

## REPORTING RESPONSIBILITY

### POLICY

The preparation of financial performance reports for directorates facilitates the accountability of Directors-General to their respective Ministers and in turn Ministers to the Legislative Assembly for the management of public sector resources.

### RATIONALE FOR POLICY

Section 31 of the *Financial Management Act 1996* (FMA) requires Directors-General to manage the delivery of outputs and the use of the Directorate's resources. This requires that the Directorate keep records of, and is in a position to report on, output delivery according to the performance measures contained in the EPD Budget Paper. It also requires the Directorate to keep records and be able to report on the management of resources.

### RESPONSIBILITIES AND ACCOUNTABILITIES

The primary responsibilities and accountabilities in relation to reporting rest with the following:

Position	Responsibility
Director-General	<ul style="list-style-type: none"><li>ensure that the Directorate fulfils its reporting requirements to the Minister.</li></ul>
Executive	<ul style="list-style-type: none"><li>ensure that their respective Division meets its reporting responsibilities to enable the Director-General to fully discharge the above responsibilities;</li><li>provide financial information in the format and timeframes requested by EPD Finance;</li><li>attend Legislative Assembly hearing on the Annual Report;</li><li>explain material variances of reported amounts from budgeted and previous period amounts; and</li><li>maintain auditable information relevant to their areas of control to substantiate all financial amounts.</li></ul>
Executive Management Board	<ul style="list-style-type: none"><li>receive financial performance reports from the Chief Finance Officer, Executive and appropriately delegated officers; and</li><li>monitor and advise on key performance indicators on resource management and finance matters including, but not limited to, those set out in the EPD Budget Paper.</li></ul>
Chief Finance Officer	<ul style="list-style-type: none"><li>review monthly workbook and updating for year-to-date budget and full year outcome (excluding cash-flow);</li><li>prepare executive monthly reports;</li><li>review and submit monthly financial reports;</li><li>review draft shell financial statements and make appropriate changes;</li><li>provide draft shell financial statements to ACT Auditor-General's Office and Audit Committee (if requested) for review;</li><li>distribute end of financial year information pack to appropriate staff within the Directorate;</li><li>provide completed end of financial year information packs to Shared Services;</li><li>approve any agreed journals;</li><li>enter output class information;</li></ul>

	<ul style="list-style-type: none"> <li>• add variance explanations;</li> <li>• prepare Management Discussion and Analysis (quarterly and annually);</li> <li>• coordinate performance reporting for the Directorate;</li> <li>• prepare Statement of Performance (six monthly and annually);</li> <li>• provide quarterly variance explanations to the Chief Minister, Treasury and Economic Development Directorate (CMTEDD);</li> <li>• attend Audit Committee meeting on financial statements;</li> <li>• attend Legislative Assembly hearing on the Annual Report;</li> <li>• prepare all special purpose reporting;</li> <li>• review and submit annual financial reports, consolidation pack;</li> <li>• prepare variance explanations for the consolidation pack and sign-off; and</li> <li>• deal with audit enquiries.</li> </ul>
Shared Services Finance	<ul style="list-style-type: none"> <li>• prepare month-end timetable in conjunction with agencies;</li> <li>• prepare draft monthly workbook including year-to-date actual for operating statement, balance sheet and cash-flow statement;</li> <li>• prepare journals based on information packs;</li> <li>• prepare leave provision journals;</li> <li>• file and retrieval of source documentation;</li> <li>• prepare draft shell financial statements based on the ACT Treasury model including prior year actual and current year budget;</li> <li>• conduct information session for the Chief Financial Officers on the end of financial year information pack;</li> <li>• prepare annual consolidation pack;</li> <li>• enter current year actuals into financial statements;</li> <li>• complete financial statement notes;</li> <li>• prepare end of financial year information pack request including consultation with agencies on timetable;</li> <li>• prepare financial statement work papers; and</li> <li>• provide Representation Letter from ED SSC to Directorate D-G.</li> </ul>

### **NON-COMPLIANCE**

Non-compliance with these procedures may result in the Directorate not meeting its reporting obligations.

Staff are therefore accountable to the Director-General for the fulfilment of their responsibilities under these procedures. Non-compliance will be taken as a serious matter and may result in disciplinary action or be reflected in performance reviews.

### **TARGET USERS**

These procedural rules are for all staff with financial reporting responsibilities.

### **PROCEDURES**

The following procedures are addressed by these guidelines:

- reporting requirements;
- monthly reporting;
- quarterly reporting;
- half yearly reporting; and

- annual reporting.

### Reporting Requirements

The Directorate has reporting requirements and obligations resulting from the:

- Chief Minister's Annual Report Directions; and
- *Financial Management Act 1996*.

### Monthly Reporting

To enable consolidated whole-of-Government reporting requirements to be met on a monthly basis, the Directorate must ensure the timely provision of financial information to the Treasurer through the CMTEDD, Finance and Budget Division (by the eighth day of each month). Information is required in respect of the previous calendar month in the required form on the:

- balance sheet (Directorate) and statement of assets and liabilities on behalf of the Territory;
- operating statement (Directorate) and statement of income and expenses on behalf of the Territory;
- statement of changes in equity (Directorate) and statement of changes in equity on behalf of the Territory; and
- cash flow statement (Directorate) and cash flow statement on behalf of the Territory.

### Quarterly Reporting

On a quarterly basis, the Directorate must ensure the availability to the Treasurer, of information in respect of the previous calendar quarter in the required form on:

- operating statement - material variance explanations (by the eighth working day of each quarter);
- status reports to supplement performance reporting to the Legislative Assembly and provide stakeholders with a summary on progress against budget highlights, significant initiatives and major projects (by the tenth working day of each quarter); and
- management discussion and analysis of agency results to date, forecast results and related issues that may impact on the financial condition of the agency (by the tenth working day of the month after the end of the quarter).

### Half Yearly Reporting

In accordance with section 30E of the FMA, on a half-yearly basis the Directorate must ensure the availability to the Treasurer of information in respect of the previous half year in the required form on:

- the provision of outputs and performance against key performance indicators, so that the Minister, can within 30 days after 31 December in each financial year, make that report available to Members of the Legislative Assembly.

### Annual Reporting

To enable whole-of-Government reporting requirements to be met, the Directorate will also ensure the following information is provided to the ACT Auditor-General and the CMTEDD, Finance and Budget Division, in accordance with the Financial Statements timetable:

- a certified set of unaudited financial statements excluding the statement of performance;

- a certified set of unaudited statement of performance; and
- management discussion and analysis.

The Directorate must provide the Treasurer a full and accurate set of audited financial records for the preceding financial year in the form requested in accordance with the Chief Minister's Annual Reporting Directions.

The Directorate will also ensure the consolidation packs relating to annual financial statements are completed and lodged with the CMTEDD in accordance with the Financial Statement timetable.

### Production of Annual Report

The Directorate will produce an Annual Report in accordance with the Chief Minister's Annual Report Directions.

### REFERENCES

Source	Description
FMA	<a href="#">s22 -30E</a>
FMA Regs/FMOs	n/a
Other legislation/regs	n/a
Related DGFIs	n/a
Related Guidelines	Chief Minister's Annual Report Directions