

TREASURER'S INSTRUCTION 19

FINANCIAL REPORTING

Reissued: 21 January 2015

Effective: 16 April 2008

Scope

19.1 This instruction applies to all public authorities unless otherwise stated.

Objective

19.2 To set out the responsibility of each public authority for the discharge of financial accountability in respect of that authority and the maintenance of accounting and other financial records to permit the Treasurer to comply with statutory and other reporting requirements.

Interpretation and Definition

19.3 This instruction should be interpreted and applied in accordance with Treasurer's Instruction 1 *Interpretation and Application*.

19.4 For the purposes of this instruction "General Purpose Financial Statements" are as defined in Australian Accounting Standards.

Instruction

Annual Financial Statements

19.5 The *Public Sector Act 2009* and Regulations, *Public Corporations Act 1993* and the *Public Finance and Audit Act 1987* set out the annual reporting obligations of public authorities.

19.6 The Chief Executive of each public authority is responsible for the preparation of a General Purpose Financial Statements. The statements shall comply with Australian Accounting Standards and all accounting policy statements issued by the Treasurer pursuant to section 41 of the *Public Finance and Audit Act 1987*. The preferred form and content of the General Purpose Financial Statements for the public sector is incorporated in the model financial statements issued by the Department of Treasury and Finance.

19.7 In the event of any inconsistency between an accounting policy statement issued by the Treasurer and an Australian Accounting Standard, the requirements of the accounting policy statement will prevail.

19.8 Each Chief Executive must ensure that the General Purpose Financial Statements required to be prepared in accordance with this Instruction is provided to the Auditor-General within 42 days of the end of the reporting period.

- 19.9 Each Chief Executive must ensure that the annual report which is required to be submitted to the responsible Minister in accordance with the *Public Sector Act 2009* or, in the case of a public authority which is not an administrative unit, the relevant enabling legislation, includes the General Purpose Financial Statements. The General Purpose Financial Statements will have the same form and content as the General Purpose Financial Statements that was certified in accordance with section 23 of the *Public Finance and Audit Act 1987*, by the Chief Executive and the officer responsible for financial administration, together with a copy of the opinion of the Auditor-General on the General Purpose Financial Statements.
- 19.10 Each Chief Executive must ensure that, where applicable, the General Purpose Financial Statements required to be prepared in accordance with this Instruction is reconciled with relevant accounting records maintained by the Treasurer.

Budgetary Control and Reporting

- 19.11 The Minister responsible for a public authority that is not a public corporation may request from the relevant Chief Executive such information as the Minister considers necessary to enable an assessment to be made about the extent to which the authority has achieved, or is likely to achieve, agreed performance targets. The Chief Executive shall ensure that all information requested by the Minister pursuant to this Instruction is provided in a timely manner and on such a basis as the Minister may direct.
- 19.12 The Minister responsible for a public corporation may request from the relevant Chief Executive such information as the Minister considers necessary to enable an assessment to be made about the extent to which the authority has achieved, or is likely to achieve, agreed performance targets. The Chief Executive shall ensure that all information requested by the Minister pursuant to this Instruction is provided in a timely manner and on such a basis as the Minister may direct.
- 19.13 Unless the responsible Minister directs otherwise, the Chief Executive of each public authority shall forward to the responsible Minister an annual budget and regular reports of actual income and expenses compared with the budget. The budget and the reports shall be prepared in such a form and be forwarded at such times as the Minister may direct. Budget estimates must be accurate and based on fair and reasonable assumptions
- 19.14 The Chief Executive of each public authority must comply with any direction by the Treasurer, Under Treasurer, or an employee or an occupant of a position of the public authority nominated by the Under Treasurer, which requires that the authority provide to the Department of Treasury and Finance information about the authority's budgets, tax arrangements and financial results and/or copies of accounting and financial records. Information must be provided in formats prescribed from time to time and within the timeframe specified by the Treasurer, Under Treasurer or nominated employee or occupant of the position. Information provided must be accurate and in accordance with relevant policies and standards.
- 19.15 The Chief Executive must:
- 19.15.1 develop, implement and maintain a robust and transparent budget process;

- 19.15.2 ensure the public authority's budget is reconciled to the appropriations approved by Parliament (where relevant) and the supporting budget and program estimates, at least on an annual basis;
- 19.15.3 have arrangements in place that enable the prompt identification of emerging budget issues;
- 19.15.4 review the public authority's performance against its budget on a regular basis and ensure that appropriate action is taken; and
- 19.15.5 ensure the public authority adopts appropriate management strategies for all known risks that may affect the financial sustainability of the public authority.

Maintenance of Financial Records

- 19.16 The Chief Executive of each public authority must establish and maintain at all times financial records and systems:
 - 19.16.1 that accurately record and explain the budget, tax and accounting transactions, financial performance and financial position of the authority;
 - 19.16.2 as specified by the Treasurer or Under Treasurer, to permit the Treasurer to prepare General Purpose and Special Purpose Financial Statements to satisfy the requirements of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and to comply with budgetary, statistical and other reporting requirements imposed upon the Treasurer.

For queries contact:
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