

MF Circular 2/2010

Ministry of Finance, the Economy and Investment  
South Street  
Valletta

25<sup>th</sup> January, 2010

To: Permanent Secretaries  
Heads of Public Sector Organisations

### **FINANCIAL DATA REPORTING SYSTEM**

The collation of financial data from all Ministries, Departments and Government Entities serves to achieve a number of objectives, including the surveillance of budget implementation and the formulation of budget policy governing the administration of public funds as part of government's ongoing fiscal consolidation process. Towards this end, the Ministry of Finance, the Economy and Investment is launching a Financial Data Reporting System (FDRS) geared towards attaining real time financial data pertaining to Government Entities.

In parallel, data on Ministries and Departments will, for the time being, continue to be received through the present Departmental Accounting System and the Accrual Accounting returns that are submitted to the Treasury on a quarterly basis. Concurrently, through a process of central consolidation, data received through the FDRS shall be amalgamated with data emerging from the other mentioned sources, to generate reports which will be utilised on a regular basis by this Ministry.

Given that various departments and entities within the Ministry of Finance, the Economy and Investment make use of the same data, although for different purposes, it has been considered opportune to introduce such a system. Apart from enhancing synergies within the Ministry itself, the system should mitigate to some extent, the input required from government entities, insofar that one all-inclusive set of statements may now be used by different entities within this Ministry. Data which is gathered through other non-related processes shall however continue to be collected separately.

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The data to be collected shall be used for specific purposes, including:-

1. monthly analysis, by the Ministry of Finance, the Economy and Investment, of expenditures and revenues of Government Entities. This is to be accompanied by querying facilities and clarifications as necessary, regarding expenditure and revenue trends and patterns, along with variance analysis as the financial year progresses;
2. utilisation of data by the National Statistics Office. In this regard, part of the information hitherto gathered through NSO questionnaires shall be collected through the FDRS, hence replacing the relevant questionnaires in the process;
3. the reporting of end-of-year accruals positions to the Treasury, through the collection of accruals data.

When accessing the templates, you will note reference to data which is to be submitted monthly and that which is required on a quarterly basis.

During the month of January 2010, the relevant templates shall be available online and accessed through the link [www.fdrs.gov.mt](http://www.fdrs.gov.mt). Access to the templates shall be through a login and password which shall be allocated by the System Administrator and communicated to Heads of Government Entities via e-mail. A help file on how to use the templates will also be available on the same webpage. For security purposes, it shall be the responsibility of the entity concerned to inform this Ministry immediately when a user has terminated employment within the respective entity, such that arrangements may be made for discontinuation of access to the system.

Government Entities are enjoined to start filling in the templates in compliance with the requirements emerging from this circular. Returns shall be due by the following dates:-

Return for January 2010	–	by 15 <sup>th</sup> February 2010
Return for February 2010	–	by 15 <sup>th</sup> March 2010
Return for March 2010	–	by 15 <sup>th</sup> April 2010
Return for April 2010	–	by 14 <sup>th</sup> May 2010
Return for May 2010	–	by 15 <sup>th</sup> June 2010
Return for June 2010	–	by 15 <sup>th</sup> July 2010
Return for July 2010	–	by 16 <sup>th</sup> August 2010
Return for August 2010	–	by 15 <sup>th</sup> September 2010
Return for September 2010	–	by 15 <sup>th</sup> October 2010
Return for October 2010	–	by 15 <sup>th</sup> November 2010
Return for November 2010	–	by 15 <sup>th</sup> December 2010
Return for December 2010	–	by 14 <sup>th</sup> January 2011

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The withholding of tranches due to the entity concerned until such returns are compiled may need to be considered, in the event of default in the submission of returns. It is the function of Permanent Secretaries within each Ministry to follow-up and ensure compliance by Government Entities within their respective portfolio, with the provisions of this Circular.

Entities are enjoined to commit non-discretionary expenditure, such as salaries and wages, at the beginning of the year, to prevent circumstances where an entity would not have sufficient funds to meet such commitments as the year progresses. Furthermore, it must be ensured that expenditure projections are planned within the available financial resources, by way of government subvention and own revenues as applicable.

**A Camilleri**

Permanent Secretary

Ministry of Finance, the Economy and Investment