

PM70: Government Payment of Accounts

- a) Has the portfolio/agency paid its accounts to contractors/consultants etc in accordance with Government policy in terms of time for payment (ie. within 30 days)?
- b) If not, why not, and what has been the timeframe for payment of accounts?
- c) Please provide a breakdown, average statistics etc as appropriate to give insight into how this issue is being approached.)
- d) For accounts not paid within 30 days, is interest being paid on overdue amounts and if so how much has been paid by the portfolio/department agency for the current financial year and the previous financial year?
- e) Where interest is being paid, what rate of interest is being paid and how is this rate determined?

The Archives' response:

- a) For the period from 11 February 2010 to 15 June 2010, the Archives achieved 95 per cent compliance (based on the number of invoices) with the Government's policy as enunciated in Finance Circular 2008/10.
- b) Reasons for late payment of individual invoices received from small businesses is not available, however as the data presented under point c) below shows, the vast majority of payments to small businesses are made in accordance with the policy.

- c) Table: Payments to small businesses for the period from 11 February 2010 to 15 June 2010 (inclusive)

	Total	Paid within 30 Days	Paid 30 - 45 Days	Paid 45 - 60 Days	Paid 60 - 90 Days	Paid 90+ Days
Value of Invoices	1,035,700	1,003,476	31,862	362	-	-
Value of Invoices (%)	100%	97%	3%	0%	0%	0%
Number of Invoices	387	369	17	1	-	-
Number of Invoices (%)	100%	95%	4%	0%	0%	0%

- d) Interest is not payable unless the amount of interest is more than \$10 and the contractor has issued a correctly rendered invoice for the interest¹. The Archives has not received any correctly rendered invoices for interest on overdue payments and accordingly, has not paid any overdue interest since the introduction of the policy on 1 December 2008.
- e) No interest has been paid however the formula that applies is:
Interest = Unpaid Amount X (General Interest Charge / 100) X days overdue.