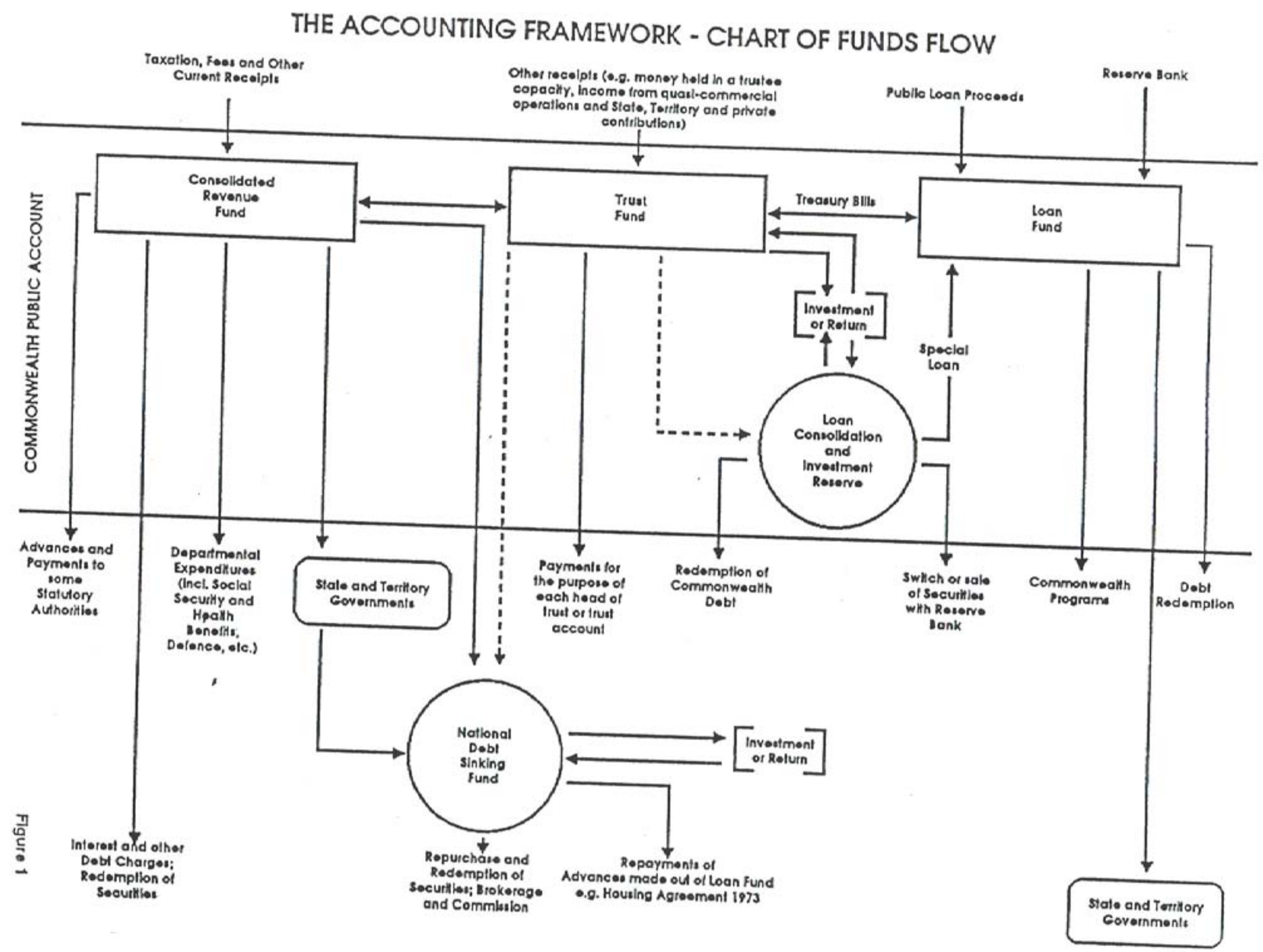
Appendix J - the

Consolidated Revenue Fund

The Consolidated Revenue Fund prior to 1 January 1998

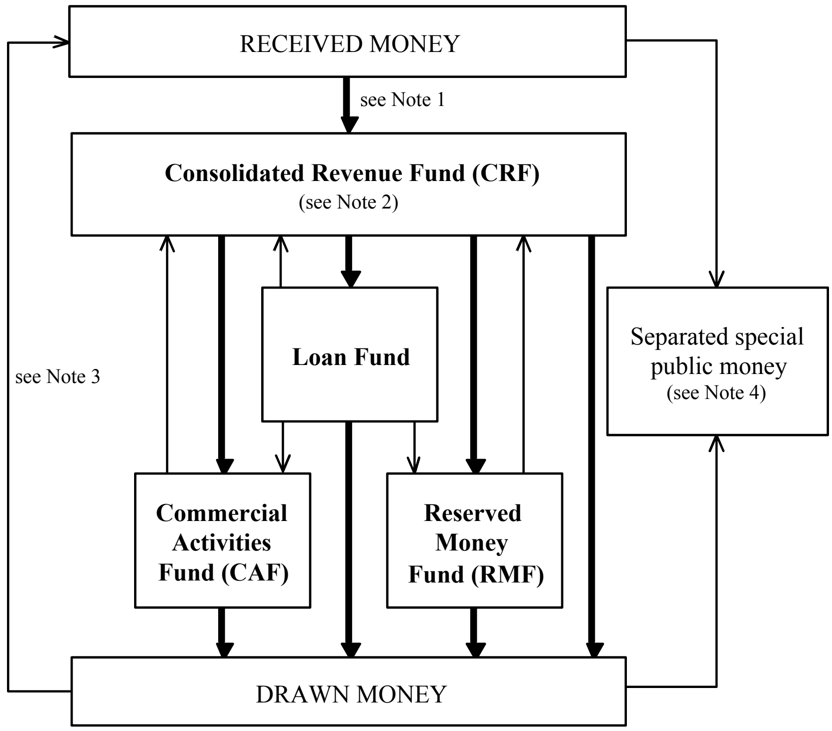


The Consolidated Revenue Fund under the *Audit Act 1901*

Source: *Aggregate Financial Statement prepared by the Minister for Finance year ended 30 June 1994* (Audit Report No. 8, 1994-95)

The Consolidated Revenue Fund from 1 January 1998 to 30 June 1999

Simplified model showing typical transfers



NOTES

Indicates a common type of transfer.

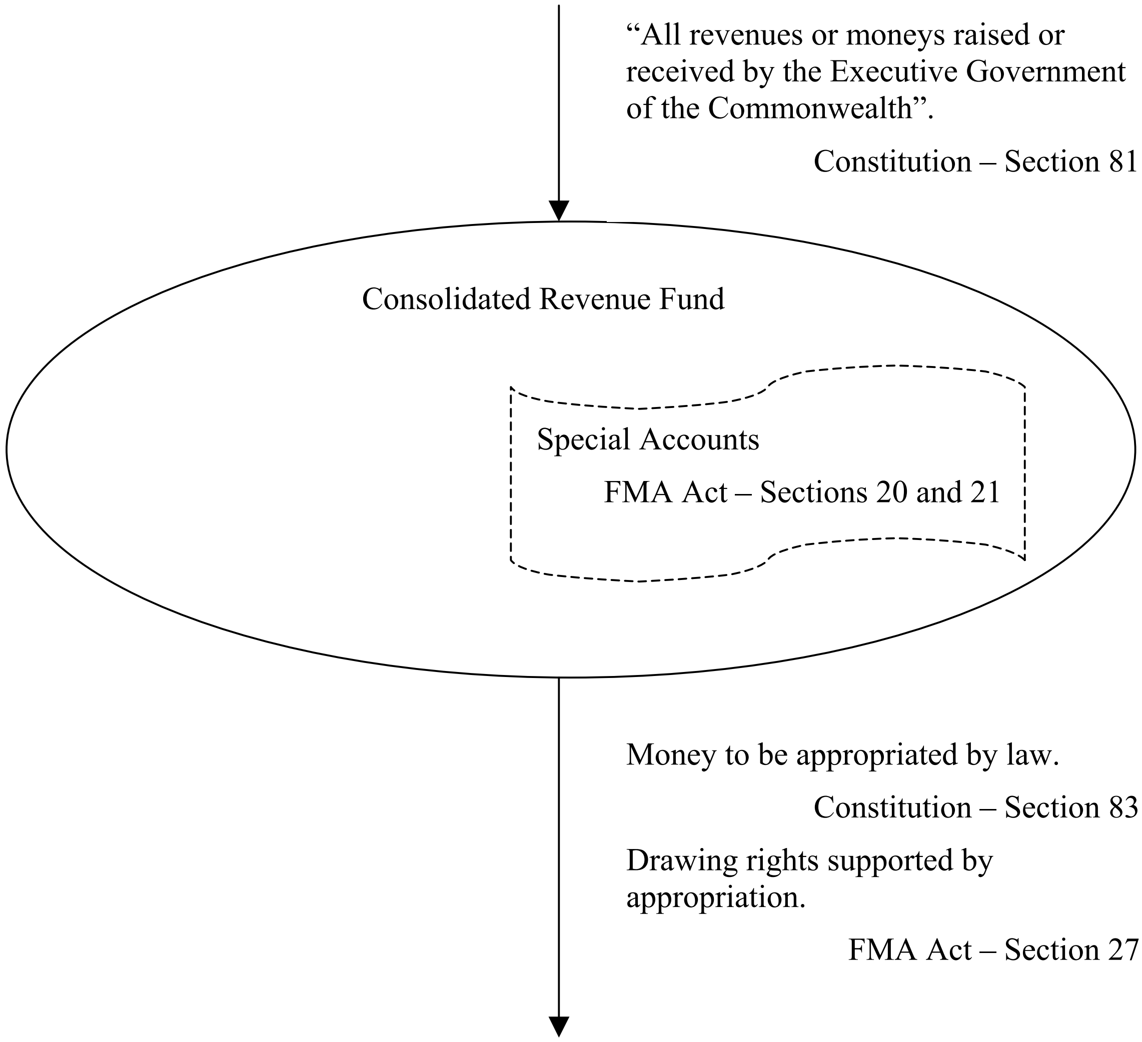
Indicates a less common type of transfer.

1. All Received Money must be credited to the CRF as soon as practicable after receipt (unless a Special Instruction applies).
2. The following transfers pass through the CRF: transfers between components of the CAF or the RMF; transfers between the CAF and the RMF; transfers from the CAF or RMF to the Loan Fund.
3. An example of this transfer is an unused advance on expiry of the relevant appropriation.
4. Separated special public money is special public money that is subject to a Special Instruction.

The Consolidated Revenue Fund under the *Financial Management and Accountability Act 1997*.

Adapted by the Department of Finance and Administration, 7 March 2003, from Appendix A to the *Financial Management and Accountability Act 1997*.

The Consolidated Revenue Fund from 1 July 1999



The Consolidated Revenue Fund under the *Financial Management and Accountability Act 1997* (FMA Act) as amended by the *Financial Management Legislation Amendment Act 1999*.

Source: Department of Finance and Administration, 7 March 2003.

CRF and Special Accounts

Section 81 of the *Constitution* requires that all revenues or moneys raised or received by the Executive Government of the Commonwealth are paid into the Consolidated Revenue Fund (CRF). Section 83 specifies that an appropriation of moneys by Parliament is necessary before any payment can be made from the Treasury.

What is 'Special Account'?

A 'Special Account' is a mechanism used to manage amounts in the CRF that are appropriated for specified purposes only. Such amounts are known as 'hypothecated' moneys.

Special Accounts are established either by:

- a determination of the Finance Minister under section 20 of the *Financial Management and Accountability Act 1997* (the FMA Act); that only takes effect after 5 sitting days in each House of Parliament; or

- by another Act.

The determination of the Finance Minister or the relevant Act, will:

- establish the Special Account

- allow or require amounts (from particular sources) to be credited to the Special Account;

- specify the purposes (for expenditure) of the Special Account.

Under sections 20 and 21 of the FMA Act the CRF is appropriated for expenditure for the purposes of a Special Account up to the balance for the time being of the Special Account.

A typical hypothecation arrangement would involve an agency collecting industry levies, crediting the moneys to a Special Account, then applying the amounts for the specified purposes of the Special Account (e.g. for promotion of the industry or making grants for the benefit of the industry). This gives particular assurance to those who may have contributed levies that the amounts can be applied to the specified purposes only.