



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

PRIVATE BAG x 96, PRETORIA, 0001, Tel (012) 406 7658

PRIVATE BAG x 9111, CAPE TOWN, 8000 (021) 469 6412, Fax (021) 465 5980

Enquiries: Malusi.ndlovu@energy.gov.za

Memorandum from the Parliamentary Office

2667. Mr P van Dalen (DA) to ask the Minister of Energy:

With reference to her reply to question 2179 on 11 November 2016, why did the Strategic Fuel Fund indicate on page 51 of its 2015-16 annual report that an amount of R2,1 billion was transferred to the Equalisation Fund, which the specified fund's 2015- 16 annual report confirms?

NW3151E

Reply

The Strategic Fuel Fund compiles its Annual Financial Statement in accordance with the International Financial Reporting Standards (IFRS) that prescribes that an entity must account for transactions not only on a cash basis but also on an accrual basis.

Therefore the Transfer in question is an accrued expense as a result of the application of the provisions of Section 3(A)(c) of the CEF Act applicable to the sale of Strategic Stock and that was yet to be transferred to the Equalisation Fund.