

TREASURER'S INSTRUCTION
FINANCIAL MANAGEMENT ACT 2016
SPECIFIC PURPOSE ACCOUNTS

EFFECTIVE DATE

1 July 2019

SCOPE

This Treasurer's Instruction applies to all agencies listed in Column I of Schedule I, Part I in the *Financial Management Act 2016* unless otherwise exempted or provided for under the provisions of the Act.

APPLICATION

At all times.

OBJECTIVE

To provide direction in relation to the establishment, operation, change in purpose and closing of Specific Purpose Accounts.

INSTRUCTION**Specific Purpose Accounts**

- 20.1 Section 17 of the Act provides that the Treasurer may establish a Specific Purpose Account, for a particular purpose or purposes.
- 20.2 The Accountable Authority must seek the prior written approval of the Secretary of the Department of Treasury and Finance for the establishment of a Specific Purpose Account, or for the alteration to the purpose or purposes of a Specific Purpose Account.
- 20.3 The Accountable Authority must ensure that a Specific Purpose Account is not used for any purpose or purposes other than that purpose or purposes approved by the Secretary of the Department of Treasury and Finance in accordance with paragraph 20.2.
- 20.4 The Accountable Authority must ensure that, unless the Secretary of the Department of Treasury and Finance has determined otherwise, a Specific Purpose Account is not overdrawn at any time and that commitments to expenditure from a Specific Purpose Account are only made where funds are available in the Account to cover the expected payments.

- 20.5 The Accountable Authority must ensure that Specific Purpose Account money is held in an authorised deposit-taking institution account with the Government's banker, unless otherwise determined by the Secretary of the Department of Treasury and Finance.
- 20.6 The Accountable Authority must ensure that the actual and estimated balances of each Specific Purpose Account, together with the total amounts of actual and estimated receipts and payments, are reported in the financial statements of the Agency for the relevant financial year.
- 20.7 The Accountable Authority must ensure that the Agency submits Budget and Forward Estimates information into the Budget Information Management System for each Specific Purpose Account.

Closure of Specific Purpose Accounts

- 20.8 If the Accountable Authority considers that a Specific Purpose Account is no longer required, the Accountable Authority must seek the prior written approval of the Secretary of the Department of Treasury and Finance to close the Account.

Treasurer's authority for Specific Purpose Accounts

- 20.9 The Treasurer has delegated the authority to approve the establishment of Specific Purpose Accounts to the Secretary of the Department of Treasury and Finance.
- 20.10 The Treasurer has delegated the authority to approve the opening of Specific Purpose Accounts and determine any terms and conditions on those accounts to the Secretary of the Department of Treasury and Finance.
- 20.11 The Treasurer has delegated the authority to close Specific Purpose Accounts to the Secretary of the Department of Treasury and Finance.

ADDITIONAL GUIDANCE

Further information in support of this Treasurer's Instruction can be found in the *Financial Management - Better Practice Guidelines*.