PROCEDURE FOR THE TREATMENT OF IRREGULAR EXPENDITURE: DEPTS, TRADING ENTITIES AND CONSTITUTIONAL INSTITUTIONS

Irregular expenditure discovered by the Accounting Officer (AO) and the Auditor-General

AO must immediately report in writing in terms of sec 38(1)(g) to the relevant treasury and in the case of a department in terms of TR 9.1.2 in the monthly report as required in terms of sec 40(4)(b)

AO must take appropriate disciplinary steps [sec 38 (1)(h) of the PFMA and TR9.1.3]

If appropriate, forward a detailed submission to the National Treasury or the relevant authority to request condonation of non-compliance with the PFMA or other legislation respectively

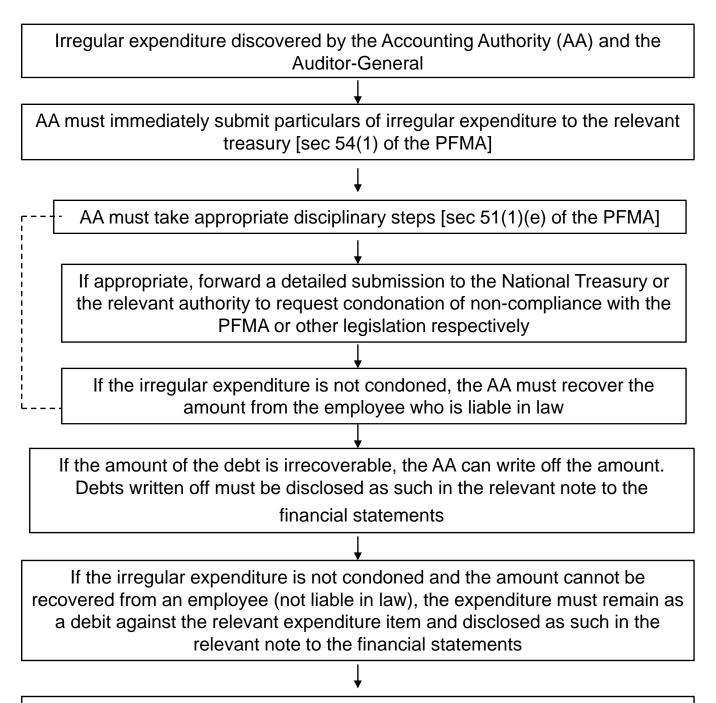
If the irregular expenditure is not condoned, the AO must recover the amount in terms of TR 12.7 from the person who is liable in law

If the amount of the debt is irrecoverable, the AO can write off the amount in terms of TR 11.4. Debts written off must be disclosed in the relevant note to the financial statements

If the irregular expenditure is not condoned and the amount cannot be recovered from an employee (not liable in law), the expenditure must remain as a debit against the relevant programme/ expenditure item and disclosed as such in the relevant note to the financial statements

All irregular expenditure must be disclosed as a note to the annual financial statements which must include particulars of amounts condoned by the relevant authority in the same financial year and/or before finalisation of the financial statements

PROCEDURE FOR THE TREATMENT OF IRREGULAR EXPENDITURE: PUBLIC ENTITIES



All irregular expenditure must be disclosed as a note to the annual financial statements which must include particulars of amounts condoned by the relevant authority in the same financial year and/or before finalisation of the financial statements