Grants	27 Social benefits	28 Other payments	
Functional classification		R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
710	SOCIAL PROTECTION	260 041	339 381	51	0	6 165 796	90 175 985	68 532	97 009 786
7101	Sickness and disability	2 946	1 849	0	0	8 908	16 840 167	0	16 853 870
7102	Old age	2 930	41 195	0	0	1 633	34 832 889	156	34 878 803
7103	Survivors	0	0	0	0	0	0	0	0
7104	Family and children	22 214	8 477	0	0	0	34 957 950	3 124	34 991 765
7105	Unemployment	0	0	0	0	0	0	0	0
7106	Housing	0	0	0	0	0	0	0	0
7107	Social exclusion n.e.c.	4 911	8 499	0	0	0	0	0	13 410
7108	R&D Social protection	13 586	5 537	0	0	0	75	2	19 200
7109	Social protection n.e.c.	213 454	273 824	51	0	6 155 255	3 544 904	65 250	10 252 738

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Functional classification		Economic classification	Table 3 Purchases of non-financial assets				TOTAL (611 - 614) R '000
			611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	
			R '000	R '000	R '000	R '000	
70	GENERAL GOVERNMENT SERVICES		12 403 918	0	15	0	12 403 933
701	GENERAL PUBLIC SERVICES		2 569 975	0	0	0	2 569 975
7011	Executive and legislative services, financial and fiscal affairs, other than foreign aid		137 533	0	0	0	137 533
7012	Foreign economic aid		0	0	0	0	0
7013	General services		2 419 401	0	0	0	2 419 401
7014	Basic research		12 728	0	0	0	12 728
7015	R&D General public services		313	0	0	0	313
7016	General public services n.e.c.		0	0	0	0	0
7017	Public debt transactions (mainly interest)		0	0	0	0	0
7018	Transfers of a general character between different levels of government		0	0	0	0	0
702	DEFENCE		874 649	0	0	0	874 649
7021	Military defence		874 567	0	0	0	874 567
7022	Civil defence		0	0	0	0	0
7023	Foreign military aid		0	0	0	0	0
7024	R&D Defence		82	0	0	0	82
7025	Defence n.e.c.		0	0	0	0	0
703	PUBLIC ORDER AND SAFETY		6 401 756	0	0	0	6 401 756
7031	Police services		3 714 983	0	0	0	3 714 983
7032	Fire protection services		0	0	0	0	0
7033	Law courts		894 001	0	0	0	894 001
7034	Prisons		1 792 733	0	0	0	1 792 733
7035	R&D Public order and safety		39	0	0	0	39
7036	Public order and safety n.e.c.		0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
704	ECONOMIC AFFAIRS	308 047	0	0	0	308 047
7041	General economic, commercial and labour affairs	106 485	0	0	0	106 485
7042	Agriculture, forestry, fishing and hunting	148 174	0	0	0	148 174
7043	Fuel and energy	3 329	0	0	0	3 329
7044	Mining, manufacturing and construction	28 831	0	0	0	28 831
7045	Transport	1 816	0	0	0	1 816
7046	Communication	1 563	0	0	0	1 563
7047	Other industries	16 553	0	0	0	16 553
7048	R&D Economic affairs	1 296	0	0	0	1 296
7049	Economic affairs n.e.c.	0	0	0	0	0
705	ENVIRONMENTAL PROTECTION	478 809	0	0	0	478 809
7051	Waste management	26 355	0	0	0	26 355
7052	Waste water management	47 042	0	0	0	47 042
7053	Pollution abatement	391 212	0	0	0	391 212
7054	Protection of biodiversity and landscape	3 302	0	0	0	3 302
7055	R&D Environmental protection	6 866	0	0	0	6 866
7056	Environmental protection n.e.c.	4 032	0	0	0	4 032
706	HOUSING AND COMMUNITY AMENITIES	1 614 024	0	0	0	1 614 024
7061	Housing development	74 032	0	0	0	74 032
7062	Community development	11 133	0	0	0	11 133
7063	Water supply	1 528 822	0	0	0	1 528 822
7064	Street lighting	0	0	0	0	0
7065	R&D Housing and community amenities	37	0	0	0	37
7066	Housing and community amenities n.e.c.	0	0	0	0	0

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Functional classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
707	HEALTH	99 848	0	0	0	99 848
7072	Outpatient services	0	0	0	0	0
70724	Ambulance services	0	0	0	0	0
7073	Hospital services	82 544	0	0	0	82 544
7074	Public health services	10 198	0	0	0	10 198
7075	R&D Health	0	0	0	0	0
7076	Health n.e.c.	7 106	0	0	0	7 106
708	RECREATION, CULTURE AND RELIGION	20 523	0	15	0	20 538
7081	Recreational and sporting services	5 075	0	0	0	5 075
7082	Cultural services	14 373	0	15	0	14 388
7083	Broadcasting and publishing services	0	0	0	0	0
7084	Religious and other community services	241	0	0	0	241
7085	R&D Recreation, culture and religion	0	0	0	0	0
7086	Recreation, culture and religion n.e.c.	834	0	0	0	834
709	EDUCATION	18 243	0	0	0	18 243
7091	Pre-primary and primary education	98	0	0	0	98
7092	Secondary education	0	0	0	0	0
7093	Post-secondary non-tertiary education (e.g. ABET)	364	0	0	0	364
7094	Tertiary education	62	0	0	0	62
7095	Education not definable by level	0	0	0	0	0
7096	Subsidiary services to education	0	0	0	0	0
7097	R&D Education	46	0	0	0	46
7098	Education n.e.c.	17 673	0	0	0	17 673

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

Economic classification		Table 3 Purchases of non-financial assets				
		611 Fixed assets	612 Inventories	613 Valuables	614 Non-produced assets	TOTAL (611 - 614)
		R '000	R '000	R '000	R '000	R '000
710	SOCIAL PROTECTION	18 044	0	0	0	18 044
7101	Sickness and disability	0	0	0	0	0
7102	Old age	0	0	0	0	0
7103	Survivors	0	0	0	0	0
7104	Family and children	254	0	0	0	254
7105	Unemployment	0	0	0	0	0
7106	Housing	0	0	0	0	0
7107	Social exclusion n.e.c.	13	0	0	0	13
7108	R&D Social protection	111	0	0	0	111
7109	Social protection n.e.c.	17 666	0	0	0	17 666

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

	R '000
Table 4 Sale of non-financial assets	12 380
311 Fixed assets	11 084
312 Strategic stocks	0
313 Valuables	0
314 Non-produced assets	1 296

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (continued)

	R '000
Table 5 Net acquisition of financial assets other than cash	20 801 780
321 Domestic	20 746 700
322 Foreign	55 080

Table D - Statement of sources and uses of cash for the 2010/2011 fiscal year (concluded)

	R '000
Table 6 Net incurrence of liabilities	188 610 923
331 Domestic	185 428 467
332 Foreign	3 182 456

Annexure A: Information on disaggregated tables available on the Stats SA website

Tables

- Table 1 Economic classification of cash receipts from operating activities for the 2010/2011 fiscal year
- Table 2 Economic and functional classification of cash payments for operating activities for the 2010/2011 fiscal year
- Table 3 Economic and functional classification of the purchases of non-financial assets for the 2010/2011 fiscal year
- Table 4 Economic classification of the sales of non-financial assets for the 2010/2011 fiscal year
- Table 5 Economic classification of the net acquisition of financial assets other than cash for the 2010/2011 fiscal year
- Table 6 Economic classification of the net incurrence of liabilities for the 2010/2011 fiscal year
- Table 7 Economic and functional classification of cash payments from operating activities for the 2010/2011 fiscal year: Government consumption cash payments divided between individual and collective services
- Table 8 Economic and functional classification of cash payments from operating activities for the 2010/2011 fiscal year: Subsidies paid divided between subsidies on products and subsidies on production

Explanatory notes

Introduction

This statistical release includes economic and functional classifications of the cash payments from the national revenue fund and donor funds for the 2010/2011 fiscal year.

The national revenue fund refers to the votes of the national departments as well as fixed statutory appropriations and standing appropriations.

Donor funds consist mainly of donations from other countries and foreign institutions.

Disaggregated data (Tables 1 to 8) of Table D will be available on the Stats SA website.

Methodology

National departments keep their accounts on a cash basis, i.e. all transactions are recorded at the time when warrant vouchers are issued for payment regardless of when obligations for payments originated. The statistics thus measure transactions as they are completed between the national departments and the rest of the economy.

The information is processed from the bookkeeping systems of national departments. The total expenditure of each department corresponds with the totals published by the Auditor-General.

The transactions between the national departments have not been eliminated but are shown as transfers to national departments. These kinds of transactions consist mainly of state attorney services rendered by the Department of Justice and Constitutional Development.

Donor funding not used and surrendered back to the donor was shown as surrender of donor funds to foreign countries (transfer to foreign countries).

Scope of the financial statistics of national departments

The cash payment transactions of the following votes (including fixed statutory appropriations and standing appropriations) have been classified economically and functionally.

The cash payments of the following votes have been included in the tables:

- Agriculture, Forestry and Fisheries
- Arts and Culture
- Basic Education
- Communications
- Cooperative Governance and Traditional Affairs
- Correctional Services
- Defence and Military Veterans
- Economic Development
- Energy
- Environmental Affairs
- Government Communication and Information System
- Health

- Higher Education and Training
- Home Affairs
- Human Settlements
- Independent Complaints Directorate
- International Relations and Cooperation
- Justice and Constitutional Development
- Labour
- Minerals Resources
- National Treasury
- Parliament
- Police
- Public Administration Leadership and Management Academy (PALAMA)
- Public Enterprises
- Public Service and Administration
- Public Service Commission/Performance Monitoring and Evaluation
- Public Works
- Rural Development and Land Reform
- Science and Technology
- Social Development
- Sport and Recreation South Africa
- Statistics South Africa
- The Presidency
- Tourism
- Trade and Industry
- Transport
- Water Affairs
- Women, Children and People with Disabilities

Classification

Cash payments for operating activities and non-financial assets in this statistical release are classified economically and functionally according to the standard classification of the 2001 GFS manual of the International Monetary Fund.

Economic classification is in general a measure of the nature and economic effect of government operations on the economy of the country.

Cash receipts and cash payments for operating activities and purchases of non-financial assets, sale of non-financial assets, net acquisition of financial assets other than cash and net incurrence of liabilities were classified economically as follows:

- **Cash receipts from operating activities**

- Taxes
- Social contributions
- Grants
- Other receipts

- **Cash payments for operating activities**
 - Compensation of employees (excluding capitalised remuneration)
 - Purchases of goods and services
 - Interest
 - Subsidies
 - Grants
 - Social benefits
 - Other payments
- **Purchases of non-financial assets (including capitalised remuneration)**
 - Fixed assets
 - Strategic stocks
 - Valuables
 - Non-produced assets
- **Sales of non-financial assets**
 - Fixed assets
 - Strategic stocks
 - Valuables
 - Non-produced assets
- **Net acquisition of financial assets other than cash**
 - Domestic
 - Foreign
- **Net incurrence of liabilities**
 - Domestic
 - Foreign

Functional classification measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources of government in order to promote various services and objectives rendered to the community. The functional codes used in the tables are based on the functional codes used in the 2001 GFS manual (IMF).

Cash payments for operating activities and purchases of non-financial assets are classified functionally as follows:

- **General public services**
 - Executive and legislative services, financial and fiscal affairs, external affairs
 - Foreign economic aid
 - General services
 - Basic research
 - R&D General public services
 - General public services n.e.c.
 - Public debts transactions (mainly interest)
 - Transfers of a general character between different levels of government

- **Defence**

- Military defence
 - Civil defence
 - Foreign military aid
 - R&D defence
 - Defence n.e.c.

- **Public order and safety**

- Police services
 - Fire protection services
 - Law courts
 - Prisons
 - R&D Public order and safety
 - Public order and safety n.e.c.

- **Economic affairs**

- General economic, commercial and labour affairs
 - Agriculture, forestry, fishing and hunting
 - Fuel and energy
 - Mining, manufacturing and construction
 - Transport
 - Communication
 - Other industries
 - R&D Economic affairs
 - Economic affairs n.e.c.

- **Environmental protection**

- Waste management
 - Waste water management
 - Pollution abatement
 - Protection of biodiversity and landscape
 - R&D Environmental protection
 - Environmental protection n.e.c.

- **Housing and community amenities**

- Housing development
 - Community development
 - Water supply
 - Street lighting
 - R&D Housing and community amenities
 - Housing and community amenities n.e.c.

- **Health**

- Outpatient services
 - Ambulance services
 - Hospital services
 - Public health services
 - R&D Health
 - Health n.e.c.

- **Recreation, culture and religion**

- Recreational and sporting services
- Cultural services
- Broadcasting and publishing services
- Religious and other community services
- R&D Recreation, culture and religion
- Recreation, culture and religion n.e.c.

- **Education**

- Pre-primary and primary education
- Secondary education
- Post-secondary and non-tertiary education
- Tertiary education
- Education not defined by level
- Subsidiary services to education
- R&D Education
- Education n.e.c.

- **Social protection**

- Sickness and disability
- Old age
- Survivors
- Family and children
- Unemployment
- Housing
- Social exclusions n.e.c.
- R&D Social services
- Social protection n.e.c.

Individual and collective services

The disaggregated data (Tables 1 to 8) also include tables in which government consumption expenditure is broken down into individual and collective services (see Table 7 as listed in Annexure A, p.25). These categories are recommended by the 1993 System of National Accounts.

Subsidies on products and production

The breakdown of subsidies into subsidies on products and subsidies on production is provided (see Table 8 as listed Annexure A, p.25). These categories are recommended by the 1993 System of National Accounts.

Comparability with previous year

For the second time this statistical release includes annual change between the previous year (2009/2010) and current year (2010/2011) for the categories of cash flows from operating activities and cash flows from investments in non-financial assets. Annual changes for the functional classifications are also provided. The 2009/2010 classified information is generally comparable with the 2010/2011 information.

Related publications Statistics South Africa also publishes information on the expenditure of the following levels of the general government in statistical releases:

- P0441 *Gross Domestic Product;*
- P9101 *Capital expenditure by the public sector;*
- P9102 *Financial statistics of extra-budgetary accounts and funds;*
- P9103.1 *Financial statistics of higher education institutions;*
- P9119.4 *Financial statistics of consolidated general government;*
- P9114 *Financial census of municipalities; and*
- P9121 *Financial statistics of provincial government.*

Symbols and abbreviations

- BLS Botswana, Lesotho and Swaziland
- GFS Government Finance Statistics, 2001
- GFECRA Gold Foreign Exchange Contingency Reserves Account
- IMF International Monetary Fund
- n.e.c. Not elsewhere classified
- NPISH Non-profit institutions serving households
- PALAMA Public Administration Leadership and Management Academy
- RDP Reconstruction and Development Programme
- R&D Research and Development
- SA South Africa
- SAPS South African Police Services
- SARS South African Revenue Service
- SCOA Standard Chart of Accounts
- SDR Special Drawing Rights
- SETA Sector Education and Training Authorities
- SITA State Information Technology Agency
- SNA System of National Accounts, 1993
- Stats SA Statistics South Africa

Revisions Revisions are due to certain transactions which were reclassified owing to better information becoming available from annual reports.

Glossary

Accrual basis of recording	Accrual basis of recording means that flows are recorded at the time economic value is created, transformed, exchanged, transferred, or extinguished.
Buildings and Structures	Consist of dwellings, non-residential buildings and other structures.
Capital transfers	Capital transfers involve the acquisition of assets by the recipient and may consist of a transfer of cash that the recipient is expected or required to use to acquire an asset or assets (other than inventories), the transfer of an asset (other than inventories and cash), the cancellation of a liability by mutual agreement between the creditor and debtor, or the assumption of another unit's debt. If doubt exists regarding the character of a grant, it should be classified as current.
Cash basis of recording	Cash basis of recording means that transactions are captured when cash is received or when cash payment is made.
Change in Rand value	Change in Rand value is the difference between the amount of a specific item for the current year and the previous year expressed as a nominal value of the two years.
Collective services	Collective services refer to the services provided collectively to the community and are particularly applicable on services such as general administration, public order and safety and economic services.
Compensation of employees	Compensation of employees is the total remuneration, in cash or in kind, payable to a government employee in return for work done during the accounting period, except for work connected with own account capital formation. It includes both wages and salaries and social contributions.
Cultivated assets	Consist of animals and plants that are used repeatedly or continuously for more than one year to produce other goods or services.
Dwellings	Buildings that are used entirely or primarily as residences, including garages and other associated structures. Houseboats, barges, mobile homes, flats, hostels, nursing homes and caravans that are used as principal residences are also included. Dwellings acquired for military personnel are included because they are used in the same way as dwellings acquired by civilians.
Economic classification	A measure of the nature and economic effect of government operations on the economy of the country.
Extra-budgetary accounts and funds	Accounts and funds of national and provincial governments not included in normal budget totals and which do not operate through normal budgetary procedures e.g. trading accounts and general government accounts.
Financial assets	Financial assets consist of financial claims, monetary gold and Special Drawing Rights (SDRs) allocated by the International Monetary Fund (IMF).
Financial public corporations	Units primarily engaged in both incurring liabilities and acquiring financial assets in the market. Note: Financial institutions may be entirely or mainly owned and/or controlled by the government in which case they are regarded as public financial institutions. It is the prime function of <i>public</i> financial institutions to act as intermediaries.

Fixed assets	Fixed assets are produced assets that are used repeatedly or continuously in production processes for more than one year.
Functional classification	Functional classification of expenditure measures the purpose for which transactions are undertaken. It is generally used to measure the allocation of resources by government in order to promote various services and objectives rendered to the community.
GFS Manual (2001)	The manual describes a specialised macroeconomic statistical system (Government Finance Statistics system) designed to support fiscal analysis.
Government consumption expenditure	Expenditure on all goods and services, which are used (without further transformation in the production) by the government units for the direct satisfaction of individual needs or wants or the collective needs of members of the community.
Grants	Grants are non-compulsory current or capital transfers received by a government unit from either another government unit or an international organisation.
Households	Household may be defined as individuals or a small group of persons who share the same living accommodation.
Individual services	Individual services refer to services rendered to individuals or a small group of persons. This category applies particularly to community and social services for example education, health and welfare.
Intangible fixed assets	Consist of mineral exploration; computer software; entertainment, literary and artistic originals; and miscellaneous other intangible fixed assets. To qualify as a fixed asset, the item must be intended for use in production for more than one year and its use must be restricted to the units that have established ownership rights over it or to units licensed by the owner.
Inventories	Inventories are goods and services held by producers for sale, use in production, or other use at a later date.
Liabilities	A present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.
Machinery and equipment	Machinery and equipment include motor vehicles, ships, aircraft, equipment and furniture. Military expenditure on machinery and equipment which could be used for civilian purposes is included.
Non-financial public corporations	Non-financial public corporations are government owned and/or controlled units, which sell industrial or commercial goods and services to the public on a large scale.
Non-produced assets	Non-produced assets consist of tangible assets, natural occurring assets over which ownership is enforced. Natural occurring assets include land, subsoil assets and other naturally occurring assets.
Non-profit institutions serving households (NPISH)	Non-profit institutions which are mainly engaged in non-market production and serve households.

Non-residential buildings	All buildings other than dwellings. Examples of types of buildings included in this category are office buildings, schools, prisons, hospitals, buildings for public entertainment, warehouse and industrial buildings, commercial buildings, hotels and restaurants.
Other fixed assets	Consist of cultivated assets and intangible fixed assets.
Other structures	All structures other than buildings. Included are the following: highways, streets, roads, bridges, elevated highways, tunnels, railways, subways, airfield runways, sewers, waterways, harbors, dams, other waterworks, shafts, tunnels, other structures associated with mining subsoil assets, communication lines, power lines, pipelines, outdoor sport and recreation facilities.
Social benefits	Social benefits are transfers in cash or in kind to protect the entire population or specific segment of it against certain social risks.
Social contributions	Social contributions are actual receipt from either employer on behalf of their employee or from employee, self-employed, or non-employed persons on their own behalf that secure entitlement to social benefits for their contributors, their dependents or their survivors.

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