

CIRCULAR SAVINGRAM

GOVERNMENT OF TONGA

TO : All Heads of Departments
FROM : Secretary for Finance & National Planning
Saving No : 15/23/847
Date : 6 November, 2008

TREASURY CIRCULAR NO.6/08-09

CASH FLOW FORECASTS

The Public Finance Management Act 2002, section 14 (3) requires that the Minister of Finance shall make funds available to the respective (ministries') Votes *according to the cashflow forecasts agreed between him and the Minister responsible for the Vote*. In any case where agreement cannot be reached, the Cabinet will provide the appropriate direction.

Head of Departments (HODs) are therefore kindly requested to please prepare a **monthly cashflow forecasts** of your respective ministries for the period *November 2008 – June 2009* using the attached format, and submit to your respective Minister for further discussion and agreement with the Minister of Finance & Planning of how much funds to be made available to your Ministry's vote in a particular month for the remaining of the financial year. I understand that Treasury Circular No. 4/08-09 requested the same information, however, the response was not satisfactory. Please note that in this Treasury Circular the format is attached and required that you please accurately determined your available vote balance at 31 October, 2008, including any transfers to/from the respective votes. The cashflow forecasts therefore would be based on the available vote balance. If any forecast cash outflow exceeds the balance in that vote, the ministry shall provide the appropriate vote to be transferred to cover that excess.

The Cash flow information to be provided shall consist of –

- (i) a forecast of expenditure by Standard Expenditure Group (SEG) and of revenue, for each month; and
- (ii) a monthly update of forecast expenditure by Standard Expenditure Group (SEG) and of revenue for each remaining month – three (3) workings days before start of each month.

Please ensure that cash flow forecasts are accurately and completely prepared and sign for before sending to the Ministry of Finance & National Planning (MoFNP). The forecast information provided should be reliable and does not lead to unnecessary borrowing costs to government.

Please send your respective ministries cashflow forecasts to MoFNP at your earliest opportunity but no later than **4:30pm, Friday, 14th November, 2008**.

Any ministry who does not provide the information requested to meet the above deadline shall be provided with a monthly cash flow forecasts prepared by MoFNP and will be submitted to your respective Minister for agreement. If no agreement is reached, the information will be forwarded to Cabinet for direction.

In all cases, the monthly cash flow forecasts shall be the amount that would be available to your respective vote in that particular month. Any variations from that forecasted amount shall be submitted to MoFNP for consideration.

The MOFNP may require additional or more details cashflow forecasts information from ministries should it considered necessary during the financial year.

I would greatly appreciate if you take appropriate actions on this matter to ensure the proper accounted for of public funds.

Malo 'Aupito



Balwyn Fa'otusia

ACTING SECRETARY FOR FINANCE & NATIONAL PLANNING



Name of Ministry
Cash Flow Forecasts 20.. - 20..

Currency: Pa'anga

Program No ---- (Current Expenditures only)

Expenditure Monthly Expenditure projection - Cash Flow Forecast for the month of 20--

Serial No.	Current Exp line item	Expenditure Monthly Expenditure projection - Cash Flow Forecast for the month of 20--												
		Monthly Expenditure Projections - Cash Flow Forecast					Approved Ceilings by Treasury				Total			
1	2	3	4	5 (3-4)	6	7	8	9	10 (6+7+8+9)	11	12	13	14	15 (11+12+13+14)
		Approved Budget	Cumulative Ceilings	Budget Available	Week 1	Week 2	Week 3	Week 4	Total for the month	Week 1	Week 2	Week 3	Week 4	Total
1	Domestic Travel	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
2	Overseas Travel	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
3	Telephone charges	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
4	etc	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
5	etc ...	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
	Total	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx

Prepared by

Name
 Account Head

Date:

Approved by the Treasury
 Name:
 Head of Treasury

Date:

MINISTRY
Cash Flow Forecasts 2008-09

Revenue Daily Cash Flow Forecasts

Revenue Source	Week 1					Week 2					Week 3					Week 4					TOTAL \$
	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	
Revenue Source	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Revenue Source	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Total Revenue	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx	xxxx

Prepared by _____

Name _____

Account Head _____

Date: _____

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Cash Flow Forecasts 2008-09

Expenditure Daily Cash Flow Forecasts

Expenditure	Total Estimate \$	Week 1					Week 2					Week 3					Week 4					TOTAL \$
		Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	Mon \$	Tue \$	Wed \$	Thu \$	Fri \$	
SEG 10	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 11	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 12	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 13	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 14	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 15	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 17	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 18	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 19	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 20	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
SEG 21	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Expenditure	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX

Prepared by

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 Account Head

Date:

MINISTRY
Cash Flow Forecasts 2008-09

Output/Activity Daily Forecasts

Output/Activity	Total Estimate (qps)	Week 1					Week 2					Week 3					Week 4					TOTAL (qps)	
		Mon (qps)	Tue (qps)	Wed (qps)	Thu (qps)	Fri (qps)	Mon (qps)	Tue (qps)	Wed (qps)	Thu (qps)	Fri (qps)	Mon (qps)	Tue (qps)	Wed (qps)	Thu (qps)	Fri (qps)	Mon (qps)	Tue (qps)	Wed (qps)	Thu (qps)	Fri (qps)		
Output 1	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Output 2	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Output 3	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Output 4	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Output 5	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Output/Activity	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX	XXXX

Prepared by _____

Name _____
Account Head _____

Date: _____