

Financial Management (Periodic and Annual Financial Statements) Guidelines 2016

Disallowable instrument DI2016–121

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 (Periodic and Annual Financial Statements) Guidelines 2016* prescribe the reporting requirements for the periodic and annual financial statements.

This guideline has been amended as follows:

- It includes the statement of changes in equity estimated for the year in the financial statements for the budget review, the pre-election budget update and the periodic financial statements of the Territory. This change is in accordance with the accounting standards, is consistent with the annual financial statements requirements and is in line with current practice.
- It removes the requirement to include an operating statement estimated for each appropriation unit in the annual financial statements of directorates. This is associated with the removal of the term ‘appropriation unit’ from the Act as this term is redundant and no longer relevant. This change is as a result of the amendments to the Act through the *Financial Management Amendment Act 2015*.
- It clarifies that the requirement for an operating statement for each class of outputs in the annual financial statements for directorates 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*.

Details of the Financial Management (Periodic and Annual 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 8 prescribe the financial statements required in the budget review, pre-election budget update, annual financial statements and quarterly financial statements of the Territory and the annual financial statements of directorates and territory authorities.

Clause 9 revokes the *Financial Management (Periodic and Annual Financial Statements) Guidelines 2011*, which are replaced by provisions made under this guideline.

End