

Serial 37
Financial Management Amendment Bill 2009
Ms Lawrie

A Bill for an Act to amend the *Financial Management Act* and for related purposes

NORTHERN TERRITORY OF AUSTRALIA

FINANCIAL MANAGEMENT AMENDMENT ACT 2009

Act No. [] of 2009

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NORTHERN TERRITORY OF AUSTRALIA

Act No. [] of 2009

An Act to amend the *Financial Management Act* and for related purposes

[Assented to [] 2009]
[Second reading [] 2009]

The Legislative Assembly of the Northern Territory enacts as follows:

1 Short title

This Act may be cited as the *Financial Management Amendment Act 2009*.

2 Act amended

This Act amends the *Financial Management Act*.

3 Amendment of section 3 (Interpretation)

(1) Section 3(1)

omit

Act, unless the contrary intention appears –

substitute

Act:

(2) Section 3(1), definitions **Accountable Officer**, **audit**, **Operating Account**, **Purpose** and **Treasurer's Advance**

omit

(3) Section 3(1)

insert (in alphabetical order)

Accountable Officer means:

- (a) in relation to an Agency – the chief executive officer (however described) of the Agency or a person whom the Treasurer declares in writing to be the Accountable Officer for the Agency for this Act; or
- (b) in relation to the Central Holding Authority – the person whom the Treasurer declares in writing to be the Accountable Officer of the Authority for this Act.

Accountable Officer's Trust Account means an Accountable Officer's Trust Account established under section 7.

audit includes the inspection, investigation, examination and review of accounts and systems.

Central Holding Authority means the account by that name that forms part of the Public Account, as mentioned in section 4.

local government council means a council constituted under the *Local Government Act*.

Operating Account means either of the following established under section 6(1):

- (a) a Government Business Division Operating Account;
- (b) an Agency Operating Account.

Public Account means the account established under section 4.

Purpose means a Purpose specified under an Appropriation Act, whether or not it is also designated under that Act as any of the following:

- (a) Output;
- (b) Capital;
- (c) Treasurer's Advance;
- (d) Commonwealth;
- (e) Interest, Taxes and Administration;
- (f) Employee Entitlements.

Treasurer's Advance means the Purpose to which an appropriation is made, that may be used as mentioned in section 18.

- (4) Section 3(1), definition **Allocation**

omit

Allocation means –

substitute

appropriation means:

- (5) Section 3(1), definition **Appropriation Act**

omit

Allocation

substitute

appropriation

- (6) Section 3(1), definition **internal control**

omit

Agency to –

substitute

Agency to do the following:

- (7) Section 3(1), definition **internal control**, paragraph (d)

omit

information; and

substitute

information;

- (8) Section 3(1), definition **loss**

omit

includes –

substitute

includes the following:

- (9) Section 3(1), definition **loss**, paragraph (d)

omit, substitute

(d) an expenditure made without lawful authority;

- (10) Section 3(1), definition **receipts**, paragraph (a), at the end

insert

and

4 Amendment of section 5 (Central Holding Authority)

Section 5(3)

omit

Allocation

substitute

appropriation

5 Amendment of section 9 (Treasurer's annual financial statement)

- (1) Section 9(1), after "appropriate,"

insert

and table in the Legislative Assembly

- (2) Section 9(4)

omit, substitute

- (4) In tabling the annual financial statement, the Treasurer must include:

(a) a signed copy of the statement; and

(b) a signed copy of the Auditor-General's report on the statement under the Audit Act.

(3) Section 9(5), definition ***prescribed period***, paragraph (a)

omit

3

substitute

4

6 Amendment of section 10 (Annual financial statements of Government Business Divisions)

(1) Section 10(1)

omit

shall, within the period of 3

substitute

must, within the period of 2

(2) Section 10(2)

omit

shall

substitute

must

(3) Section 10(3) and (4)

omit, substitute

(3) The Accountable Officer must forward the financial statement to the Auditor-General who must audit the statement and report on the statement to the Minister and forward a copy of the report to the Accountable Officer.

(4) The Minister must table the financial statement and the Auditor-General's report in the Legislative Assembly within:

(a) 4 months after the end of the financial year; or

(b) if the Treasurer determines another period – the other period.

7 Amendment of section 11 (Other financial statements)

(1) Section 11(2)

omit, substitute

(2) The financial statement for the financial year or other financial reporting period must be in the form the Treasurer directs and must be prepared within:

(a) 2 months after the end of the period to which the statement relates; or

(b) if the Treasurer determines another period – the other period.

(2) Section 11(3)

omit

all the words from "shall audit" to "case allows,"

substitute

must audit it and

(3) Section 11(4)

omit, substitute

(4) The Minister must table the financial statement and the Auditor-General's report, if any, in the Legislative Assembly within:

(a) 4 months after the end of the financial year; or

(b) if the Treasurer determines another period – the other period.

8 Amendment of section 19 (Increase or replenishment of Treasurer's Advance)

(1) Section 19(1)

omit, substitute

(1) If, because of reasons provided by the Treasurer, the Administrator is satisfied funds available in the Central Holding Authority will be in excess of requirements (**excess funds**) for a financial year, the Administrator may increase the appropriation to the Treasurer's Advance for the financial year.

(1A) The amount of the increase for the financial year must not be more than the lesser of the following:

- (a) the amount of excess funds;
- (b) 5% of the total of appropriations provided by Appropriation Acts for the financial year (other than appropriations for a Purpose designated as Commonwealth).

(2) Section 19(2) to (4)

omit

Allocation

substitute

appropriation

9 New section 19A

After section 19

insert

19A Increase of funds available from Commonwealth

(1) This section applies if the Treasurer is satisfied:

- (a) funds available in the Central Holding Authority for a financial year have been or will be increased under an Act of the Commonwealth or an arrangement between the Territory and the Commonwealth; and
- (b) the amount of the increase (***increased funds***) must be used in accordance with the Act or arrangement.

(2) The Treasurer may, by written notice, authorise the issue of all or part of the amount of the increased funds so the amount to be issued is used in accordance with the Act or arrangement for the following:

- (a) a Purpose designated as Commonwealth in an existing appropriation for which the amount of appropriation is to be increased;
- (b) something that is a Purpose designated as Commonwealth in the notice.

-
- (3) The total of amounts authorised to be issued under subsection (2) in a financial year must not be more than the amount of increased funds for the financial year.
 - (4) The appropriation for an amount authorised to be issued under subsection (2) is established or increased to the extent necessary.
 - (5) The Treasurer must table in the Legislative Assembly, within 6 sitting days after the date of a notice under subsection (2), a copy of the notice and a statement about any issue under the notice.
 - (6) In this section:
increased includes varied.

10 Amendment of section 20 (Transfer of Allocations)

- (1) Section 20, heading

omit

Allocations

substitute

appropriations

- (2) Section 20(1)

omit

all words from "Allocation" to "another Agency"

substitute

appropriation available to a Purpose of an Agency may, in accordance with a written direction of the Treasurer, be transferred to one or more Purposes of another Agency or within the Agency

- (3) Section 20(1A)

omit

- (4) Section 20(2)

omit

shall table a direction under subsection (1) or (1A)

substitute

must table a direction under subsection (1)

11 Repeal of section 22

Section 22

repeal

12 Repeal and substitution of section 24

Section 24

repeal, substitute

24 Lapse of appropriation

An appropriation in respect of a financial year:

- (a) is available for the financial year only; and
- (b) the balance of appropriation unexpended at the end of the financial year lapses and is not available for a subsequent financial year.

13 Repeal and substitution of Part 8

Part 8

repeal, substitute

Part 8 Transitional provisions for Financial Management Amendment Act 2009

42 Definition

In this Part:

Allocation means an Allocation as defined in this Act immediately before the commencement of this section.

43 Application of this Act

This Act applies in relation to an Appropriation Act that commences after the commencement of this section, including an Appropriation Act that provides for an appropriation in respect of a period before the commencement of this section.

Note for section 43

The Appropriation (Additional for 2008-2009) Act 2009 provides for an appropriation in respect of a period before the commencement of this Act.

44 References to Allocation

- (1) Subsection (2) applies if:
 - (a) a provision of an Act expressed or expresses an idea by using "Allocation"; and
 - (b) the provision is amended and uses "appropriation".
- (2) The ideas must not be taken to be different merely because a different word is used.
- (3) In a document, a reference to "Allocation" is taken to be a reference to "appropriation" if the context permits.

14 Repeal of Schedule

Schedule

repeal

15 Further amendments of Financial Management Act

Schedule 1 has effect.

16 Amendment of other Acts

Schedule 2 has effect.

Schedule 1 Further Amendments of Financial Management Act

section 15

Provision	Amendment	
	<i>omit</i>	<i>substitute</i>
section 18(1) and (2)	Allocation	appropriation
section 21, heading	Allocation	Appropriation
section 21(1)	Allocation involved shall	appropriation involved must
section 21(3)	Allocation	appropriation
section 27(1A)	authorised deposit-taking institution within the meaning of the <i>Banking Act 1959</i> of the Commonwealth	ADI
section 29(2)	shall not make an investment referred to in subsection (1) except –	must not make an investment referred to in subsection (1) except as follows:
section 29(2)(c)	authorised deposit-taking institution within the meaning of the <i>Banking Act 1959</i> of the Commonwealth	ADI,
section 29(2)(d)(i) to (iii)	;	; or
section 29(2)(e)	; or	;
section 29(3) and (4)	shall	must
section 30, heading	allocation	appropriation
section 30(1) and (2)	Allocation	appropriation
section 34(2)	minister	Minister

section 39(2) and (3) whole subsection

section 40

Penalty:

Maximum penalty:

Schedule 2 Amendment of other Acts

section 16

Provision	Amendment	
	<i>omit</i>	<i>substitute</i>
<i>Administrators Pensions Act</i>		
section 8	Allocation	appropriation
<i>Adult Guardianship Act</i>		
section 31	Allocation	appropriation
<i>Audit Act</i>		
section 5	Allocation	appropriation
<i>Crown Proceedings Act</i>		
section 11(5)	Allocation	appropriation
<i>Debits Tax Act</i>		
section 19	Allocation	appropriation
<i>Director of Public Prosecutions Act</i>		
section 4(7)	Allocation	appropriation
<i>Essential Goods and Services Act</i>		
section 17	Allocation	appropriation
<i>First Home Owner Grant Act</i>		
section 49	Allocation	appropriation
<i>Fisheries Act</i>		
section 47(5)	Allocation	appropriation

Fuel Subsidies Act

section 23	Allocation	appropriation
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Interpretation Act

section 17, definition	Allocation	Appropriation
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Law Officers Act

section 13(6)	Allocation	appropriation
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**Legislative Assembly
Members'
Superannuation
Contributions Act**

section 15	Allocation	appropriation
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**Legislative Assembly
Members'
Superannuation Fund
Act**

sections 4(5) and 10	Allocation	Appropriation
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Magistrates Act

section 6(3)	Allocation	appropriation
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Mineral Royalty Act

section 45(2)	Allocation	appropriation
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**Northern Territory
Treasury Corporation
Act**

sections 12 and 21	Allocation	appropriation
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**Petroleum
(Submerged Lands)
Act**

section 129	Allocation	appropriation
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**Superannuation
Guarantee (Safety
Net) Act**

section 5(4) Allocation appropriation

Supreme Court Actsections 41(4) and
41C(2) Allocation appropriation**Supreme Court
(Judges Long Leave
Payments) Act**section 6, heading **Allocation** **Appropriation**

section 6 Allocation appropriation

**Supreme Court
(Judges Pensions)
Act**

section 12(b) Allocation appropriation

**Workers
Rehabilitation and
Compensation Act**

section 166(2) Allocation appropriation