

Financial Management (Budget Financial Statements) Guidelines 2016

Disallowable instrument DI2016–71

made under the

Financial Management Act 1996, s133 (Guideline-making power)

EXPLANATORY STATEMENT

Outline

These guidelines are issued in accordance with section 133 of the *Financial Management Act 1996* (the Act).

This instrument, *Financial Management (Budget Financial Statements) Guidelines 2016* prescribe the reporting requirements for the budget financial statements.

This guideline has been amended as follows:

- It removes the requirement to include an operating statement estimated for each appropriation unit proposed for the directorate. This change is associated with the removal of the term ‘appropriation unit’ from the Act as this term is redundant and no longer relevant. This change aligns with the amendments to the Act through the *Financial Management Amendment Act 2015*.
- It clarifies that the requirement under section 4(2) of this guideline for an operating statement estimated for each output class does not apply to an officer of the Assembly. This amendment is in line with the provisions of section 12(2) of the Act which specify that the requirement for the proposed budget of a directorate to include a statement that sets out outputs and classes of outputs does not apply to an officer of the Assembly. The amendment to section 12(2) of the Act was made following the *Officers of the Assembly Legislation Amendment Act 2013*.
- It separates the financial statement requirements for statements of intent for territory authorities and budgets for territory-owned corporations and corrects the reference to the new section 61(5) in the Act in relation to the statements of intent for territory authorities. This change is associated with the amendment to the Act which incorporates requirements associated with the proposed budget into the statement of intent requirements of territory authorities under section 61 of the Act (with section 12A to apply to only

territory-owned corporations). The amendment provides for a single document (statement of intent) therefore removing the duplication between budget statements and statements of intent for territory authorities. This change aligns with the amendments to the Act through the *Financial Management Amendment Act 2015*.

Details of the Financial Management (Budget Financial Statements) Guidelines 2016

Clauses 1 and 2 are formal requirements. They refer to the name and the commencement date of the guidelines.

Clauses 3 to 6 prescribe the financial statements required in the budgets and statements of intent in relation to the Territory, directorates, territory authorities and territory-owned corporations.

Clause 7 revokes the *Financial Management (Budget Financial Statements) Guidelines 2011*, which is replaced by provisions made under this guideline.

End