Opinions is published each quarter to provide our clients with information on developments in financial reporting and disclosure, together with details of recently tabled ANAO performance audits and better practice guides. This edition of Opinions provides updated information since the Autumn 2013 edition and lists performance audits scheduled for release in the July to September 2013 period.

ANAO AUDIT REPORTS
RECENTLY TABLED AUDIT REPORTS

The following section contains the objectives of ANAO audit reports tabled from April to June 2013. To view an electronic copy of the full audit report left click the symbol (▷) next to the relevant title. A complete copy of all ANAO reports can be obtained from the ANAO website at: www.anao.gov.au. For further details phone the Publications Officer on (02) 6203 7505.

Audit Report No 27: Administration of the Research Block Grants Program

The audit objective was to assess the effectiveness of the Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education’s (DIISTRE’s) administration of the Research Block Grant (RBG) schemes. The Department’s performance was assessed against the following criteria:

• the schemes are effectively planned and administered;
• the processes and systems used for calculating and distributing funds reflect the allocation criteria specified for each scheme; and
• compliance with scheme guidelines is monitored and scheme performance and contribution to the broader goals of the RBG program is assessed.

Audit Report No 28: The Australian Government Performance Measurement and Reporting Framework - Pilot Project to Audit Key Performance Indicators

The Australian National Audit Office has undertaken a pilot project to assess the status of the Australian Government performance measurement and reporting framework as a basis for implementation of a future program of audits of entities’ key performance indicators, and to develop a suitable audit methodology. This report presents a summary of the work completed to date.

Audit Report No 29: Administration of the Veterans’ Children Education Schemes

The audit objective was to assess the effectiveness of the Department of Veterans’ Affairs’ (DVA’s) administration of the Veterans’ Children Education Schemes.
Audit Report No 30: Management of Detained Goods

The objective of the audit was to assess the effectiveness of Customs and Border Protection’s arrangements for managing the safe and secure storage and disposal of detained goods. In particular, the audit examined whether Customs and Border Protection has:

- effective governance arrangements to support the management of detained goods;
- developed, and consistently applies, sound processes for handling and monitoring detained goods during their storage, transport and disposal; and
- appropriate arrangements to assure itself that storage facilities provide a safe and secure environment for detained goods.

Audit Report No 31: Implementation of the National Partnership Agreement on Homelessness

The objective of this audit was to examine the effectiveness of the Department of Families, Housing, Community Services and Indigenous Affairs’ (FaHCSIA) administration of the National Partnership Agreement on Homelessness (NPAH), including monitoring and reporting of progress against the objective and outcomes of the agreement.

Audit Report No 32: Grants for the Construction of the Adelaide Desalination Plant

The objective of the audit was to assess the awarding of funding for the construction of the Adelaide Desalination Plant against the requirements of the Commonwealth’s grants administration framework, which includes the Government’s policy requirements for the approval of grants, with a particular focus on the assessments undertaken of each proposed grant in terms of the guidelines for the National Urban Water and Desalination Plan and identify any potential improvements in grants administration practices.

Audit Report No 33: The Regulation of Tax Practitioners by the Tax Practitioners Board

The objective of the audit was to assess the effectiveness of the Tax Practitioners Board’s (TPB’s) implementation and administration of the regulatory arrangements for tax practitioners under the Tax Agent Services Act 2009 (TAS Act).

The audit examined whether:

- management and governance arrangements for the TPB are in place and support the effective implementation and administration of the TAS Act;
- arrangements for tax practitioner registration by the TPB have been established, meet legislative requirements and operate effectively; and
- the TPB’s regulatory assurance activities are appropriate and effective.

Audit Report No 34: Preparation of the Tax Expenditures Statement

The objective of the audit was to assess the extent to which the Department of the Treasury and the Australian Taxation Office (ATO) have improved the management of tax expenditure estimates by implementing the six recommendations in the 2008 ANAO audit and the three recommendations made by the Joint Committee of Public Accounts and Audit (JCPAA) following its inquiry.

Audit Report No 35: Control of Credit Card Use

The audit objective was to assess whether Australian Government agencies were effectively controlling the use of credit cards for official purposes.

The ANAO’s assessment was based on the following criteria:

- agencies have sound arrangements to control the issue and return of credit cards; and
- controls over individual purchases are sound and operating effectively.

Audit Report No 36: Commonwealth Environmental Watering Activities

The objective of the audit was to assess the effectiveness of the Commonwealth Environmental Water Office’s (CEWO’s) administration of environmental water holdings.

The audit examined whether the CEWO’s:

- governance arrangements are appropriate to effectively manage and report on the CEWO’s environmental watering activities;
- engagement of all relevant stakeholders effectively facilitates the management of the CEWO’s environmental watering activities;
- arrangements to plan and target available Commonwealth
environmental water at priority environmental assets are effective;
• arrangements to deliver Commonwealth environmental water to the designated environmental assets are effective and timely; and
• monitoring and evaluation activities effectively identify the outcomes achieved from the CEWO’s environmental watering activities, and influence future water use decisions.

Audit Report No 37: Administration of Grants from the Education Investment Fund

The audit objective was to assess the effectiveness of the Department of Industry, Innovation, Science, Research and Tertiary Education’s (DIISRTE’s) administration of the Education Investment Fund (EIF) grants program. To address this objective, the design and operation of processes were examined against the following high level criteria:
• grant application assessment and approval processes were planned and undertaken effectively;
• appropriately structured funding agreements were established and managed for approved grants; and
• performance information was collected, evaluated, reported and used to inform the administration of the EIF.

Audit Report No 38: Indigenous Early Childhood Development: Children and Family Centres

The objective of the audit was to assess the effectiveness of the Department of Education, Employment, and Workplace Relations’ (DEEWR’s) role in the delivery of the Children and Family Centre component of the National Partnership Agreement on Indigenous Early Childhood Development (IECD NP).

To conclude against this objective the audit considered whether:
• DEEWR had established effective arrangements with jurisdictions for the management of the Children and Family Centres component of the IECD NP; and
• DEEWR effectively monitored the performance of state and territory government agencies.

Audit Report No 39: AusAID’s Management of Infrastructure Aid to Indonesia

The audit objective was to assess the effectiveness of the Australian Agency for International Development’s (AusAID’s) management of infrastructure aid to Indonesia, with a particular focus on the Eastern Indonesia National Roads Improvement Project and the Indonesia Infrastructure Initiative.

The high-level audit criteria focused on the extent to which infrastructure aid met defined program and policy goals, including whether:
• strategies for delivering infrastructure aid to Indonesia were aligned with the aid program’s objective;
• AusAID gave strategic consideration to the allocation of infrastructure aid to Indonesia, taking into account country needs and policies, and the work of other donors;
• delivery of infrastructure aid was in accordance with agreed aid objectives and best practice principles, and had appropriate regard to the risks to program outcomes and integrity; and
• monitoring and evaluation of infrastructure aid to Indonesia supported performance improvements and results were transparent.

Audit Report No 40: Recovery of Centrelink Payment Debts by External Collection Agencies

The objective of the audit was to assess the effectiveness of the Department of Human Services’ (DHS’) arrangements for engaging and managing external collection agencies (ECAs) to recover debts arising from Centrelink payments.

The Department’s performance was assessed using three audit criteria:
• DHS effectively engages ECAs as part of a debt recovery strategy for Centrelink payment debt;
• DHS has adequate administrative and contractual arrangements for managing the services contracted from ECAs; and
• performance monitoring by DHS is effective and supports management reporting and external accountability.

Audit Report No 41: The Award of Grants Under the Supported Accommodation Innovation Fund

The objective of the audit was to assess the awarding of funding under the Supported Accommodation Innovation Fund against the requirements of the Commonwealth’s grants administration framework.
The audit had a particular focus on the:

- provision of assessment advice (including clear funding recommendations) by FaHCSIA to the then Parliamentary Secretary; and
- distribution of awarded funding (including the extent to which funding was awarded in a way that was consistent with the relative merits of competing applications, as identified by the department through its application of the published eligibility and selection criteria).

**Audit Report No 42: Co-location of the Department of Human Services Shopfronts**

The objective of the audit was to assess the effectiveness of DHS' administration of the shopfront co location of DHS services.

To address the objective, the audit examined the Co location Program against the following criteria:

- sound guidelines/criteria have been developed and applied to co location decisions; and
- DHS effectively monitors, achieves and reports the benefits to customers and the cost savings from the shopfront co location of DHS services and uses this information to improve the co-location processes.

**Audit Report No 43: Establishment, Implementation and Administration of the General Component of the Local Jobs Stream of the Jobs Fund**

The objective of the audit was to assess the efficiency and effectiveness of the establishment, implementation and administration of the general component of the Local Jobs stream of the Jobs Fund, with a particular focus on the establishment of program objectives and the extent to which approved grants have demonstrably contributed to the cost-effective achievement of those objectives.

**Audit Report No 44: Management and Reporting of Goods and Services Tax and Fringe Benefits Tax Information**

The objective of the audit was to assess the effectiveness of the ATO's management and reporting of selected information relating to the goods and services tax and the fringe benefits tax.

The focus of the audit was on the ATO's administrative processes and the reliability of ATO's IT systems in extracting, collating and reporting data. The audit did not assess the accuracy of the estimation of revenue collections.

**Audit Report No 45: Cross-Agency Coordination of Employment Programs**

The audit objective was to assess the administrative effectiveness of the Department of Education, Employment and Workplace Relations – Department of Human Services (DEEWR–DHS) partnership arrangement in supporting the delivery of employment programs. To form a conclusion against the objective, the ANAO assessed DEEWR's and DHS' performance against three high-level criteria:

- governance arrangements established under the Bilateral Management Arrangement (BMA) support effective cross-agency management of employment programs;
- business practices follow sound principles, agreed policies and guidelines; and
- monitoring arrangements, including Key Performance Measures (KPMs), provide accurate and useful information to assess performance under the BMA.

**Audit Report No 46: Compensating F-111 Fuel Tank Workers**

The objective of the audit was to assess the effectiveness of DVA's and Defence's administration of the Australian Government's $55 million support package announced in the May 2010 Budget for former F-111 fuel tank maintenance workers and their families.

**Audit Report No 47: AUSTRAC's Administration of its Financial Intelligence Function**

The objective of the audit was to assess the effectiveness of the Australian Transaction Reports and Analysis Centre's (AUSTRAC's) arrangements for processing financial intelligence to assist domestic partner agencies and international counterparts in their operations and investigations. The audit assessed whether AUSTRAC had:

- established effective administrative arrangements to support the financial intelligence function;
- established appropriate arrangements to analyse and disseminate financial intelligence, and obtain assurance as to the appropriate handling of financial
intelligence by partner agencies and international counterparts; and
• developed and applied sound processes for monitoring and reviewing the feedback provided by partner agencies as to the use and value of the intelligence disseminated.

Audit Report No 48: Management of the Targeted Community Care (Mental Health) Program

The objective of the audit was to assess the effectiveness of FaHCSIA’s administration and management of the Targeted Community Care (Mental Health) Program. The audit focused primarily on the program’s administration and management since 2010–11.


This report outlines the ANAO’s assessment of the internal controls of major agencies, including governance arrangements, information systems and control procedures. The findings summarised in this report are the results of the interim phase of the financial statement audits of 24 major General Government Sector agencies that represent some 95 per cent of total General Government Sector revenues and expenses.

Audit Report No 50: Administration of the GP Super Clinics Program

The objective of the audit was to assess the effectiveness of the Department of Health and Ageing’s (DoHA’s) administration of the GP Super Clinics program to support improved community access to integrated GP and primary health care services. The audit examined DoHA’s compliance with the mandatory requirements of the Commonwealth Grant Guidelines (CGGs) and the extent to which DoHA adopted sound practices in relation to the key principles for grants administration in the CGGs.

Audit Report No 51: Management of the Australian Taxation Office’s Property Portfolio

The objective of the audit was to assess the effectiveness of the ATO’s management of its property portfolio. In particular the ANAO examined whether the ATO’s:
• property management arrangements supported the agency’s property objectives and business requirements;
• external contract for the provision of property management services reflected the ATO’s property management arrangements; and
• contract management framework provides assurance that the property portfolio is being effectively managed.

Audit Report No 52: Management of Debt Relief Arrangements

The objective of the audit was to assess the effectiveness of the ATO’s administration of debt relief arrangements. The audit assessed whether:
• information was readily available on debt relief options to people in serious hardship;
• those cases being considered for debt relief were effectively assessed;
• debt cases that were not pursued and re-raised or cancelled at a later date were being appropriately managed; and
• debt relief outcomes were accurately reported.

Audit Report No 53: Agencies’ Implementation of Performance Audit Recommendations

The objective of the audit was to assess the effectiveness of agencies’ arrangements for monitoring and implementing ANAO performance audit recommendations. To reach a conclusion against the audit objective, the ANAO assessed whether the selected agencies had:
• effective governance systems in place to monitor ANAO performance audit reports and provide oversight of implementation of relevant recommendations;
• reporting arrangements that were accurate and timely, with appropriate intervention mechanisms if required; and
• adequately implemented agreed ANAO recommendations.

The audit objectives were to assess the effectiveness of:
- of selected agencies’ administration in developing advertising campaigns and implementing key processes against the requirements of the campaign advertising framework; and
- the ongoing administration of the Australian Government’s campaign advertising framework.


The objective of the audit was to assess the effectiveness of DEEWR’s management of the Australian Government’s contribution to the Covenant. To reach a conclusion against this objective the ANAO examined whether DEEWR established:
- effective governance arrangements to support the Australian Government’s contribution to the Covenant and its objectives;
- implementation arrangements to facilitate the Australian Government’s responsibilities under the Covenant; and
- performance systems that enabled the department to undertake the Australian Government’s performance reporting role under the Covenant agreement and to monitor the Australian Government’s broader contribution to the Covenant.

AUDIT REPORTS SCHEDULED TO BE TABLED JULY TO SEPTEMBER 2013

- Design and Implementation of the Liveable Cities Program;
- AIR 8000 Phase 2 – C-27J Spartan Battlefield Airlift Aircraft;
- Administration of the Mersey Community Hospital Agreements;
- Air Warfare Destroyer Build Project – SEA 4000 Phase 3;
- Administration of the Taxation of Personal Services Income;
- Determination and Collection of Financial Industry Levies;
- Capability Development Reform in Defence 2000-12;
- Agency Management of Arrangements to meet Australia’s International Obligations under Selected Treaties;
- The Australian Government Reconstruction Inspectorate’s Conduct of Value for Money Reviews of Flood Reconstruction Projects in Queensland; and
- Confidentiality in Government Contracts Senate Order for Department and Agency Contracts.

ANAO BETTER PRACTICE GUIDES

Preparation of Financial Statements by Public Sector Entities

The environment in which entities are required to prepare their annual financial statements continues to be a challenging one. Ongoing enhancements to accounting standards, changes to the Government’s financial framework, emerging legal matters and budget pressures are some of the issues faced by entities in preparing accurate and timely financial statements.

The ANAO Better Practice Guide Financial Statements Preparation outlines the legal and policy framework underpinning financial statements preparation, the important factors to take into account and the critical processes involved in preparing an entity’s financial statements. The Guide also includes a toolkit that provides examples, checklists and proformas of the documents typically generated during the preparation of the financial statements.

The 2013 version of the Guide updates and replaces the Guide issued in June 2009. New features include a checklist to help entities satisfy the reporting requirements for financial statements as a result of machinery of government changes and further guidance on CFO reporting and using the work of service organisations.
Human Resource Management Information Systems: Risks and Controls (continued)

The implementation of Human Resource Management Information Systems (HRMIS) to support the management of human resources—and the integration of HRMIS with enterprise IT systems—can introduce a range of information management risks. The purpose of this Guide is to:

- provide an overview of significant risks and controls that are relevant to key HR functions, with particular focus within each chapter on managing risks through implementation of better practice principles;
- outline the important role of both system and manual controls in maintaining the integrity and confidentiality of HR information; and
- provide better practice examples for implementing controls for the PeopleSoft, SAP and Aurion HRMIS, which are systems commonly used by Australian Government agencies.

The Guide aims to assist HR system managers and practitioners to:

- implement better practices to improve the effectiveness and efficiency of HR and payroll processes, especially from a security and privacy perspective;
- strengthen system controls and appropriately manage and segregate user access to key system functions; and
- increase awareness of system and manual controls within the PeopleSoft, SAP and Aurion HRMIS used by Australian Government agencies.

GUIDES SCHEDULED TO BE PUBLISHED JULY TO SEPTEMBER 2013

There are no Better Practice Guides scheduled to be published in the period July to September 2013.

AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets

This Standard amends AASB 136 Impairment of Assets to require disclosure of the recoverable amount of an asset or a cash-generating unit for which an entity has recognised or reversed an impairment loss during the period. This Standard requires additional disclosures about the fair value measurement when the recoverable amount is based on fair value less costs of disposal. AASB 2013-3 applies to annual reporting periods beginning on or after 1 January 2014.

AASB Interpretation 21 Levies

This Interpretation provides guidance on how to recognise a liability for a levy imposed by a government, other than income taxes, fines, other penalties and liabilities arising from emission trading schemes.

The Interpretation clarifies that a liability for a levy is recognised when the activity that triggers the payment, as identified by the relevant legislation, occurs. Additionally, for a levy that is triggered upon reaching a minimum threshold, a liability is not recognised until the specified minimum threshold is reached.

This Interpretation is effective for annual reporting periods beginning on or after 1 January 2014.
ED 240 Regulatory Deferral Accounts – May 2013

This exposure draft permits an entity to account for amounts that are treated like assets and liabilities in the decisions of price regulators (“regulatory deferral account balances”) when it adopts IFRS.

This exposure draft proposes:

- presentation of regulatory deferral account balances and movements in those balances as separate line items in the statement of financial position and statement of profit or loss and other comprehensive income; and
- specific disclosures of the nature of and risks associated with the rate regulation that has resulted in the recognition of regulatory deferral account balances.

The AASB seeks comment on this exposure draft by 7 August 2013.

ED 241 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policyholders – May 2013

This exposure draft proposes to remove the consolidation requirements from AASB 1038 Life Insurance Contracts, including the specific requirement for a life insurer to consolidate policyholders’ interests, thereby leaving AASB 10 Consolidated Financial Statements as the sole source for consolidation requirements applicable to life insurer entities.

The AASB seeks comment on this exposure draft by 7 August 2013.

ED 242 Leases - May 2013

The AASB has re-exposed its proposed approach for the recognition and measurement of leases as ED 242. This revised ED proposes changes to lessee and lessor accounting that will affect all entities subject to leasing arrangements.

The existing model for leases requires lessees and lessors to classify leases as either finance leases or operating leases and account for those leases differently. This exposure draft proposes a new approach to lease accounting that requires lessees to recognise a right-of-use asset and a lease liability for all leases with a maximum term of more than 12 months. For leases with a maximum term of 12 months or less, lessees and lessors would be permitted to recognise lease payments in profit or loss on a straight-line basis.

At the commencement of the lease, a lessee would measure the right-of-use asset and the lease liability at the present value of lease payments discounted using the lessee’s incremental borrowing rate or the rate the lessor charges to the lessee (if known). Initial measurement of lease payments should include fixed payments, options to renew, contingent rentals and residual value guarantees.

Subsequent recognition, measurement and presentation of leases would depend on lease classification. Lessees and lessors are required to classify leases based on the nature and amount of consumption of the underlying asset. In most cases, leases of assets other than property would be classified as a Type A lease; and leases of property assets would be classified as a Type B lease.

For a Type A lease, a lessee would measure the lease liability on an amortised cost basis and amortise the right-of-use asset on a straight-line basis. The lessee would present the unwinding of the discount on the lease liability as an interest expense.

For a Type B lease, a lessee would measure the lease liability on an amortised cost basis and amortise the right-of-use asset so that a single lease expense (combining amortisation of the right-of-use asset and the unwinding of the discount on the lease liability) is recognised on a straight-line basis.

Under the new proposal, a lessor would be required to apply a receivable-and-residual approach or an operating-lease-type approach to lease accounting. The receivable-and-residual approach would be applied to a Type A lease; and an operating-lease approach would be applied to a Type B lease.
Under the receivable-and-residual approach, a lessor would derecognise the underlying asset and recognise a receivable and a residual asset. For leases that qualify for the operating-lease approach, the lessor would continue to recognise the leased asset and recognise lease income on a straight-line basis. Increased disclosure requirements are also proposed, including a reconciliation of lease assets and liabilities, the assumptions used and a maturity analysis of undiscounted lease payments.

The proposed transition rules would require a lessee and a lessor to recognise and measure leases using either a full retrospective or a modified retrospective approach. The IASB are yet to announce when the final standard is expected to be issued and when it will take effect.

The AASB seeks comment on by 14 August 2013.

**ED 243 Withdrawal of AASB 1031 Materiality – June 2013**

This exposure draft proposes to withdraw AASB 1031 Materiality by amending AASB 108 Accounting Policies, Changes in Accounting Estimates, and Errors and making consequential amendments to other Australian Accounting Standards and Interpretations.

This exposure draft does not contain the broader terminology on materiality and guidance on quantitative threshold from AASB 1031. The principles and guidance on materiality will be located in AASB 108, the revised Conceptual Framework and other Australian Accounting Standards.

The AASB proposes that these amendments will be applicable to annual reporting periods beginning on or after 1 January 2014.

The AASB seeks comment on by 23 August 2013.

**ED 244 Insurance Contracts - June 2013**

The AASB has issued a revised exposure draft proposing a single measurement model for insurance contracts. Entities would recognise insurance liabilities based upon estimates of future cash inflows and outflows adjusted for the time value of money and risk. Where estimated cash inflows exceed the adjusted outflows the entity would recognise the excess as income over the period of the contract.

A simplified approach may be applied for contracts with coverage period at initial recognition of one year or less. The liability would be measured at the value of the premium received at initial recognition less any acquisition costs that are not expensed as incurred.

The new standard would be expected to replace AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts.

The AASB seeks comments by 27 September 2013.

**ITC 28 Invitation to Comment on IASB Request for Information on Rate Regulation – April 2013**

The IASB is developing a discussion paper on accounting for price-regulated activities. ITC 28 sought information from stakeholders on the range of activities that should be addressed in the discussion paper.

The AASB sought comments by 7 May 2013.
From 1 July 2013, a two-tiered reporting framework will exist in Australia, due to the introduction of the Reduced Disclosure Regime (RDR). Tier 1 entities will be required to comply with all requirements of Australian Accounting Standards (AASs). Tier 2 entities will be required to comply with the recognition and measurement requirements of AASs but with substantially reduced disclosure requirements. For-profit private sector reporting entities with public accountability and federal, state, territory, and local governments must report in accordance with Tier 1. Other entities, including all government-controlled entities, may report in accordance with Tier 1 or Tier 2, depending on the decisions of their respective regulators.

**NEW, REVISED AND AMENDING ACCOUNTING STANDARDS AND INTERPRETATIONS**

The following standards amend the requirements of the Reduced Disclosure Regime applicable for reporting periods on or after 1 July 2013.

**Exposure Drafts (EDs), Invitations to Comment (ITCs) and Consultation Papers**

The following exposure drafts propose changes to the Reduced Disclosure Regime applicable for reporting periods on or after 1 July 2013.

**Tier 2 Supplement to ED 235 Recoverable Amount Disclosures for Non-Financial Assets (Proposed Amendments to AASB 136) – May 2013**

This exposure draft proposes Tier 2 amendments to disclosure requirements set out in ED 235 Recoverable Amount Disclosures for Non-Financial Assets which would exempt Tier 2 entities from all requirements except the requirement to disclose the recoverable amount of impaired assets.
Commonwealth Grant Guidelines 2013

The Commonwealth Grant Guidelines (CGGs) have been revised and the 2013 edition took effect on 1 June 2013.

The main changes in the new CGGs are:

- it is now clear that CGGs apply to grant activities performed by Ministers, Chief Executives, agency staff and third parties administering grants on behalf of an FMA Act agency;
- the definition of “grant” has been amended to include gifts of public money;
- the types of financial arrangements that are not considered to be a grant have been amended to include payments made under the international development assistance program and act of grace arrangements;
- new grants must be supported by specific legislation or be listed in the FMA Regulations;
- Ministers must receive written advice from agency staff prior to approving grants.

The CGGs apply to all FMA Act agencies involved in grants administration.

Model Chief Executive’s Instructions (CEIs)

The Model CEIs document has been amended to reflect the revised Commonwealth Grant Guidelines 2013. Agency staff involved in grants activities should refer to the updated CEIs for instructions on how to meet the requirements prior to entering into grant agreements, in administering and reporting grants.

FINANCE CIRCULARS

2013/01 Grants, Procurements and other Financial Arrangements

This Finance Circular replaces Finance Circular 2009/03 Grants and other common financial arrangements. This circular reflects the revised Commonwealth Grant Guidelines 2013 and provides guidance on whether a financial arrangement should be classified as a grant, procurement or another type of financial arrangement. This Finance Circular applies to all FMA Act agencies involved in grants administration and took effect from 1 June 2013.

2013/02 Australian Government Grants: Briefing and Reporting

This Finance Circular replaces Finance Circular 2009/04 Grants – Reporting Requirements. This circular reflects the revised Commonwealth Grant Guidelines 2013 and outlines new briefing and reporting requirements for agency staff. It also includes reporting requirements for Ministers and grant recipients. This Finance Circular applies to all FMA Act agencies involved in grants administration and took effect from 1 June 2013.

2013/03 Certificate of Compliance – FMA Act Agencies

This Finance Circular replaces Finance Circular 2011/07: Certificate of Compliance – FMA Act agencies. This circular provides information on the annual Certificate of Compliance (Certificate) process, including an overview of responsibilities, tools and templates and guidance on completing the Certificate. It has been updated to reflect changes to the FMA Act and Regulations, including those resulting from the High Court’s decision in Williams vs the Commonwealth and the CGGs. Chief Executives of all FMA Act agencies are required to complete a Certificate before 15 October each year.

2013/04 Reduced Press Advertising for Open Approaches to Market (ATMs)

This Finance Circular updates the requirements about publishing and advertising open approaches to market. Agencies are still required to publish open tenders on AusTender. However, agencies may no longer publish or advertise open approaches to market in the media; Chief Executives may give written exemptions, under limited circumstances.

This Finance Circular applies to all FMA Act agencies and takes effect from 1 July 2013. Media tender notice bookings made prior to 1 July 2013, but placed after 1 July 2013, will not be required to adhere to the new policy.
ACCOUNTING GUIDANCE NOTES
There were no Accounting Guidance Notes issued by the Department of Finance and Deregulation in the period April to June 2013.

FINANCEBRIEFS
There were no FinanceBriefs issued by the Department of Finance and Deregulation in the period April to June 2013.

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