

Framework for Financial and Annual Reporting– Draft Policies

Background

In April 2024, Treasury shared a consultation paper proposing a framework to support the legislative requirements for identifying which agencies prepare financial and annual reports, and in what form the reporting would be. Treasury has reviewed the feedback and refined the framework accordingly.

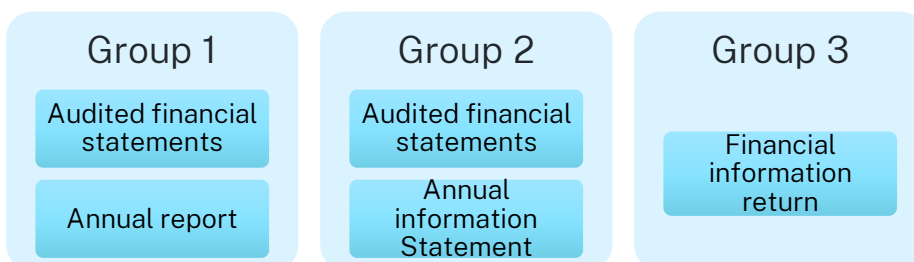
The finalised Framework will consist of four draft TPGs. Before Treasury issues the TPGs we invite the sector to review these and provide feedback.

The Framework compliments [TPG24-33 Reporting framework for first year climate-related financial disclosures](#). You will also find information on how climate-related financial disclosures relate to annual reporting information as part of this consultation.

This consultation also seeks feedback on the entities proposed to be part of Phase 2 of climate-related financial disclosure implementation, that would commence disclosures in 2025-26.

Key features of the Framework

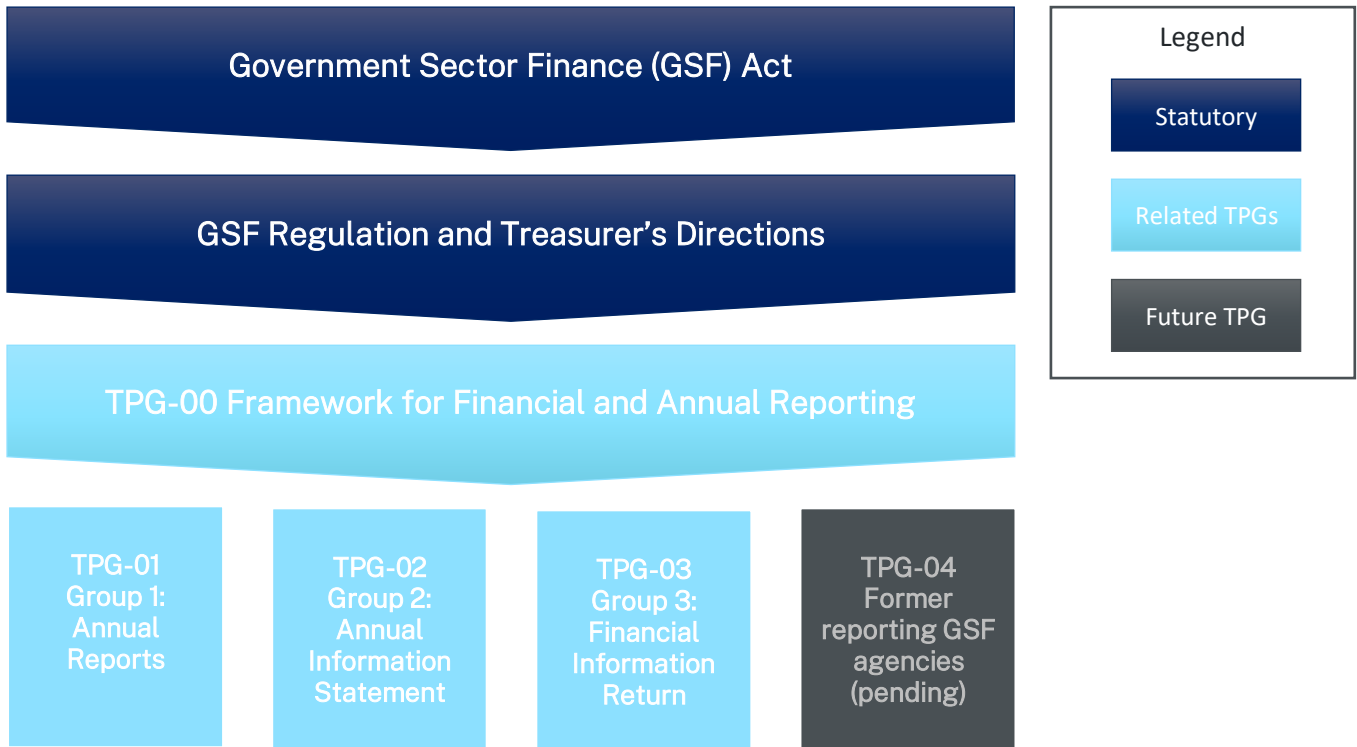
- Described in more detail in the *Framework for financial and annual reporting [TPG-00]*.
- Applies to all GSF agencies.
- Is structured around the key elements of the GSF Act's reporting obligations – keeping of accounts and records, financial reporting and annual reporting information.
- Adopts a differential reporting approach by grouping GSF agencies based on size and risk.
- Places agencies in one of three groups, based on a combination of quantitative factors and qualitative criteria.



- Applies different levels of financial and annual reporting requirements to each group, appropriate to the size and nature of the agencies in that group.
- Takes a holistic approach to financial and annual reporting by bringing together all obligations in one place for greater visibility and ease of application of the legislative and policy requirements.
- No substantial changes planned to the content requirements for annual reports (currently set out in [TPG23-10 - Annual Reporting Requirements](#)).

Navigating the Framework

The framework is made up of statutory and policy instruments. The Policy documents incorporate the statutory obligations under the GSF Act, GSF Regulations and the Treasurer’s Directions for financial reporting and annual reporting information.



Commencement and transition

- The draft policies will come into effect from 1 July 2025, meaning the requirements apply from the annual reporting period of 2024-25 (financial year) or 2025 (calendar year).
- Transition arrangements provide for newly-required annual reporting information to be deferred to 1 July 2026 where that annual reporting information is not currently prepared for the GSF agency.
- For full details on specific transition arrangements refer to Part 8 in TPG-00.

Climate related financial disclosures

The preparation of mandatory climate-related financial disclosures is proposed to apply only to Group 1 annual reporting entities.

As previously communicated, implementation of this obligation will be phased over three years commencing from FY2024-25 (See the Table below). Around a third of Group 1 entities (29 in total) have already been advised that they are part of Phase 1 and are preparing to commence disclosures in 2024-25.

Treasury proposes that a similar number of entities are in Phase 2, based on the criteria below and as listed in the Appendix. However, we are open to feedback on the criteria in general and on the inclusion of specific entities in particular.

Group 1			
Phased implementation	Phase 1	Phase 2	Phase 3
Commencement	2024-25 financial year or 2025 calendar year	2025-26 financial year or 2026 calendar year	2026-27 financial year or 2027 calendar year
Reporting entities	Phase 1 will be formalised through an upcoming Treasurer’s Direction.	All entities who exceed one or more of the below financial thresholds that is not captured in phase 1: <ul style="list-style-type: none"> Total assets: >\$1bn Annual Revenue: >\$500m Annual Expenditure: >\$500m 	All remaining group 1 entities.
Content requirement	In alignment with TPG24-33	In alignment with TPG24-33	To be confirmed prior to reporting year, but may be a lesser requirement than TPG24-33.

Changes from the April Consultation Paper

The draft policy reflects extensive feedback from the sector and refinement of requirements. Refer to separate paper included with this consultation for a summary of the main changes from the April 2024 Consultation Paper.

Statutory Crown Land Managers and Common Trusts

Given the unique nature of these entities Treasury is working closely with the Department of Planning, Housing and Infrastructure to establish the appropriate reporting for these GSF agencies.

Consultation policy papers and supporting resources

The Framework will consist of a lead TPG that gives the overview of reporting and grouping requirements. This main TPG will be supported by supplementary TPGs which then detail specific reporting requirements for each group. Other relevant papers are also listed below.

- Framework for financial and annual reporting [TPG-00]
 - Group 1 Annual report [TPG-01]
 - Group 2 Annual information statement [TPG-02]
 - Group 3 Financial information return [TPG-03]
 - Financial information return – template
- Reporting Grouping Criteria - summary table
- Summary of changes from April Consultation Paper

Available on Treasury’s website at:

<https://www.treasury.nsw.gov.au/information-public-entities/annual-reporting>

Seeking your feedback

Treasury seeks feedback on draft policy and guidelines papers, specifically implementation.

Stakeholders are asked to submit comments using the feedback table (attached).

Feedback is due **Friday 14 February 2025** to legislation@treasury.nsw.gov.au

If you would like to discuss your circumstances, please contact us at the above address.

Next steps

- During December 2024 to February 2025 the sector has the opportunity to review the draft TPGs and provide feedback to Treasury.
- Amendments to the GSF Regulation and Treasurer’s Direction will be sought for necessary changes to implement the Framework, with commencement from 1 July 2025. TD23-11 Annual Report Requirements will be either amended or replaced by a TD that reflects the new Framework.
- New TPGs to be released by end of June 2025, for commencement from 1 July 2025. TPG23-10 Annual Reporting Requirements will be archived.

Template feedback table

Feedback on the Framework for financial and annual reporting
Framework for financial and annual reporting [TPG-00]
Group 1 Annual report [TPG-01]
Group 2 Annual information statement [TPG-02]
Group 3 Financial information return [TPG-03]
Financial information return - template
Climate related financial disclosures
<ol style="list-style-type: none">1. Do you support the proposed thresholds for Phase 2? If not, please outline your reason and/or alternative approaches you would recommend.2. Should phase 3 entities be required to report in alignment with TPG24-33, or should a more limited disclosure be considered? Please outline your reasons.3. If a limited disclosure is proposed, what should it cover?

Agency:
Name and contact details:

Appendix A: Proposed entities for phase 2 of climate-related financial disclosure

Proposed Phase 2

Government Entities

1. Aboriginal Housing Office
2. Art Gallery of New South Wales
3. Australian Museum
4. Centennial Park and Moore Park Trust
5. Corrective Services NSW (deferred from Phase 1 due to MoG changes)
6. Energy Corporation of New South Wales
7. Fire and Rescue NSW
8. Infrastructure NSW
9. Legal Aid Commission of New South Wales
10. Local Land Services
11. Long Service Corporation
12. Museums of History NSW
13. New South Wales Government Telecommunications Authority
14. New South Wales Rural Assistance Authority
15. NSW Reconstruction Authority
16. NSW Rural Fire Service
17. NSW Trains
18. Place Management NSW
19. Planning Ministerial Corporation
20. Property and Development NSW
21. Royal Botanic Gardens and Domain Trust
22. Service NSW
23. State Library of New South Wales
24. Sydney Olympic Park Authority
25. Sydney Opera House Trust
26. TAFE Commission
27. Venues NSW
28. Western Sydney Parklands Trust
29. Zoological Parks Board of New South Wales

Universities

1. Charles Sturt University
2. Macquarie University
3. University of New England
4. University of Newcastle
5. University of Technology Sydney
6. University of Wollongong
7. Western Sydney University

The following entities from Phase 2 are proposed for exclusion despite having met the financial threshold:

- State Insurance Regulatory Authority
- Electricity Retained Interest Corporation Entities
- NSW Self Insurance Corporation
- Workers' Compensation (Dust Diseases) Authority
- Lifetime Care and Support Authority of New South Wales