

# Treasurer's Direction

## Annual reporting requirements

TD23-11

July 2023

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## Annual reporting requirements

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### Summary:

This Direction is to set the principles, requirements, and procedures to be applied or followed by Agencies and the accountable authorities for those Agencies when preparing annual reporting information in accordance with Division 7.3 of the *Government Sector Finance Act 2018* (GSF Act).

### Commencement:

This Direction takes effect on Friday, 14 July 2023.

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### Application:

This Direction applies to the following GSF agencies and to the accountable authorities for those agencies:

- From 1 July 2023 to the end of 30 June 2024, transitional reporting GSF agencies as defined in clause 91(2) of the *Government Sector Finance Regulation 2018* ("GSF Regulation"), being the reporting GSF agencies specified in Schedule 2, Part 1 or Part 2 of the GSF Regulation (see *Government Sector Finance Amendment (Annual Reporting Requirements) Regulation 2023*).
- From the beginning of 1 July 2024, reporting GSF agencies unless excluded by or under the GSF Regulation or Treasurer's Direction.
- Former reporting GSF agencies.

Universities are to be treated as both GSF agencies and reporting GSF agencies for the purposes of this Direction.<sup>1</sup>

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<sup>1</sup> The GSF Act provides that universities are to be treated as both GSF agencies and reporting GSF agencies for the purposes of Division 7.2 of the GSF Act (s. 7.4(1)) and as reporting GSF agencies for the purposes of Division 7.3 of the GSF Act (s. 7.10(2)).

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## Purpose/objectives:

The object of this Direction is to make provisions with respect to the principles, requirements, and procedures to be applied or followed by Agencies and accountable authorities for Agencies when preparing annual reporting information in accordance with Division 7.3 of the GSF Act.

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## Interpretation:

Unless specified in these Directions, the terms used in this Direction have the same meaning as in the GSF Act or the GSF Regulation.

In this Direction:

**Agency** means a transitional reporting GSF agency, a reporting GSF agency or a former reporting GSF agency (as applicable) to which this Direction applies.

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## Direction:

### 1. Principles

The accountable authority for an Agency must have regard to the following **principles** when preparing and publishing Agency's annual reporting information:

- a. **Supports accountability and transparency:** the annual reporting information supports the Agency's accountability and transparency about its decision making, resource use, and performance.
- b. **Material:** the annual reporting information reflects the Agency's significant matters that affect the Agency's ability to achieve its outcomes or objectives. The materiality of a matter can be quantitative or qualitative, and the matters can be material either individually or in the aggregate.
- c. **Concise:** the annual reporting information presents a concise account of the Agency's resource allocation, program and project delivery, and realisation of outcomes or objectives. When annual reporting information is taken as a whole, it is material, balanced and complete.
- d. **Clear:** the annual reporting information is easily understood by thoughtfully organising the content and using clear design, tables, graphs, diagrams, charts and plain English.
- e. **Accessible:** the annual reporting information is publicly available and easily accessible for all stakeholders and citizens.
- f. **Consistent:** annual reporting information is consistent over time allowing information to be identified easily and compared on a year-on-year basis.

### 2. Combined information

An Agency that is a subsidiary of another Agency (the "parent"), may combine its annual reporting information with the parent if the parent's consolidated financial statements include the subsidiary in accordance with the Australian Accounting Standards (with parent and subsidiary being determined in accordance with the Australian Accounting Standards).

The subsidiary may combine its annual reporting information with the annual reporting information for the parent for the period the subsidiary was controlled by the parent (with control being determined in accordance with the Australian Accounting Standards).

### 3. Preparation of annual reporting information

The accountable authority for an Agency must ensure that the annual reporting information (or, in respect of a former reporting GSF agency, the final annual reporting information) for the Agency is prepared within 4 months after the end of the annual reporting period for the Agency and given to the responsible Minister for the Agency within the period agreed or directed by the Minister so as to enable it to be tabled in Parliament.

### 4. Exemptions, extensions and variations

- a. The Secretary of the Treasury (or a person nominated by the Secretary) may (on their own initiative, or in response to a written request from an accountable authority for an Agency) grant an exemption, extension or variation in relation to one or more of the requirements of this Direction.
- b. The accountable authority for an Agency may request an exemption, extension or variation in relation to one or more of the requirements of this Direction by writing to the Secretary of the Treasury.
  - i. If an Agency combines annual reporting information in accordance with clause 2 of this Direction, the accountable authority for the parent may request the exemption, extension or variation for the subsidiary.
- c. A request for an exemption, extension or variation must be provided to the Secretary of the Treasury (or a person nominated by the Secretary) within 3 months after the Agency's annual reporting period in respect of which the exemption, extension or variation is requested.
- d. The accountable authority must identify the reasons why the agency cannot comply with the requirement or requirements when requesting an exemption, extension or variation under this clause.

This is a Direction made under sections 3.1, 7.11, 7.12(1) and 7.14(1) of the Government Sector Finance Act 2018 (NSW).

This Direction is to be reviewed on or before Monday, 3 July 2028

Daniel Mookhey MLC

Treasurer

Sunday, 9 July 2023