

TREASURER'S INSTRUCTION 1

INTERPRETATION AND APPLICATION

Reissued: 28 March 2021

Effective: 28 March 2021

Scope

1.1 This instruction applies to all public authorities.

Objective

1.2 To provide guidelines for the interpretation of the Treasurer's instructions.

1.3 To specify the extent to which Treasurer's instructions apply to public authorities.

Interpretation and Definition

1.4 Treasurer's instructions are issued pursuant to section 41 of the *Public Finance and Audit Act 1987*.

1.4a Additional guidance, forms and resources are available to finance officers from the Department of Treasury and Finance's extranet (dfextra.sa.gov.au).

Instruction

1.5 Terms defined within the *Public Finance and Audit Act 1987* will have the same meaning in the Treasurer's instructions.

1.6 For the purposes of an instruction:

1.6.1 "Australian accounting standards" means accounting standards issued by the Australian Accounting Standards Board which are in force in relation to the reporting period to which the financial statements relate.

1.6.2 "Chief Executive" has the same meaning as a "Chief Executive Officer" defined in section 4 of the *Public Finance and Audit Act 1987* and means:

1.6.2.1 where the public authority is a government department, the Chief Executive or the person who has the powers and functions of Chief Executive of that government department;

1.6.2.2 where the public authority is a Minister—the Minister;

- 1.6.2.3 where the public authority is a statutory authority (not being a natural person or a corporation sole) or some other body—the Chief Executive¹ of the authority or other body or, if there is no Chief Executive, the person entitled to preside at meetings of the governing body of the authority or other body;
- 1.6.2.4 where the public authority is a natural person or a corporation sole—that person or the person constituting the corporation.
- 1.6.3 “employee” means a South Australian Government employee who is an employee of the Crown or a statutory authority or a person who is appointed to any office under an Act.
- 1.6.3a “DTF CE” means the Chief Executive of the Department of Treasury and Finance;
- 1.6.4 “governing authority” means the person or group of persons or the board or any other management body to whom the ultimate management of a public authority (that is not an administrative unit) is committed pursuant to the constitution or the governing legislation of the relevant public authority, and means a natural person who is constituted or deemed to be constituted as a corporation sole where the public authority is a corporation sole.
- 1.6.5 “Administrative unit” means a government controlled entity, established or continuing in existence, under the *Public Sector Act 2009* or otherwise designated as an administrative unit by the Government.
- 1.6.6 “Minister” means the Minister of the Crown who has responsibility for the public authority, or the relevant part of the public authority, or the Minister who administers the Act under which a public authority that is not an administrative unit was constituted.
- 1.6.7 "public authority" has the same meaning as defined in section 4 of the *Public Finance and Audit Act 1987* and means—
- (a) a government department;
 - (b) a Minister;
 - (c) a statutory authority—
 - (i) that is an instrumentality of the Crown; or
 - (ii) the accounts of which the Auditor-General is required by law to audit;
 - (d) such other body or person as is prescribed,
- but, subject to any other provision of the *Public Finance and Audit Act 1987*, does not include a statutory authority where the Act by or under which the

¹ In this clause, the term “Chief Executive” includes the employee, however entitled, who is responsible for duties of a type traditionally carried out by a Chief Executive in a statutory authority or other body.

authority is appointed or established provides for the auditing of the accounts of the authority by a person other than the Auditor-General.

- 1.6.8 "public corporation" means a statutory corporation to which provisions of the *Public Corporations Act 1993* apply by way of its incorporating Act or by regulation. (A statutory corporation is a body corporate (other than a council or university) that is established by or under an Act and comprises or includes, or has a governing body that comprises or includes, a Minister or a person or body appointed by the Governor or a Minister).
- 1.7 Treasurer's instructions will apply to each public authority as defined by the *Public Finance and Audit Act 1987*, with the exception of:
- 1.7.1 University of Adelaide;
 - 1.7.2 Flinders University of South Australia; and
 - 1.7.3 University of South Australia;
- each of which is required to comply only with Treasurer's Instruction 19 *Financial Reporting and Accounting Policy Statements*.
- 1.8 Where the governing legislation of a public authority has alternative arrangements that are inconsistent with a Treasurer's instruction, the governing legislation will prevail.
- 1.9 Where an applicable provision of the *Public Corporations Act 1993* has an alternative arrangement that is inconsistent with a Treasurer's instruction, the applicable provision of the *Public Corporations Act 1993* will prevail.
- 1.10 Where an instruction or part of an instruction specifically limits compliance to a particular type of public authority, only that type of public authority is required to comply with that, or the relevant part of that, instruction.
- 1.11 Where the Chief Executive of a public authority is of the opinion that:
- 1.11.1 the costs of compliance with an instruction will exceed the benefits;
 - 1.11.2 an equivalent procedure or policy is already applied by that authority; or
 - 1.11.3 there are justifiable reasons why a matter required by the Treasurer's instructions should not apply or should be varied;
- he or she may request that the Treasurer varies the effect of that instruction's application to that agency or transaction by making a submission to the Under Treasurer.
- 1.12 The Treasurer may vary or revoke a Treasurer's instruction or authorise alternatives to operate in particular circumstances. Variations to a Treasurer's instruction apply from the date the revised instruction becomes effective, and the earlier Treasurer's instruction is superseded from that date. A revoked Treasurer's instruction ceases to apply on the date it is withdrawn.

Transitional provisions

- 1.13 Treasurer's Instructions 1.14 to 1.19 only apply to the extent they are expressed to apply in the *Treasurer's Instructions (General)*.
- 1.14 A policy, procedure, system, program or internal control in place under a revoked Treasurer's instruction immediately before the commencement date of the relevant Treasurer's instruction will continue as a policy, procedure, system or program under a corresponding provision of these Treasurer's Instructions (General).
- 1.15 A process to establish or vary a policy, procedure, system, program or internal control commenced under a revoked Treasurer's instruction before the commencement date may be continued and completed under the relevant Treasurer's instruction from the point reached immediately before that date.
- 1.16 The Chief Executive of each public authority must ensure that each policy, procedure, system or program to which instructions 1.14 and 1.15 applies is reviewed, and the outcome of any such review is adopted, under the relevant Treasurer's instruction within six months of the commencement date or such other date designated by the relevant Treasurer's instruction.
- 1.17 An authorisation or approval given under a revoked Treasurer's instruction and in place immediately before the commencement date of the relevant Treasurer's instruction will have effect under a corresponding provision of the relevant Treasurer's instruction.
- 1.18 Subject to instruction 1.19, a variation to the effect of a revoked Treasurer's instruction made by the Treasurer under instruction 1.12 and in force immediately before the commencement date may continue to have effect as if it were a modification to the corresponding provision of the relevant Treasurer's instruction.
- 1.19 A variation that continues under instruction 1.18 as a modification under the relevant Treasurer's instruction—
- 1.19.8 may be revoked by the Treasurer at any time; and
 - 1.19.9 subject to instruction 1.19.8, will cease to have effect in any event six months after the commencement date of the relevant Treasurer's instruction or such other date designated by the relevant Treasurer's instruction unless it is confirmed or replaced by the Treasurer before that date.