

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Budget Estimates Hearings 2003-04 – 28 & 29 May 2003

Question: F10

Outcome 2, Output 2.1.2

Topic: Business Services Trust Account (BSTA) – Financial Statements

Hansard page: 291

Written Question on Notice: 28 May 2003

Senator Conroy asked:

Why does the BSTA have an exemption from reporting?

Answer:

On 1 July 1999, the BSTA was granted an exemption from the Financial Management Orders (FMOs) for 1998-99 and was not required to prepare financial statements for that year. The reason for the exemption is not specified in the determination other than it related to “former business operations of agencies”.

For 1999-2000 and 2000-01, the BSTA was reported on as a note to the Department of Finance and Administration’s financial statements. There was no FMO direction on reporting for business operations for 2001-02 but Finance continued to report on the BSTA in a note to its financial statements.

The FMOs for 2002-03 require financial statements to be prepared for business operations. As the BSTA is classified as a business operation, audited financial statements will be prepared and published in the Finance annual report.