



Financial Accountability Act 2009

Financial and Performance Management Standard 2009

Current as at 1 April 2017

Reprint note

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Queensland

Financial and Performance Management Standard 2009

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Financial and Performance Management Standard 2009

Part 1 Preliminary

1 Short title

This standard may be cited as the *Financial and Performance Management Standard 2009*.

2 Commencement

This standard commences on 1 July 2009.

3 Definitions

The dictionary in the schedule defines particular words used in this standard.

4 Purpose of standard

- (1) The purpose of this standard is to provide a framework for an accountable officer of a department, or a statutory body, to develop and implement systems, practices and controls for the efficient, effective and economic financial and performance management of the department or statutory body.
- (2) An accountable officer or statutory body is not limited by this standard but must adopt a proactive approach in monitoring the appropriateness of the systems, operations and overall financial position and performance of the department or statutory body.

Example of subsection (2)—

An accountable officer or statutory body may include matters in a system other than matters mentioned in this standard as elements of the system.

5 Application of standard

- (1) Subject to subsection (2), this standard applies to—
 - (a) an accountable officer in relation to the officer's department; and
 - (b) a former accountable officer in relation to the officer's abolished department; and
 - (c) a statutory body; and
 - (d) an administering department in relation to an abolished statutory body.
- (2) Subsection (1) applies unless—
 - (a) the standard states that it does not apply; or
 - (b) the department or statutory body is exempted from compliance under section 59 of the Act.

6 Relationship with other documents

- (1) Subsection (2) applies if a provision of this standard provides that, in particular circumstances, an accountable officer, former accountable officer, statutory body or administering department must have regard to another document.
- (2) The officer, statutory body or department complies with the provision by considering the contents of the document and deciding whether the contents apply in the circumstances.

Note—

A copy of a document mentioned in this standard that is made, published or tabled in the Legislative Assembly by the Treasurer or the treasury department may be obtained from the head office of the treasury department in Brisbane or from the department's website at <www.treasury.qld.gov.au>.

If a date is not stated for a document referred to in this standard, the reference is to the document as in force from time to time. See the *Statutory Instruments Act 1992*, section 23(2).

Part 2 Governance

Division 1 Preliminary

7 Governance

- (1) Each accountable officer and statutory body must ensure a governance framework appropriate for the accountable officer's department or the statutory body is established.
- (2) Governance, for a department or statutory body, is the way the department or statutory body manages the performance of its functions and operations.
- (3) Governance—
 - (a) incorporates the cultural and operational aspects of a department or statutory body that are influenced by its actions and decisions; and
 - (b) includes the concepts of—
 - (i) openness, integrity and accountability; and
 - (ii) due care; and
 - (iii) public defensibility; and
 - (c) incorporates the ethics principles for public officials under the *Public Sector Ethics Act 1994*, section 4; and
 - (d) includes establishing a performance management system, a risk management system and an internal control structure.

8 Internal control structure

- (1) Each accountable officer and statutory body must establish, for the accountable officer's department or the statutory body, a cost-effective internal control structure.
- (2) The internal control structure—

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- (a) must have a strong emphasis on accountability, best practice management of the resources of the department or statutory body and internal control; and
- (b) must include—
 - (i) an organisational structure and delegations, supportive of the objectives and operations of the department or statutory body; and
 - (ii) employment of qualified and competent officers, training of the officers and assessment of their performance; and
 - (iii) if the department or statutory body controls another entity, procedures for monitoring the performance of, and accounting for its investment in, the other entity.
- (3) If an internal audit function, audit committee or risk management committee is established for the department or statutory body, the internal control structure must ensure the efficient, effective and economic operation of the internal audit function, audit committee or risk management committee.
- (4) In establishing the internal control structure, the accountable officer or statutory body must have regard to the Financial Accountability Handbook published by the treasury department.
- (5) The internal control structure must be included in the financial management practice manual of the department or statutory body.
- (6) To the extent practicable, an accountable officer or statutory body must ensure there is an appropriate separation of duties between officers of the accountable officer's department or the statutory body.

Division 2 Planning

9 Responsibility for strategic and operational plans

- (1) Subject to section 10, each accountable officer and statutory body must develop—
 - (a) a strategic plan for the accountable officer’s department or the statutory body; and
 - (b) an operational plan for—
 - (i) the whole of the department or statutory body; or
 - (ii) the levels of the department or statutory body that the accountable officer or statutory body considers appropriate.
- (2) A strategic plan must cover a period of 4 years but may be reviewed or amended during the period.
- (3) An operational plan must cover a period of not more than 1 year.
- (4) In developing the plans, accountable officers and statutory bodies must comply with the document called ‘Agency planning requirements’ prepared by the Department of the Premier and Cabinet.

Note—

A copy of the ‘Agency planning requirements’ may be obtained from the Department of the Premier and Cabinet.

- (5) Accountable officers and statutory bodies are responsible for the implementation of the plans.

10 Exception to s 9

- (1) Section 9 does not apply to an accountable officer in relation to a commercialised operation of the officer’s department if the operation, or the department on behalf of the operation, has entered into an annual performance contract under the document called ‘Commercialisation of government business

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activities in Queensland' tabled by the Treasurer in the Legislative Assembly.

(2) In this section—

commercialised operation, of a department, means an operation of the department—

- (a) that has been commercialised under section 55; or
- (b) that, as its principal activity, provides goods or services at a charge that is intended to recover all or a substantial part of the cost of providing the goods or services.

Division 3 Performance management

11 Responsibility for performance

Each accountable officer and statutory body must, in managing the performance of the officer's department or the statutory body, comply with the document called 'Queensland Government Performance Management Framework Policy' prepared by the Department of the Premier and Cabinet.

Note—

A copy of 'Queensland Government Performance Management Framework Policy' may be obtained from the Department of the Premier and Cabinet.

12 Systems for obtaining information about performance

(1) Each accountable officer and statutory body must have systems in place for obtaining information to enable the accountable officer or statutory body to decide whether the officer's department or the statutory body is—

- (a) achieving the objectives stated in its strategic plan efficiently, effectively and economically; and
- (b) delivering the services stated in its operational plan to the standard stated in the plan.

(2) In this section—

operational plan, of a department or statutory body, means the operational plan developed, for the department or statutory body, under section 9.

strategic plan, of a department or statutory body, means the strategic plan developed, for the department or statutory body, under section 9.

13 Reporting about performance

The systems mentioned in section 12—

- (a) must provide for the persons responsible for giving the information mentioned in section 12(1); and
- (b) must require the persons to give the information to—
 - (i) the accountable officer or statutory body at least once every 3 months; and
 - (ii) the appropriate Minister—
 - (A) at least annually; and
 - (B) when the Minister asks for the information.

14 Systems for evaluating achievement of objectives

- (1) A department's or statutory body's systems for evaluating the achievement of its objectives must include assessing the following—
 - (a) the appropriateness of the objectives, and the services the department or statutory body delivers to achieve its objectives;
 - (b) whether the performance information the department or statutory body collects is suitable to assess the extent to which the objectives have been achieved;
 - (c) the options to improve the efficiency, effectiveness and economy of the operations of the department or statutory body.
- (2) Subsection (1) does not apply to the auditor-general.

Division 4 General resource management

15 Systems for managing resources

- (1) Each accountable officer of a department and each statutory body must establish the following for efficiently, effectively and economically managing the financial resources of the department or statutory body—
 - (a) a revenue management system;
 - (b) an expense management system;
 - (c) an asset management system;
 - (d) a cash management system;
 - (e) a liability management system;
 - (f) a contingency management system;
 - (g) a financial information management system;
 - (h) a risk management system.
- (2) In establishing the systems, the accountable officers and statutory bodies must have regard to the Financial Accountability Handbook published by the treasury department.
- (3) The accountable officers and statutory bodies must regularly review the systems to ensure the systems remain appropriate for managing the financial resources of the department or statutory body.

16 Financial management practice manuals

- (1) Each accountable officer of a department and each statutory body must prepare and maintain a financial management practice manual for use in the financial management of the department or statutory body.
- (2) The financial management practice manual must be read subject to any Act or law applicable to the financial

management of the department or statutory body including this standard.

- (3) The financial management practice manual—
 - (a) must be in accordance with the policies and procedures used by the department or statutory body to manage its financial resources under the systems established under section 15(1); and
 - (b) may be in the form of separate policies, guidelines and other relevant material in hard copy or electronic format; and
 - (c) may be in the form of processes that are built electronically into the systems and must be followed by the department or statutory body.
- (4) Each person involved in the financial management of a department or statutory body must, subject to the Act, comply with the financial management practice manual for the department or statutory body.
- (5) Subsections (6) and (7) apply if a number of statutory bodies are administered by the same appropriate Minister.
- (6) The appropriate Minister, or the department or statutory body that assists the Minister in administering the Act or Acts under which the statutory bodies were constituted, may prepare a standard financial management practice manual for the statutory bodies.
- (7) The standard financial management practice manual applies to the statutory bodies unless the appropriate Minister decides it is not appropriate for it to apply.

17 Revenue management

- (1) Each accountable officer of a department and each statutory body—
 - (a) must manage the revenue of the department or statutory body in accordance with the revenue management

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system established for the department or statutory body under section 15(1)(a); and

- (b) may fix charges for goods or services provided by the department or statutory body.
- (2) A revenue management system must provide for—
- (a) promptly identifying, collecting, managing and recording information about revenue; and
 - (b) the timely writing off of revenue.

18 User charging

- (1) Each accountable officer of a department and each statutory body, in identifying the goods or services provided by the department or statutory body for which users are to be charged, must consider whether—
- (a) the users have the capacity to pay for the goods or services; and
 - (b) the users have a choice whether to accept the goods or services; and
 - (c) the goods or services are available from a supplier other than a department or statutory body; and
 - (d) supplying the goods or services is required or permitted by legislation; and
 - (e) the goods or services are supplied for the benefit of the general public or for the benefit only of users who do not have the capacity to pay; and
 - (f) the administrative costs of charging and collecting the charges are more than, or may be more than, the revenue collected; and
 - (g) an agreement exists between the department or statutory body and users about charging for the goods or services; and

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- (h) charging for the goods or services improves, or may improve, resource allocation through more economical use of the goods or services; and
 - (i) other factors exist that the accountable officer or statutory body considers relevant.
- (2) In deciding charges for the goods or services, the accountable officer or statutory body must have regard to the full cost of providing the goods or services.
 - (3) However, the accountable officer or statutory body may decide a charge for a particular good or service that is less than the full cost of providing the good or service (the **lower charge**) if the officer or statutory body is satisfied the lower charge is appropriate.
 - (4) This section does not apply to the accountable officer of a department in relation to an operation of the department mentioned in section 56.
 - (5) In this section—
user, in relation to goods or services, means a person who uses the goods or services.

19 Expense management

- (1) Each accountable officer of a department and each statutory body must manage the expenses of the department or statutory body in accordance with the expense management system established, for the department or statutory body, under section 15(1)(b), to achieve reasonable value for money.
- (2) An expense management system must provide for—
 - (a) promptly identifying, approving, managing and recording expenses; and
 - (b) the timely paying of expenses.
- (3) To the extent the following documents apply to a department or statutory body, the accountable officer of the department or the statutory body must comply with the documents in developing the expense management system—

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- (a) the Queensland Procurement Policy published by the Department of Housing and Public Works;
- (b) the Queensland Ministerial Handbook published by the Department of the Premier and Cabinet.

Note—

The documents mentioned in subsection (3)(a) and (b) may be obtained from the departments mentioned and are also available on the departments' websites.

- (4) Each accountable officer must implement systems for credit card facilities that are consistent with the document called 'Treasurer's guidelines for the use of the Queensland Government corporate purchasing card' made by the Treasurer.
- (5) In this section—
expenses, of a department or statutory body, include the costs to the department or statutory body of remunerating the employees of the department or statutory body.

20 Record of special payments

- (1) Each accountable officer of a department and each statutory body must keep a record of the department's or statutory body's special payments of more than \$5000 (*prescribed special payments*), including the following details about each prescribed special payment—
 - (a) the date of the payment;
 - (b) the recipient of the payment;
 - (c) the reason for the payment;
 - (d) the approval given for the payment.
- (2) The record may include other details about the prescribed special payment that the accountable officer or statutory body considers relevant.

21 Loss from offence or corrupt conduct

- (1) This section applies if the accountable officer of a department or a statutory body—
 - (a) becomes aware of a loss of the department's or statutory body's property; and
 - (b) considers the loss may be the result of—
 - (i) an offence under the Criminal Code or another Act; or
 - (ii) the corrupt conduct of an officer of the department or statutory body; or
 - (iii) the conduct of a consultant or a contractor engaged by the department or statutory body that would amount to corrupt conduct if it were the conduct of an officer of the department or statutory body.
- (2) The accountable officer or statutory body must keep a written record of the following details about the loss—
 - (a) a description of the property, including its value;
 - (b) the reason for the loss;
 - (c) the action taken about the loss, including, for example the following—
 - (i) action to remedy any weakness in the internal control of the department or statutory body;
 - (ii) action taken to obtain reimbursement;
 - (d) details about approval for writing off the loss.
- (3) If the loss is a material loss, the accountable officer or statutory body must, as soon as practicable but not later than 6 months after the accountable officer or statutory body becomes aware of the loss, notify—
 - (a) the appropriate Minister for the department or statutory body; and
 - (b) the auditor-general; and

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- (c) for a loss mentioned in subsection (1)(b)(i)—a police officer; and
 - (d) for a loss mentioned in subsection (1)(b)(ii)—the Crime and Corruption Commission.
- (4) In this section—
corrupt conduct see the *Crime and Corruption Act 2001*, section 15.

22 Other losses

- (1) This section applies if the accountable officer of a department or a statutory body becomes aware of a material loss of the department's or statutory body's property, other than a loss to which section 21 applies.
- (2) The accountable officer or statutory body must keep a written record of the following details about the material loss—
 - (a) a description of the property, including its value;
 - (b) the reason for the loss;
 - (c) the action taken about the loss, including, for example, action taken to obtain reimbursement;
 - (d) details about approval for writing off the loss.

23 Asset management

- (1) Each accountable officer of a department and each statutory body must manage the assets of the department or statutory body in accordance with the asset management system established, for the department or statutory body, under section 15(1)(c).
- (2) An asset management system must provide for—
 - (a) identifying, acquiring, managing, disposing of, valuing, recording and writing off assets; and
 - (b) if the accountable officer or statutory body considers the cost of acquiring, maintaining or improving a physical

asset is significant (a *significant asset*)—conducting an evaluation before making the acquisition or carrying out the maintenance or improvement; and

- (c) reviewing the performance of completed significant assets to ensure the objectives of the department or statutory body in acquiring, maintaining or improving the assets were met; and
 - (d) regularly maintaining the assets.
- (3) Each accountable officer and each statutory body, in identifying, acquiring, maintaining, disposing of, valuing or revaluing, recording or writing off assets, must comply with the document called ‘Non-current asset policies for the Queensland Public Sector’ published by the treasury department.
- (4) In preparing evaluations, accountable officers and statutory bodies must have regard to the document called ‘Project Assessment Framework’.

Note—

A copy of ‘Project Assessment Framework’ may be obtained from Queensland Treasury’s website.

- (5) An accountable officer or statutory body must give the Treasurer a copy of an evaluation or review of a completed significant asset as soon as practicable after the Treasurer asks the accountable officer or statutory body for the copy.

24 Cash management

- (1) Each accountable officer of a department and each statutory body must manage the department’s or statutory body’s cash in accordance with the cash management system established, for the department or statutory body, under section 15(1)(d).
- (2) A cash management system must provide for promptly—
 - (a) identifying, collecting, paying and investing cash; and
 - (b) recording transactions involving cash.

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- (3) A department's cash management system must also provide for transmitting timely and reliable cash flow forecasts to the treasury department.

25 Liability management

- (1) Each accountable officer of a department and each statutory body must manage the liabilities of the department or statutory body in accordance with the liability management system established, for the department or statutory body, under section 15(1)(e).
- (2) A liability management system must provide for—
 - (a) identifying, incurring, measuring, managing, satisfying and recording liabilities; and
 - (b) promptly identifying, monitoring, recording and reporting commitments for capital expenditure.
- (3) In managing the liabilities, the accountable officer or statutory body must comply with the document called 'Queensland Leasing Approval Policy for Public Sector Entities' published by the treasury department.

26 Contingency management

- (1) Each accountable officer of a department and each statutory body must manage the contingent assets (the *contingencies*) and contingent liabilities (also the *contingencies*), of the department or statutory body, in accordance with the contingency management system established, for the department or statutory body, under section 15(1)(f).
- (2) A contingency management system must provide for—
 - (a) promptly identifying, monitoring and recording contingencies; and
 - (b) reporting, at least annually, to the accountable officer or statutory body about the contingencies.

27 Financial information management

- (1) Each accountable officer of a department and each statutory body must manage the department's or statutory body's financial information in accordance with the financial information management system established, for the department or statutory body, under section 15(1)(g).
- (2) A financial information management system must provide for recording, storing, keeping, retrieving and destroying financial information.
- (3) In developing and implementing the financial information management system, the accountable officer or statutory body must—
 - (a) apply the mandatory principles stated in the information standards; and
 - (b) ensure the system aligns with targets stated in the document called 'Government enterprise architecture'; and
 - (c) ensure the *Public Records Act 2002* is complied with; and
 - (d) ensure the financial information is secure.

Note—

A copy of the information standards mentioned in subsection (3)(a) and the document mentioned in subsection (3)(b) may be obtained from the Queensland Government Chief Information Office website at <www.qgcio.qld.gov.au>.

- (4) Before introducing a financial information management system or significantly changing a financial information management system, the accountable officer or statutory body must consult with—
 - (a) the head of internal audit for the department or statutory body; and
 - (b) the authorised auditor for the department or statutory body; and

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- (c) for a financial information management system for a department—the chief finance officer for the department; and
- (d) for a financial information management system for a statutory body—the person responsible for the financial administration of the statutory body.

28 Risk management

- (1) Each accountable officer of a department and each statutory body must manage the strategic and operational risks of the department or statutory body in accordance with the risk management system established, for the department or statutory body, under section 15(1)(h).
- (2) A risk management system must provide for—
 - (a) mitigating the risk to the department or statutory body and the State from unacceptable costs or losses associated with the operations of the department or statutory body; and
 - (b) managing the risks that may affect the ability of the department or statutory body to continue to provide government services.
- (3) An accountable officer or statutory body may establish a risk management committee for the accountable officer's department or the statutory body.
- (4) In establishing a risk management committee, the accountable officer or statutory body must have regard to the document called 'Audit committee guidelines - improving accountability and performance' published by the treasury department.

Division 5 Internal audit and audit committees

29 Responsibility for internal audit function

- (1) Each accountable officer must establish an internal audit function for the accountable officer's department.

- (2) Each statutory body must establish an internal audit function for the statutory body if—
 - (a) the statutory body is directed by the appropriate Minister to establish the function; or
 - (b) the statutory body considers it is appropriate to establish the function.
- (3) A department or statutory body that has established an internal audit function must develop and implement systems for ensuring the internal audit function operates efficiently, effectively and economically.

30 Charter of internal audit function

- (1) The internal audit function of a department or statutory body must operate under an internal audit charter.
- (2) The internal audit charter must—
 - (a) be consistent with the auditing and ethical standards set by the professional entities that govern the conduct of auditing in the State; and
 - (b) be approved by the accountable officer of the department or the statutory body; and
 - (c) be readily available to the officers of the department or statutory body.

31 Planning by internal audit function

- (1) The internal audit function of a department or statutory body must undertake planning appropriate to the size and functions of the department or statutory body.
- (2) The planning must include the preparation of—
 - (a) a strategic audit plan that provides an overall strategy for the internal audit function for a period of at least 1 year; and

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- (b) an audit plan, for each year, that sets out the audits intended to be carried out by the internal audit function during the year.
- (3) The strategic audit plan and the annual audit plan of a department or statutory body must be approved by the department's accountable officer or the statutory body.

32 Reports by internal audit function

- (1) The internal audit function of a department or statutory body must—
 - (a) give the person in charge of an audited area a copy of the proposed report on the audit for the area; and
 - (b) include any comments by the person about the proposed report in the final report.
- (2) The internal audit function must give the final report to—
 - (a) for a department—the department's accountable officer and its audit committee; and
 - (b) for a statutory body—the statutory body and, if the statutory body has established an audit committee, its audit committee.

33 Consideration of reports

Each accountable officer of a department and each statutory body must—

- (a) consider the contents of all reports given to the accountable officer or statutory body under section 32; and
- (b) take the actions the accountable officer or statutory body considers necessary to be taken because of a report.

34 Relationship with authorised auditors

The head of internal audit for a department or statutory body must consult with an authorised auditor—

- (a) during the preparation of audit plans under section 31; and
- (b) at other times the head of internal audit considers appropriate.

35 Audit committees

- (1) Each accountable officer of a department must, and each statutory body may, establish an audit committee for the department or statutory body.
- (2) If an audit committee is established, the accountable officer or statutory body must prepare terms of reference for the committee.
- (3) In establishing an audit committee, the accountable officer or statutory body must have regard to the document called ‘Audit committee guidelines - improving accountability and performance’ published by the treasury department.
- (4) The audit committee for a statutory body must include members of the statutory body or, if the statutory body has a governing body, members of the governing body.
- (5) The audit committee for a department or statutory body must, as soon as practicable after the end of each financial year, give the department’s accountable officer or the statutory body a report about the committee’s operations for the year.

Division 6 Contract performance guarantees

36 Definitions for div 6

In this division—

approved security provider means—

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- (a) a security provider that is not an insurance company and is rated by—
 - (i) Fitch Ratings with a long-term credit rating not less than A-; or
 - (ii) Moody's Investors Service with a long-term credit rating not less than A3; or
 - (iii) Standard & Poor's with a long-term credit rating not less than A-; or
- (b) a security provider that is an insurance company and is rated by—
 - (i) Fitch Ratings with an insurance claims-paying ability rating not less than A-; or
 - (ii) Moody's Investors Service with an insurance financial strength rating not less than A3; or
 - (iii) Standard & Poor's with an insurer financial strength rating not less than A-; or
- (c) a security provider approved by the Treasurer under section 41.

contractor means a person who enters into a contract with an accountable officer of a department or a statutory body.

contract performance guarantee means a security given by a contractor, or for a contractor, for the performance of 1 or more of the contractor's obligations under a contract with an accountable officer of a department or a statutory body.

insurance company means a company authorised under the *Insurance Act 1973* (Cwlth) to carry on insurance business.

monetary security deposit means a deposit of funds that is immediately available in the form of, or a combination of, any of the following—

- (a) cash;
- (b) a cheque drawn by a financial institution on itself, for example, a bank cheque;
- (c) a telegraph transfer;

- (d) a direct deposit;
- (e) an electronic transfer.

security provider means—

- (a) a financial institution; or
- (b) an insurance company; or
- (c) Queensland Treasury Corporation; or
- (d) a corporation that is a registered entity under the *Financial Sector (Collection of Data) Act 2001* (Cwlth).

Note—

A registered entity is a corporation whose name is entered in the Register of Entities kept by the Australian Prudential Regulation Authority under the *Financial Sector (Collection of Data) Act 2001* (Cwlth), section 8. A list of names of registered entities may be viewed at the website of the Australian Prudential Regulation Authority at <www.apra.gov.au>.

37 Responsibility for contract performance guarantees

- (1) Each accountable officer of a department and each statutory body must develop and implement a system (a ***contract performance guarantee system***) for—
 - (a) deciding which contracts entered into by the accountable officer or statutory body, or for the accountable officer or statutory body, must provide for the contractor to give security for the performance of the contract; and
 - (b) managing the contract performance guarantees of the department or statutory body.
- (2) A contract performance guarantee system must provide for—
 - (a) the circumstances in which it is appropriate to obtain a contract performance guarantee; and
 - (b) deciding entitlement to the payment of interest on contract performance guarantees that are monetary security deposits; and

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- (c) assessing, at least quarterly, the ongoing need for, and adequacy of, existing contract performance guarantees; and
 - (d) each contract under which a contract performance guarantee is given by an approved security provider to include a condition that, if the security provider stops being an approved security provider, the contractor must give, or arrange the giving of—
 - (i) a monetary security deposit; or
 - (ii) a security by an approved security provider.
- (3) The contract performance guarantee system must ensure the accountable officer or statutory body becomes aware as soon as practicable after a security provider who has given a contract performance guarantee stops being an approved security provider.

38 Benefit of contract performance guarantee

- (1) Each accountable officer of a department and each statutory body must ensure the benefit of a contract performance guarantee is—
- (a) irrevocable and unconditional, including not being conditional on—
 - (i) another right or obligation contained in another document; or
 - (ii) the accountable officer or statutory body proving that a demand mentioned in paragraph (b) has been made; and
 - (b) payable—
 - (i) in whole or in part, immediately on demand; and
 - (ii) without reference to another person; and
 - (c) available until all obligations secured by the guarantee have been performed.
- (2) A contract performance guarantee must be—

- (a) given by a contractor, or for a contractor, by an approved security provider; and
- (b) in a form, and for an amount, the accountable officer or statutory body is satisfied provides sufficient and suitable security for the performance of the contractor's obligations under the contract to which the guarantee relates.

39 Contract performance guarantee by contractor or approved security provider

- (1) A contract performance guarantee given by a contractor must be a monetary security deposit.
- (2) A contract performance guarantee given for a contractor by an approved security provider must be in the form of, or a combination of, any of the following—
 - (a) a written performance bond or surety bond, including, for example, an insurance bond;
 - (b) a written performance guarantee or performance undertaking, including, for example, a bank guarantee;
 - (c) a monetary security deposit.
- (3) Subsection (4) applies if a contract performance guarantee given by an approved security provider is or includes a monetary security deposit.
- (4) The accountable officer or statutory body who is a party to the contract to which the guarantee relates must enter into a written agreement with the approved security provider that states the conditions on which the monetary security deposit is held, including, for example—
 - (a) conditions that ensure the benefits mentioned in section 38(1); and
 - (b) conditions about the entitlement to interest.

40 Replacement of contract performance guarantee

- (1) This section applies if—
 - (a) a security provider gives a security, other than a monetary security deposit, for a contract between an accountable officer or statutory body and a contractor; and
 - (b) the security provider stops being an approved security provider.
- (2) As soon as the accountable officer or statutory body becomes aware that the security provider has stopped being an approved security provider, the accountable officer or statutory body must—
 - (a) give notice to the contractor asking the contractor to give or arrange the giving of either of the following within 30 days after the date of the notice—
 - (i) a monetary security deposit;
 - (ii) a security by an approved security provider; and
 - (b) take reasonable steps to ensure paragraph (a) is complied with.

41 Treasurer's approval of security provider

- (1) The Treasurer may approve a security provider as an approved security provider if the security provider—
 - (a) is subject to a national supervisory scheme, including, for example, prudential supervision by the Australian Prudential Regulation Authority; and
 - (b) complies with all requirements under the scheme.
- (2) Before approving a security provider under subsection (1), the Treasurer must have regard to any matter about the security provider that the Treasurer considers relevant, including, for example, the following—
 - (a) the nature and history of the security provider's business operation;

- (b) the security provider's experience in providing contract performance guarantees;
- (c) the security provider's financial position;
- (d) the relationship between the contractor and the security provider;
- (e) the location of the security provider's business operation;
- (f) the members of the security provider's board and management.

Part 3 Reporting

Division 1 Financial statements

42 Preparation of annual financial statements of departments

- (1) The accountable officer of a department must prepare the department's annual financial statements for each financial year under the minimum reporting requirements mentioned in the document called 'Financial reporting requirements for Queensland Government agencies' published by the treasury department.
- (2) The accountable officer and the chief finance officer for the department must certify on the statements whether, in their opinion—
 - (a) the prescribed requirements for establishing and keeping the department's accounts have been complied with in all material respects; and
 - (b) the statements present a true and fair view, in accordance with the prescribed accounting standards, of

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the department's transactions for the financial year and financial position at the end of the year.

- (3) The accountable officer must, within the time period stated in section 45, give the statements to the authorised auditor for the department for audit.
- (4) Until the department's annual financial statements have been audited and a report of the audit given to the accountable officer, the accountable officer must not give the statements or a copy of them to a person other than—
 - (a) the authorised auditor, the auditor-general or a person acting for the auditor-general; or
 - (b) the appropriate Minister or a person acting for the appropriate Minister; or
 - (c) an officer or employee of the department; or
 - (d) another person engaged by the department to assist in the preparation of the statements.
- (5) However, the accountable officer does not contravene subsection (4) by giving the statements or a copy of them—
 - (a) to a person under an authority given by the appropriate Minister; or
 - (b) to the Treasurer under section 26 of the Act; or
 - (c) to another person if the accountable officer is otherwise required or permitted under another law to give the statements or copies to the person.

43 Preparation of annual financial statements of statutory bodies

- (1) A statutory body must prepare its annual financial statements for each financial year having regard to the minimum reporting requirements mentioned in the document called 'Financial reporting requirements for Queensland Government agencies' published by the treasury department.
- (2) The chairperson of the statutory body and the person responsible for the financial administration of the statutory

body (the *officers*) must certify on the statements whether, in their opinion—

- (a) the prescribed requirements for establishing and keeping the statutory body's accounts have been complied with in all material respects; and
 - (b) for—
 - (i) general purpose financial statements—the statements present a true and fair view, in accordance with prescribed accounting standards, of the statutory body's transactions for the financial year and financial position at the end of the year; or
 - (ii) other financial statements—the statements present a true and fair view of the statutory body's transactions for the financial year and financial position at the end of the year.
- (3) The statutory body must, within the time period stated in section 45, give the statements to the authorised auditor for the statutory body for audit.
- (4) Until the statutory body's annual financial statements have been audited and a report of the audit given to the statutory body, the statutory body must not give the statements or a copy of them to a person other than—
- (a) the authorised auditor, the auditor-general or a person acting for the auditor-general; or
 - (b) the appropriate Minister or a person acting for the appropriate Minister; or
 - (c) a member, officer or employee of the statutory body; or
 - (d) another person engaged by the statutory body to assist in the preparation of the statements.
- (5) However, the statutory body does not contravene subsection (4) by giving the statements or a copy of them—
- (a) to a person under an authority given by the appropriate Minister; or

- (b) to the Treasurer under section 26 of the Act; or
- (c) to another person if the statutory body is otherwise required or permitted under another law to give the statements or copies to the person.

44 Financial statements of newly formed departments and statutory bodies

- (1) The accountable officer of a newly formed department must, under section 42, prepare the department's annual financial statements (the department's *first annual financial statements*) for the period (the *relevant period*) from the relevant date until the end of the financial year in which the department was formed.
- (2) A newly formed statutory body must, under section 43, prepare the statutory body's annual financial statements (the statutory body's *first annual financial statements*) for the period (the *relevant period*) from the statutory body's formation day until the end of the financial year in which the statutory body was established.
- (3) However, subsection (4) applies if the relevant date or formation day for the department or statutory body is within 4 months before the end of the financial year for the department or statutory body.
- (4) The Treasurer may, after consulting with the auditor-general, give approval for the department or statutory body to prepare its first financial statements for the period from the department's or statutory body's relevant date or formation day until the end of the financial year after the financial year in which the department or statutory body was formed or established.
- (5) If the Treasurer gives an approval under subsection (4), the appropriate Minister for the newly formed department or statutory body must table in the Legislative Assembly a notice stating—
 - (a) the newly formed department or statutory body was formed; and

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- (b) the financial statements from the relevant date or formation day to the end of the financial year will be prepared and tabled as part of the financial statements for the next financial year.
- (6) In this section—
- relevant date*, for a newly formed department, means—
- (a) if the public business of another department (the *transferor department*) is redistributed to the newly formed department on a day other than the first day of a month and the transferor department is not abolished—the first day of the month immediately after the month in which the redistribution happened; or
 - (b) otherwise—the department’s formation day.

45 Timing for giving annual financial statements to authorised auditor

- (1) This section applies to the annual financial statements for a financial year that—
 - (a) the accountable officer of a department must prepare and give to the authorised auditor for the department under section 42; and
 - (b) a statutory body must prepare and give to the authorised auditor for the statutory body under section 43.
- (2) The accountable officer or statutory body must give the statements to the authorised auditor by a date agreed between the accountable officer or statutory body and the authorised auditor.
- (3) The date agreed must allow the audit of the statements, and the report of the authorised auditor about the statements, to be completed no later than 2 months after the end of the financial year to which the statements relate.
- (4) Subsection (5) applies if the Treasurer considers there is a whole-of-government reason that makes it impracticable for the accountable officer or statutory body to give the

statements to the authorised auditor by a date that would allow the audit and report to be completed within the time stated in subsection (3).

Examples of whole-of-government reasons—

- a State budget that is not presented until the financial year to which it relates
 - significant changes to administrative arrangements
 - structural changes to 1 or more statutory bodies
- (5) The Treasurer may, after consulting with the auditor-general, decide a later date by which the accountable officer or statutory body must give the statements to the authorised auditor.
- (6) The later date must allow the audit of the statements, and the report of the audit, to be completed no later than 6 months after the end of the financial year to which the statements relate.
- (7) If the Treasurer makes a decision under subsection (5), the Treasurer must give notice of the Treasurer's decision to the accountable officer or statutory body and the auditor-general.
- (8) An accountable officer or statutory body given a notice under subsection (7) must give the statements to the authorised auditor by the later date stated in the notice.
- (9) In this section—
annual financial statements includes first annual financial statements.

46 Statutory body to consider authorised auditor's report and comments, observations and suggestions

- (1) At the first ordinary meeting held by a statutory body after it receives, from the authorised auditor for the statutory body, its annual financial statements and the authorised auditor's report on the statements, the statutory body must consider the statements and the report.

- (2) If the report contains comments, observations or suggestions about anything arising out of an audit, the statutory body must also consider the comments, observations or suggestions.

Division 2 Final financial statements

47 Final financial statements of abolished departments

- (1) The former accountable officer, for an abolished department, must prepare the abolished department's final financial statements under the minimum reporting requirements mentioned in the document called 'Financial reporting requirements for Queensland Government agencies' published by the treasury department.
- (2) The former accountable officer and the former chief finance officer for the abolished department must each certify on the final financial statements whether, in their opinion—
 - (a) the prescribed requirements for establishing and keeping the abolished department's accounts have been complied with in all material respects; and
 - (b) the statements show a true and fair view, in accordance with the prescribed accounting standards, of the abolished department's transactions for the final period and financial position at the end of the period.
- (3) The former accountable officer must give the statements to the auditor-general by a date agreed between the officer and the auditor-general.
- (4) In this section—

abolition day, for an abolished department, means the day the department is abolished.

certified and audited, for the annual financial statements of an abolished department, means the statements have been certified under subsection (2) and the auditor-general has issued a report about the statements.

final period, for an abolished department, means—

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- (a) if annual financial statements for the department's last financial year have been certified and audited before the abolition day for the department—the period from the day immediately after the department's last financial year to the abolition day; or
- (b) if annual financial statements for the department's last financial year have not been certified and audited before the abolition day for the department—
 - (i) the period from the beginning of the department's last financial year to the abolition day; or
 - (ii) the period from the day immediately after the department's last financial year to the abolition day.

former chief finance officer, for an abolished department, means—

- (a) if the person who was the chief finance officer of the department immediately before its abolition is employed in a public sector unit—that person; or
- (b) otherwise—the person approved by the Treasurer.

last financial year, for an abolished department, means the department's financial year last ended before the abolition day for the department.

48 Final financial statements of abolished statutory bodies

- (1) The administering department for an abolished statutory body must prepare the abolished statutory body's final financial statements having regard to the minimum reporting requirements mentioned in the document called 'Financial reporting requirements for Queensland Government agencies' published by the treasury department.
- (2) The former chairperson of, and the former responsible person for, the abolished statutory body must each certify on the final financial statements whether, in their opinion—

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- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
 - (b) the final financial statements show a true and fair view, under prescribed accounting standards, of the abolished statutory body's transactions for the final period and financial position at the end of the period.
- (3) The former appropriate Minister for the abolished statutory body must give the statements to the auditor-general by a date agreed between the former appropriate Minister and the auditor-general.

- (4) In this section—

abolition day, for an abolished statutory body, means the day the statutory body is abolished.

certified and audited, for the annual financial statements of an abolished statutory body, means the statements have been certified under subsection (2) and the auditor-general has issued a report about the statements.

final period, for an abolished statutory body, means—

- (a) if annual financial statements for the statutory body's last financial year have been certified and audited before the abolition day for the statutory body—the period from the day immediately after the statutory body's last financial year to the abolition day; or
- (b) if annual financial statements for the statutory body's last financial year have not been certified and audited before the abolition day for the statutory body—
 - (i) the period from the beginning of the statutory body's last financial year to the abolition day; or
 - (ii) the period from the day immediately after the statutory body's last financial year to the abolition day.

former chairperson, of an abolished statutory body, means—

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- (a) if the person who was the chairperson of the statutory body immediately before it was abolished is available to act—that person; or
- (b) otherwise—the person approved by the Treasurer.

former responsible person, for an abolished statutory body, means—

- (a) if the person who was the person responsible for the financial administration of the statutory body immediately before its abolition is available to act—that person; or
- (b) otherwise—the person approved by the Treasurer.

last financial year, for an abolished statutory body, means the statutory body's financial year last ended before the abolition day for the statutory body.

Division 3 Annual reports and final reports

49 Annual reports of departments and statutory bodies— Act, s 63

- (1) For section 63 of the Act, an annual report of a department or statutory body must be given to the appropriate Minister for the department or statutory body by a date agreed between the accountable officer of the department or the statutory body and the appropriate Minister.
- (2) The date agreed must allow the annual report to be tabled in the Legislative Assembly within 3 months after the end of the financial year to which the report relates (the *tabling period*).
- (3) The appropriate Minister may extend or further extend, for the financial year, the tabling period for a department or statutory body by notice given to the department's accountable officer or the statutory body.
- (4) However, if the appropriate Minister extends the tabling period to a period of more than 6 months after the end of the financial year, the appropriate Minister must, within 14 days

after giving the extension, table in the Legislative Assembly a notice stating—

- (a) the report is being tabled late; and
 - (b) the length of the delay; and
 - (c) the reasons for the delay.
- (5) In preparing an annual report, an accountable officer or statutory body must comply with the document called ‘Annual report requirements for Queensland Government agencies’ prepared by the Department of the Premier and Cabinet.

Note—

A copy of ‘Annual report requirements for Queensland Government agencies’ may be obtained from the Department of the Premier and Cabinet.

- (6) The appropriate Minister must table the annual report in the Legislative Assembly within the tabling period mentioned in subsection (2) or extended under subsection (3).
- (7) An accountable officer or statutory body may prepare an annual report, including the financial statements contained in the report, in electronic form if—
- (a) copies of the report are also available in paper form; and
 - (b) the electronic form of the report clearly states that copies of the report are also available in paper form and how the copies may be obtained.

Example of electronic form—

a CD-ROM

50 Contents of annual report—Act, s 63

The annual report of a department or statutory body must contain a copy of the following for the department or statutory body—

- (a) the annual financial statements audited by an authorised auditor;
- (b) the certification of the annual financial statements;

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- (c) the authorised auditor's report of the audit of the financial statements;
- (d) the information, on the performance of the department or statutory body, required under the document called 'Annual report requirements for Queensland Government agencies' prepared by the Department of the Premier and Cabinet.

Note—

A copy of 'Annual report requirements for Queensland Government agencies' may be obtained from the Department of the Premier and Cabinet.

51 Summary reports

- (1) This section applies if a Minister is the appropriate Minister for a number of statutory bodies having the same financial year.
- (2) The appropriate Minister may prepare a report (a *summary report*) for all the statutory bodies for a particular financial year.
- (3) Instead of tabling a separate annual report in the Legislative Assembly for each statutory body, the appropriate Minister may—
 - (a) table the summary report in the Legislative Assembly within 1 month after receiving the last of the annual reports for the statutory bodies; or
 - (b) incorporate the summary report in—
 - (i) a department's annual report; or
 - (ii) the annual report of a statutory body helping the Minister in administering the Act or Acts under which the statutory bodies are established.
- (4) If the appropriate Minister acts under subsection (3)(b)(ii), the Minister must table the statutory body's annual report in the Legislative Assembly within 1 month after receiving the last of the annual reports for the statutory bodies.

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- (5) If the Minister tables a summary report more than 4 months after the end of the statutory bodies' financial year, the Minister must also table in the Legislative Assembly a notice stating—
- (a) the report is being tabled late; and
 - (b) the length of the delay; and
 - (c) the reasons for the delay.

52 Annual report of newly formed department or statutory body—Act, s 63

- (1) The accountable officer of a newly formed department must, under section 49, prepare the newly formed department's annual report (the department's *first annual report*) for the period from the department's formation day until the end of the financial year in which the department was formed.
- (2) A newly formed statutory body must, under section 49, prepare the statutory body's annual report (the statutory body's *first annual report*) for the period from the statutory body's formation day until the end of the financial year in which the statutory body was established.
- (3) However, subsection (4) applies if the formation day for the department or statutory body is within 4 months before the end of a financial year for the department or statutory body.
- (4) The Treasurer may, after consulting with the auditor-general, give approval for the department or statutory body to prepare its first annual report for the period from the department's or statutory body's formation date until the end of the financial year after the financial year in which the department or statutory body was formed or established.
- (5) If the Treasurer gives an approval under subsection (4), the appropriate Minister for the newly formed department or statutory body must table in the Legislative Assembly a notice stating—
- (a) the newly formed department or statutory body was formed; and

- (b) that the annual report from the date of formation to the end of the financial year will be prepared and tabled as part of the annual report for the next financial year.

**53 Final report of abolished department or statutory body—
Act, s 63**

- (1) The former accountable officer for an abolished department must, within 1 month after the auditor-general issues a report about the final financial statements of an abolished department—
 - (a) prepare a final annual report (a *final report*) for the abolished department; and
 - (b) give the final report to the former appropriate Minister for the abolished department.
- (2) The administering department for an abolished statutory body must, within 1 month after the auditor-general issues a report about the final financial statements of an abolished statutory body—
 - (a) prepare a final annual report (also a *final report*) for the abolished statutory body; and
 - (b) give the final report to the former appropriate Minister for the abolished statutory body.
- (3) In preparing the final report, the former accountable officer or administering department must comply with the document called ‘Annual report requirements for Queensland Government agencies’ prepared by the Department of the Premier and Cabinet.

Note—

A copy of ‘Annual report requirements for Queensland Government agencies’ may be obtained from the Department of the Premier and Cabinet.

- (4) The former appropriate Minister must table the final report in the Legislative Assembly within 14 days after receiving it.

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- (5) If the former appropriate Minister tables the final report more than 14 days after receiving it, the former appropriate Minister must also table in the Legislative Assembly a notice stating—
 - (a) the report is being tabled late; and
 - (b) the length of the delay; and
 - (c) the reasons for the delay.
 - (6) A former accountable officer or administering department may prepare a final report, including the final financial statements contained in the report, in electronic form if—
 - (a) copies of the report are also available in paper form; and
 - (b) the electronic form of the report clearly states that copies of the report are also available in paper form and how the copies may be obtained.

Example of electronic form—

a CD-ROM

- (7) The final report must contain a copy of the documents mentioned in section 50.

54 Tabling of documents when Legislative Assembly not sitting

- (1) This section applies if the Legislative Assembly is not sitting when a person is required, under this standard, to table a document other than a document to which the *Parliament of Queensland Act 2001*, section 59 applies.
- (2) The person must give a copy of the document to the Clerk of the Parliament.
- (3) The Clerk must table the document before the Legislative Assembly on its next sitting day.
- (4) The document is taken to have been tabled in the Legislative Assembly on the day it is given to the Clerk.
- (5) The day of receipt of the document must be recorded in the votes and proceedings on the next sitting day.

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- (6) If the Legislative Assembly orders the document to be published, the document is taken to have been ordered to be published by the Legislative Assembly on the day the Clerk receives it.

Part 4 Provisions applying only to departments

Division 1 Commercialisation

55 Responsibility for commercialisation

- (1) An accountable officer must regularly review the operations of the officer's department to assess whether an operation may be commercialised.
- (2) In conducting a review, the accountable officer must have regard to the document called 'Commercialisation of government business activities in Queensland' tabled by the Treasurer in the Legislative Assembly.
- (3) Before commercialising an operation, an accountable officer must consult with the Treasurer.

56 Level of charges for particular entities

- (1) This section applies to the accountable officer of a department if an operation of the department—
 - (a) has been commercialised; or
 - (b) is about to be commercialised by the accountable officer; or
 - (c) is declared, under an Act, to be a significant business activity.

- (2) The accountable officer must, for goods or services provided by the operation, decide the charges under the document called 'Full cost pricing policy' published by the treasury department.

Division 2 Miscellaneous

57 Statement under the Act, s 77

- (1) A statement given under section 77(2)(b) of the Act, must include—
 - (a) whether the financial records of the department have been properly maintained throughout the financial year in accordance with the prescribed requirements; and
 - (b) whether the risk management and internal compliance and control systems of the department relating to financial management have been operating efficiently and effectively throughout the financial year; and
 - (c) since the balance date—
 - (i) whether there have been any changes that may have a material effect on the operation of the risk management and internal compliance and control systems of the department; and
 - (ii) if there have been any changes—details of the changes; and
 - (d) whether external service providers have given assurance about their controls.
- (2) The chief finance officer must give the statement before or at the same time as the chief finance officer certifies the annual financial statements of the department.
- (3) In this section—

balance date, for a statement under section 77(2)(b) of the Act, means the last day of the financial year to which the statement relates.

58 Insurance contracts

- (1) The accountable officer of a department may enter into a contract of insurance with an insurer only if the accountable officer obtains the under-Treasurer's approval for entering into the contract.
- (2) However, the accountable officer of a department does not need the under-Treasurer's approval to enter a contract of insurance if—
 - (a) in entering into the contract, the accountable officer is exercising a power or performing a duty as a trustee; or
 - (b) the contract is for—
 - (i) a compulsory third-party insurance policy under the *Motor Accident Insurance Act 1994*; or
 - (ii) accident insurance under the *Workers' Compensation and Rehabilitation Act 2003*; or
 - (iii) insurance against liability arising out of the department's property in a motor vehicle or the use of a motor vehicle by an officer of the department; or
 - (iv) insurance against liability arising out of travel undertaken by an officer of the department; or
 - (v) insurance from the Queensland Government Insurance Fund.

59 Requirement to report to appropriate Minister about derivative transactions—Act, s 86

- (1) This section prescribes, for section 86 of the Act, the times when a department must give the appropriate Minister for the department a report about a derivative transaction.
- (2) If the duration of the derivative transaction is 90 days or more, the department must report—
 - (a) for the duration of the transaction—

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- (i) at the intervals, of not more than 3 months, decided by the Treasurer and stated in the Treasurer's approval for the transaction; or
 - (ii) if subparagraph (i) does not apply—as soon as practicable after the first day of each quarter; and
 - (b) as soon as practicable after the first day of the calendar month after completion of the transaction.
- (3) If the duration of a transaction is less than 90 days, the department must give the appropriate Minister a report about the transaction on the first day of the calendar month after the completion of the transaction.
- (4) A report about a derivative transaction must—
- (a) identify the transaction; and
 - (b) state the underlying exposure the department is using the transaction to hedge against; and
 - (c) state details of—
 - (i) the Treasurer's approval to enter into the transaction; and
 - (ii) how the conditions of the approval are complied with; and
 - (iii) realised or unrealised gains or losses from the transaction.
- (5) In this section—

quarter means a period of 3 months starting on 1 January, 1 April, 1 July or 1 October.

Treasurer's approval, for a derivative transaction, means the approval given by the Treasurer under section 85 of the Act for the department to enter into the transaction.

60 Treasurer's approval—Act, ss 88 and 88A

A department must have regard to the document called 'Guidelines for the formation, acquisition and post approval

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monitoring of companies', published by the treasury department, in applying for the Treasurer's approval to—

- (a) form, or participate in the formation of, a company; or
- (b) become a parent entity in relation to a company; or
- (c) become a member of a company; or
- (d) if section 88A of the Act applies—take a proposed action in relation to a company.

Part 5 Repeal and transitional provisions

Division 1 Repeal

61 Repeal

The Financial Management Standard 1997, SL No. 141 is repealed.

Division 2 Transitional provisions

62 Definitions for div 2

In this division—

repealed Act means the *Financial Administration and Audit Act 1977*.

repealed standard means the *Financial Management Standard 1997*.

63 References to repealed standard

In an Act or document, a reference to the repealed standard may, if the context permits, be taken to be a reference to this standard.

64 Repealed Act to apply to preparation and tabling of certain annual reports and financial statements

- (1) This section applies to the annual reports and financial statements of departments and statutory bodies for the financial year ending 30 June 2009.
- (2) The repealed Act rather than this standard applies to the preparation, giving to the appropriate Minister and tabling in the Legislative Assembly of the annual reports and financial statements.

Schedule Dictionary

section 3

administering department, for an abolished statutory body, means—

- (a) the department (the ***first department***) in which the Act under which the abolished statutory body was established was administered immediately before the statutory body was abolished; or
- (b) if the first department has been abolished—the department decided by the Treasurer.

approved security provider, for part 2, division 6, see section 36.

asset management system means a system established under section 15(1)(c).

audit committee means an audit committee established under section 35.

audit office means the Queensland Audit Office established under the *Auditor-General Act 2009*, section 6(3).

authorised auditor see the *Auditor-General Act 2009*, schedule.

cash management system means a system established under section 15(1)(d).

commercialisation means the process by which a department or a commercialised operation of a department—

- (a) charges for the goods or services it provides; and
- (b) adopts, in varying degrees, other features of a commercial environment, including—
 - (i) the principles of competitive neutrality; and
 - (ii) clear and non-conflicting objectives; and

- (iii) an appropriate level of management responsibility, authority and autonomy; and
- (iv) accountability for performance.

contingency management system means a system established under section 15(1)(f).

contractor, for part 2, division 6, see section 36.

contract performance guarantee, for part 2, division 6, see section 36.

expense management system means a system established under section 15(1)(b).

financial information, of a department or statutory body, means a document that is part of, or used for, the financial records of the department or statutory body.

financial information management system means a system established under section 15(1)(g).

financial management practice manual means a manual prepared under section 16.

first annual financial statements, of a newly formed department or statutory body, see section 44.

formation day means—

- (a) for a newly formed department—the day the formation of the department was gazetted; or
- (b) for a newly formed statutory body—the day the statutory body was established.

former accountable officer, for an abolished department, means—

- (a) if the person who was the accountable officer of the department immediately before its abolition is employed in a public sector unit—that person; or
- (b) otherwise—the person approved by the Treasurer.

former appropriate Minister, for an abolished department or an abolished statutory body, means—

- (a) if the person who was the appropriate Minister for the department or statutory body immediately before its abolition is a Minister—that person; or
- (b) otherwise—the Minister decided by the Treasurer.

head of internal audit, for a statutory body, means the person who has similar responsibilities for the statutory body as the head of internal audit has for a department.

information systems, of a department or statutory body, means the methods, mechanisms and records established within the department or statutory body to identify, assemble, analyse, classify, record and report transactions and other events affecting the department or statutory body.

insurance company, for part 2, division 6, see section 36.

internal control structure, of a department or statutory body, means the structure within the department or statutory body to provide for its internal controls.

liability management system means a system established under section 15(1)(e).

material loss, for property of a department or statutory body, means—

- (a) for property that is money—a loss of more than \$500; or
- (b) for other property—a loss valued by the accountable officer of the department or the statutory body at more than \$5000.

monetary security deposit, for part 2, division 6, see section 36.

newly formed, in relation to a department or statutory body, means formed or established during the current financial year for the department or statutory body.

resources, of a department or statutory body, means its revenue including revenue from charging for goods or services, expenses, assets including cash, liabilities and information.

revenue management system means a system established under section 15(1)(a).

risk management system means a system established under section 15(1)(h).

security provider, for part 2, division 6, see section 36.

system means a set of associated policies, procedures, controls and information systems that combine to record and manage particular financial tasks and transactions of a department or statutory body.