

Australian Capital Territory

Financial Management (Periodic and Annual Financial Statements) Guidelines 2005

Disallowable instrument DI2005–272

made under the

Financial Management Act 1996, s107 (Guideline-making power)

EXPLANATORY STATEMENT

Outline

These guidelines are issued in accordance with section 107 of the *Financial Management Act 1996* (the Act) and are one of a set of guidelines that replace provisions previously made through:

- *Financial Management Guidelines 2002*;
- *Financial Management Amendment Guidelines 2003 (No 1)*;
- *Financial Management Amendment Guidelines 2004 (No 1)*;
- *Financial Management Amendment Guidelines 2004 (No 2)*;
- *Financial Management Amendment Guidelines 2004 (No 3)*;
- *Financial Management Amendment Guidelines 2004 (No 4)*; and
- *Financial Management Amendment Guidelines 2005 (No 1)*.

The reissued set of financial management guidelines aims to be more accessible and easier to maintain, by grouping similar provisions with common amendment patterns into separate financial management guidelines.

This instrument, *Financial Management (Periodic and Annual Financial Statements) Guidelines 2005*, prescribes the financial statements required for periodic and annual financial statement, replacing unchanged the corresponding provisions in sections 8C to 11 and 13 in Part 2 of the *Financial Management Guidelines 2002* as amended by the *Financial Management Amendment Guidelines 2005 (No 1)*. Section 8B of the previous guidelines is deleted as a consequence of the recent amendments to the Act itself, through the *Financial Management Legislation Amendment Act 2005*.

Details of the Financial Management (Periodic and Annual Financial Statements) Guidelines 2005

Formal Clauses

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

Prescribed Financial Statements

This guideline ensures that the financial statements required under the Act are consistent with the current accounting standards. The financial statement required for periodic and annual financial statements are:

- a) Operating Statement;
- b) Balance Sheet;
- c) Statement of Changes in Equity; and
- d) Cash Flow Statement.

Clause 3 prescribes the financial statements for the mid-year budget review required under section 20B (3) (a) of the Act.

Clause 4 prescribes the financial statements for pre-election budget updates required under section 20D (3) (a) of the Act.

Clause 5 prescribes the annual financial statements of the Territory required under section 22 (2) (a) of the Act. In addition to the above statements, a statement of appropriation must also be prepared.

Clause 6 prescribes the periodic financial statements of the Territory required under section 26 (2) of the Act. In addition to the above statements prepared for year to date at the end of the quarter, operating and cash flow statements must be prepared for the quarter itself.

Clause 7 prescribes the annual financial statements of departments required under section 27 (3) (a) of the Act. In addition to the above statements, a statement of appropriation must also be prepared for the department and operating statements prepared for each of the department's appropriation units and output classes.

Clause 8 prescribes the annual financial statements of territory authorities required under section 63 (3) (a) of the Act. In addition to the above statements, if the authority has received an appropriation during the year, a statement of appropriation must also be prepared.

Clause 9 omits sections 8B to 11 and 13 in Part 2 of the previous guidelines, which are replaced by provisions made under this guideline.

End