

ANNEXURE A - LEGISLATIVE FRAMEWORK	
#	DESCRIPTION
1	<p>The minutes repealed are as follows.</p> <p>2.2.1 Financial Accounting Minute 0001/2020 dated 25 February 2020, and replaced in its totality owing to new financial reporting requirements.</p> <p>2.2.2 Financial Accounting Minute 0002/2020 dated 25 February 2020, and replaced in its totality owing to new financial reporting requirements.</p>
2	<p>Regulations 8.2.3 of the National Treasury Regulations (NTR), issued on 15 March 2005, in terms of section 76 of the PFMA, which states that "Unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within 30 days from receipt of an invoice or, in case of civil claims, from the date of settlement or court judgement."</p>
3	<p>Chapter 8.1 of the Provincial Treasury Instructions (WCPTI), issued on 23 September 2019, in terms of section 18(2)(a) of the PFMA; Which states that "The accounting officer of an institution must ensure that internal procedures and internal control measures are in place for payment approval and processing. These internal controls should provide reasonable assurance that all expenditure is necessary, appropriate, paid promptly and is adequately recorded and reported."</p>
4	<p>National Treasury Circular dated 26 March 2018, on the timeous payment of invoices and Claims, states that "Accounting officers and accounting authorities of institutions falling under the scope of the PFMA or the MFMA must ensure that measures are in place to pay valid invoices and claims within 30 days as required by the legislation or, where applicable, within the period contractually agreed with the suppliers. This includes strength internal control and monitoring of implementation as well as reviewing and, where appropriate, updating the system of delegation.</p> <p>Official responsible for the late or non-payment of invoices and claims commit financial misconduct or ordinary misconduct. The relevant authorities must institute disciplinary steps against those employees in accordance with the applicable discipliner procedure."</p>
5	<p>Provincial Treasury Circular 0035/2014, dated 27 August 2014, with regard to financial reporting on late payments, unpaid invoices and reporting on accruals and payables, states that "to prevent punitive steps from being taken against individuals for payments, being made after 30 days of receipts of an invoice without valid reasons, management processes and controls such as registers, and payment transactions checklist should be utilised to monitor payments at a central point. In cases where invoices are settled after 30 days, reasons must be provided with the payment as part of the supporting information."</p>
6	<p>TREASURY CIRCULAR NO. 27/2020 (SUPPLEMENTARY 1/2023) - Purpose</p> <ul style="list-style-type: none"> To inform departments and public entities of National Treasury Instruction No. 4 of 2022/23 and concomitant Annexure A: PFMA Compliance and Reporting Framework (hereafter the PFMA Framework), effective from 3 January 2023. To give direction for the interpretation and application of the PFMA Framework in managing and reporting on irregular, unauthorised, fruitless, and wasteful expenditure and communicate the reporting requirements on payment of supplier invoices and supply chain management information.