

TASMANIA

**FINANCIAL MANAGEMENT AND AUDIT
AMENDMENT BILL 2012**

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**FINANCIAL MANAGEMENT AND AUDIT
AMENDMENT BILL 2012**

*(Brought in by the Treasurer, the Honourable Larissa Tahireh
Giddings)*

A BILL FOR

An Act to amend the *Financial Management and Audit Act 1990* and to make consequential amendments to the *Audit Act 2008*, the *Charter of Budget Responsibility Act 2007* and the *Public Works Committee Act 1914*

Be it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

PART 1 – PRELIMINARY

1. Short title

This Act may be cited as the *Financial Management and Audit Amendment Act 2012*.

2. Commencement

This Act commences on the day on which this Act receives the Royal Assent.

Financial Management and Audit Amendment Act 2012
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Part 2 – Financial Management and Audit Act 1990 Amended

**PART 2 – FINANCIAL MANAGEMENT AND AUDIT
ACT 1990 AMENDED**

3. Principal Act

In this Part, the *Financial Management and Audit Act 1990** is referred to as the Principal Act.

4. Part 2, Division 7 substituted

Division 7 of Part 2 of the Principal Act is repealed and the following Division is substituted:

Division 7 – Treasurer’s reports

25. Interpretation of Division 7 of Part 2

In this Division –

Australian Accounting Standards
means the standards made or formulated from time to time by the Australian Accounting Standards Board;

Australian Accounting Standards Board means the body of that name continued in existence under the *Australian Securities*

*No. 28 of 1990

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and Investments Commission Act 2001 of the Commonwealth;

Budget Papers means the papers tabled in Parliament in connection with the Bill for the annual appropriation of money out of the Consolidated Fund for the service of a financial year;

General Government Sector means the financial reporting sector that is established in accordance with Australian Accounting Standards and other requirements issued by the Australian Accounting Standards Board;

Treasurer's annual financial report means the report prepared by the Treasurer under section 26E.

26. Treasurer's September quarterly report

- (1) The Treasurer is to publish a report (the *September quarterly report*) no later than 45 days after the Auditor-General's report has been prepared pursuant to section 16(2) of the *Audit Act 2008*.
- (2) The Treasurer is to publish the expected date for the publication of the September quarterly report at least 7 days before the expected date.

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Part 2 – Financial Management and Audit Act 1990 Amended

- (3) The September quarterly report is to contain, in respect of the major General Government Sector statements as defined by Australian Accounting Standards and disclosed in the Budget Papers, results for the period of 3 months ending on the previous 30 September.
- (4) The September quarterly report is to contain, in respect of the major Consolidated Fund statements disclosed in the Budget Papers, results for the period of 3 months ending on the previous 30 September.
- (5) The Treasurer may include in the September quarterly report, in such form or manner as the Treasurer may determine, any other financial or statistical report.

26A. Treasurer's revised estimates report

- (1) The Treasurer is to publish a report (the *revised estimates report*) no later than 15 February in the financial year to which it relates.
- (2) The Treasurer is to publish the expected date for the publication of the revised estimates report at least 7 days before the expected date.
- (3) The revised estimates report is to contain, in respect of the major General

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Government Sector statements disclosed
in the Budget Papers –

- (a) original estimates disclosed in the Budget Papers for the current financial year; and
 - (b) revised estimates for the current financial year; and
 - (c) revised forward estimates.
- (4) The revised estimates report is to contain an explanation of any material variation between the original estimates disclosed in the Budget Papers and the revised estimates for the current financial year.
- (5) The revised estimates report is to contain an assessment of the Government’s fiscal performance against its current fiscal strategy statement, within the meaning of the *Charter of Budget Responsibility Act 2007*.
- (6) The revised estimates report is to contain, in respect of the major Consolidated Fund statements –
- (a) original estimates of receipts and expenditures disclosed in the Budget Papers for the current financial year; and
 - (b) revised estimates of receipts and expenditures for the current financial year.

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Part 2 – Financial Management and Audit Act 1990 Amended

- (7) The Treasurer may include in the revised estimates report, in such form or manner as the Treasurer may determine, any other financial or statistical report.

26B. Treasurer's December quarterly report

- (1) The Treasurer is to publish a report (the *December quarterly report*) no later than 15 February in the financial year to which it relates.
- (2) The Treasurer is to publish the expected date for the publication of the December quarterly report at least 7 days before the expected date.
- (3) The December quarterly report is to contain, in respect of the major General Government Sector statements as defined by Australian Accounting Standards and disclosed in the Budget Papers, results for the period of 6 months ending on the previous 31 December.
- (4) The December quarterly report is to contain, in respect of the major Consolidated Fund statements disclosed in the Budget Papers, results for the period of 6 months ending on the previous 31 December.
- (5) The December quarterly report is to contain the balances of accounts within the Special Deposits and Trust Fund as at

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31 December in the financial year to which the December quarterly report relates.

- (6) The Treasurer may include in the December quarterly report, in such form or manner as the Treasurer may determine, any other financial or statistical report.

26C. Treasurer's March quarterly report

- (1) If a Bill for an Appropriation Act is tabled within 45 days prior to the commencement of the financial year to which it applies, the Treasurer is to publish a report (the *March quarterly report*) which is to be included in the Budget Papers.
- (2) If a Bill for an Appropriation Act is tabled more than 45 days prior to the commencement of the financial year to which it applies, the Treasurer is to publish a report (the *March quarterly report*) by no later than 15 May in the financial year to which it relates.
- (3) The Treasurer is to publish the expected date for the publication of the March quarterly report at least 7 days before the expected date.
- (4) The March quarterly report is to contain, in respect of the major General

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Government Sector statements as defined by Australian Accounting Standards and disclosed in the Budget Papers, results for the period of 9 months ending on the previous 31 March.

- (5) The March quarterly report is to contain, in respect of the major Consolidated Fund statements disclosed in the Budget Papers, results for the period of 9 months ending on the previous 31 March.
- (6) The Treasurer may include in the March quarterly report, in such form or manner as the Treasurer may determine, any other financial or statistical report.

26D. Treasurer's preliminary outcomes report

- (1) Prior to 31 July in each year, the Secretary is to review the preliminary outcomes results for the previous financial year and determine whether those results vary materially from the revised estimates published in the Budget Papers that relate to the previous financial year.
- (2) If the Secretary's determination under subsection (1) is that there is no material variation, the Secretary must inform the Treasurer and publicly release a notice that no report will be issued.

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- (3) If the Secretary's determination under subsection (1) is that there is material variation, the Secretary must inform the Treasurer.
- (4) On receiving advice under subsection (3), the Treasurer is to publish a preliminary outcomes report for the previous financial year by no later than 15 August, which is to contain, in respect of the major General Government Sector statements as defined by Australian Accounting Standards and disclosed in the Budget Papers –
 - (a) original estimates disclosed in the Budget Papers for the previous financial year; and
 - (b) preliminary results for the previous financial year.
- (5) The Treasurer may include in any preliminary outcomes report prepared under subsection (4), in such form or manner as the Treasurer may determine, any other financial or statistical report.

26E. Treasurer's annual financial report

- (1) The Treasurer is to prepare an annual financial report for each financial year no later than 31 October immediately following the financial year to which the report relates.

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Part 2 – Financial Management and Audit Act 1990 Amended

- (2) The annual financial report is to contain for the financial year to which the report relates –
- (a) the original estimates disclosed in the Budget Papers in respect of the major General Government Sector statements as defined by Australian Accounting Standards; and
 - (b) the results in respect of the major General Government Sector statements; and
 - (c) statements reporting on the transactions within the Public Account during that financial year and the balances in the Public Account at the end of that financial year; and
 - (d) an assessment of the Government's fiscal performance against its current fiscal strategy statement, within the meaning of the *Charter of Budget Responsibility Act 2007*; and
 - (e) the Auditor-General's report on the statements referred to in section 16(2) of the *Audit Act 2008*.
- (3) The Treasurer may include in the annual financial report, in such form or manner

as the Treasurer may determine, any other financial or statistical report.

26F. Tabling of Treasurer's annual financial report

- (1) The Treasurer, on or before 31 October in each year, is to cause copies of the Treasurer's annual financial report to be laid before each House of Parliament.
- (2) If the Treasurer is unable to comply with subsection (1) by reason of the fact that neither House of Parliament is sitting, the Treasurer is to immediately –
 - (a) forward copies of the Treasurer's annual financial report to the Clerk of the Legislative Council or the Clerk of the House of Assembly, as the case may require; and
 - (b) make copies of the Treasurer's annual financial report available to the public –

and, on the next sitting-day of that House, is to cause copies of the Treasurer's annual financial report to be laid before that House.

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Part 3 – Audit Act 2008 Amended

PART 3 – AUDIT ACT 2008 AMENDED

5. Principal Act

In this Part, the *Audit Act 2008** is referred to as the Principal Act.

6. Section 16 amended (Auditor-General to be auditor of financial statements of Treasurer)

Section 16(2) of the Principal Act is amended by omitting “section 26C of the *Financial Management and Audit Act 1990*” and substituting “section 26F of the *Financial Management and Audit Act 1990*”.

*No. 49 of 2008

**PART 4 – CHARTER OF BUDGET RESPONSIBILITY
ACT 2007 AMENDED**

7. Principal Act

In this Part, the *Charter of Budget Responsibility Act 2007** is referred to as the Principal Act.

8. Schedule 1 amended (Charter of Budget Responsibility)

Clause 2(1) of Part 2 of Schedule 1 to the Principal Act is amended as follows:

- (a) by omitting “section 26A of the *Financial Management and Audit Act 1990*” from the definition of *Treasurer’s annual report* and substituting “section 26E of the *Financial Management and Audit Act 1990*”;
- (b) by omitting “section 26 of the *Financial Management and Audit Act 1990*” from the definition of *Treasurer’s half-yearly report* and substituting “section 26B of the *Financial Management and Audit Act 1990*”.

*No. 35 of 2007

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Part 5 – Public Works Committee Act 1914 Amended

**PART 5 – PUBLIC WORKS COMMITTEE ACT 1914
AMENDED**

9. Principal Act

In this Part, the *Public Works Committee Act 1914** is referred to as the Principal Act.

10. Section 15 amended (Functions of Committee)

Section 15(3) of the Principal Act is amended by omitting “section 26A of the *Financial Management and Audit Act 1990*” from the definition of *Treasurer's annual report* and substituting “section 26E of the *Financial Management and Audit Act 1990*”.

*No. 32 of 1914

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Part 6 – Miscellaneous

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PART 6 – MISCELLANEOUS

11. Repeal of Act

This Act is repealed on the ninetieth day from the day on which it commences.