



Accounting Guidance Note

No. 2011/

Accounting guidance notes are intended for use by Australian Government reporting entities covered by:

- S49 of the *Financial Management and Accountability Act 1997 (FMA Act)*; or
- Clause 2 of Schedule 1, of the *Commonwealth Authorities and Companies Act 1997*.

The aim of the accounting guidance notes is to provide non-mandatory explanation and examples relating to the interpretation and application of Australian Accounting Standards and the Finance Minister's Orders to the above entities.

Appropriations Reporting

Purpose

To provide guidance on the reporting and disclosure of appropriations in the annual financial statements of Australian Government reporting entities.

Target audience

This guidance note is relevant to Chief Financial Officers and *FMA Act* officials who are involved in the financial reporting of appropriations in annual financial statements.

Applicable accounting pronouncements

- Finance Minister's Orders for financial reporting (FMOs);
- AASB 1004 *Contributions* ;
- AASB 1050 *Administered Items*; and
- Interpretation 1038 *Contributions by Owners Made to Wholly-owned Public Sector Entities*.

Contents

Purpose.....	1
Target audience.....	1
Applicable accounting pronouncements.....	1
Definitions used.....	3
Key points.....	3
Control.....	3
Recognition of Departmental Appropriations.....	4
Adjustments to Departmental Appropriation Income.....	5
Administered Appropriations – Reporting.....	6
Reducing Annual Administered Operating Appropriations.....	6
General Disclosure of Appropriations.....	7
Other Guidance.....	7
Contacts.....	7
Departmental Illustrative Examples.....	8
D01 - Recognition of Departmental Appropriations.....	8
D02 - Repayments to the Commonwealth (s30) in Current Year.....	9
D03 - Recoverable GST (s30A).....	11
D04 - Relevant Agency Receipts (s31).....	13
D05 - Transfer of functions (s32).....	26
D06 - Advance to the Finance Minister (Annual Appropriations Act).....	28
D07 - Reducing departmental items (Annual Appropriations Act s10).....	29
D08 - Funding to be provided in subsequent years for additional output in the current year.....	30
Administered Illustrative Examples.....	31
A01 - Repayments to the Commonwealth (s30).....	31
A02 - Recoverable GST (s30A).....	33
A03 - Advance to the Finance Minister (Annual Appropriations Act).....	35
Definitions:.....	36

Definitions used

Please see [Appendix 2](#) for relevant definitions.

Key points

1. In the annual financial statements of an agency an appropriation is recognised by an agency when it gains control of the appropriation. The characteristics of the appropriation determine if the appropriation is recognised as income, a contribution of equity or a liability.
2. An amount appropriated to an *FMA Act* agency for payment to a *Commonwealth Authorities and Companies Act 1997* body, either through annual or special appropriations, is an administered appropriation.
3. The authoritative source for the classification and amount of appropriations is the relevant Act.
4. Appropriations are considered material regardless of the amount.

Control

5. An appropriation is controlled by an agency when it can obtain economic benefit and deny or regulate the access of others to those economic benefits. (AASB 1004.27)
6. Administered appropriations are managed on behalf of the Government and are subject to prescriptive rules or conditions established by legislation, or Australian Government Policy. As such control is not transferred to the administering agency. Administered appropriations are not recognised in the departmental financial statements but reported as an administered item in the notes to the financial statements.
7. The spending of departmental appropriations is at the discretion of the agency consistent with government policy and having been legally appropriated. As such the agency gains control of the appropriation and it is recognised in the financial statements of the agency.
8. For departmental appropriations specified in the annual Appropriation Acts the agency gains control of the appropriation at the later of:
 - a. Date of Royal Assent of the *Appropriation Act*; or
 - b. The commencement of the financial period to which the appropriation relates. That is, when the appropriation is effective (normally *Appropriations Act* No.1 and No. 2 and *Appropriations (Parliamentary Departments) Act* No.1 are effective from 1 July). (FMOs Division 101)
9. FMOs Division 101 requires special appropriations (departmental) to be recognised when the obligation for which the special appropriation exists is incurred to the amount of the obligation. As such there is no standard timing for the recognition of those appropriations. The requirements of the relevant Act need to be considered.

Recognition of Departmental Appropriations

10. The characteristics of the appropriation determine if the appropriation is recognised as income, a contribution of equity or as a liability. This ensures that the substance, rather than the form, of the appropriation is reported. (AASB 1004.33)
11. To be recognised as income by the agency the definition of income and the recognition criteria for income in the *Framework for the Preparation and Presentation of Financial Statements* (the *Framework*) must be satisfied. (AASB 1004.32(a))
12. Departmental operating appropriations excluding departmental capital budgets (annual *Appropriation Acts* No 1 & 3) meet the definition of income and the recognition criteria. As such they are required to be recognised as income (“Revenue from Government”) in full in the year they are appropriated. (FMOs Division 101)
13. Appropriations are recognised as a direct adjustment to equity where the appropriation satisfies the definition of a contribution by owners. (AASB 1004.32(b))
14. Appropriations for equity injections (annual *Appropriation Acts* No. 2 & 4) and Departmental operating appropriations for departmental capital budgets (annual *Appropriation Acts* No. 1 & 3) have both been formally designated as contributions of equity. As such they are required to be recognised as a contribution by owners, increasing contributed equity in the Statement of Changes in Equity in the financial statements of the entity.
15. Appropriations can be recognised as a liability when the appropriation satisfies the definition of a liability and the recognition criteria for a liability in the *Framework*. (AASB 1004.32(c))

Adjustments to Departmental Appropriation Income

16. Departmental appropriation income for the current year may only be adjusted by formal additions or reductions in the current year as set out in Division 101 of the FMOs. The table below summarises these adjustments.

Adjustment Type	Control gained/loss
Transfer of Agency Functions (s32 of the <i>FMA Act</i>).	Control lost or gained at the later of: <ul style="list-style-type: none"> • The date of the determination; or • The commencement date set out in the determination (s32(8) of the <i>FMA Act</i> allows a s32 transfer to take effect before or after the day it is registered under that Act).
Reductions (Annual <i>Appropriations Acts</i> No. 1 s10 & No. 2 s13).	Control lost and the appropriation reduced on the date of the determination.
Advance to the Finance Minister (AFM) (Annual <i>Appropriations Acts</i> No. 1 s13 & No. 2 s15).	Control gained and the appropriation increased on the date of the determination.
Funding agreement adjustments for additional revenue or a reduction of revenue as a result of under or over-delivery and no-win/no-loss funding.	Relevant to the conditions in the agreement.
Funding to be provided in subsequent years for additional output in the current year (“Departmental Supplementation”).	Control gained and revenue increased when the decision is agreed (agencies must be able to substantiate the agreement).
Decisions by Cabinet or the Prime Minister.	Relevant to the decisions.

17. The following appropriation transactions are adjustments to appropriation receivable, but not appropriation revenue:
- a. *FMA Act* section 30A Appropriations to take account of recoverable GST;
 - b. *FMA Act* section 31 Relevant Agency receipts; and
 - c. *FMA Act* section 32 Transfer of Agency functions (prior year appropriation only).
18. Quarantining an appropriation by the Department of Finance and Deregulation (Finance) has no impact on either appropriations income or appropriations receivable.

Administered Appropriations – Reporting

19. Administered appropriations are not to be recognised as revenue in the schedule of administered items (FMOs Division 102) instead they are recognised as Appropriation Transfers from the Official Public Account (OPA).
20. Administered appropriations are reported in the administered reconciliation table of an agency as they are drawn down to the agency's bank account. (FMOs Division 102)
21. Administered appropriations can be adjusted in accordance with:
- a. *FMA Act* section 30 Repayments to the Commonwealth;
 - b. *FMA Act* section 30A Appropriations to take account of recoverable GST;
 - c. *FMA Act* section 32 Transfer of Agency functions; and
 - d. Advance to the Finance Minister.
22. These adjustments are reported in the administered reconciliation table of an agency.

Reducing Annual Administered Operating Appropriations

23. Section 11 of Appropriation Act (No. 1) 20X1-X2 and section 12 of Appropriation Act No. 2 20X1-20X2 limits each administered operating appropriation to the amount reported for that item in an agency's financial statements.
24. If the financial statements of an agency specify a required amount that is less than the amount of the item, then the administered item is taken to be reduced to the required amount.
25. Finance issues an annual Estimates Memorandum (EM) to assist agencies with the process for reducing their annual administered operating appropriations. A copy of the EM can be obtained by agencies from their Finance Agency Advice Unit (AAU), the Finance Appropriations Team at amtmail@finance.gov.au or via the Knowledge Management menu in CBMS.

General Disclosure of Appropriations

26. Division 104 of the FMOs sets out the general financial statements disclosure requirements for appropriations.

Other Guidance

27. The FMOs require appropriation disclosures to be completed in tabular form. The PRIMA illustrative financial statements provide the required disclosure tables in Excel format to assist agencies in completing these disclosures.
28. Additional information regarding accounting for the transfer of appropriations under section 32 of the *FMA Act* is located in *FinanceBrief 6* (Revised).
29. Located on Finance's website is a number of Finance Circulars that provide guidance on appropriations including:
- [2008/07 - Relevant Agency Receipts - FMA Regulations 15 and 16](#) (to be updated);
 - [2004/08 - Appropriation for Repayments under Section 28 of the FMA Act](#) (to be updated);
 - [2005/08 - Section 30 of the FMA Act - Reinstatement of appropriations for amounts repaid](#) (to be updated); and
 - [2010/01 - Section 32 of the FMA Act – Transfer of Agency Functions](#).
30. Estimates Memorandum – 2010/26 Reduction of 2009-2010 Annual Administered Operating Appropriations.
31. Estimates Memorandum – 2010/22 Revised Refresher on Appropriation Framework – Rules.

Contacts

32. Questions or comments about this Guidance Note should be addressed to Accounting Policy Branch at accountingpolicy@finance.gov.au.

Departmental Illustrative Examples

General assumptions:

- full departmental appropriation revenue is recognised at the beginning of the financial year (see example D01);
- all requirements under the relevant legislation are met;
- no GST unless stated otherwise;
- account numbers provided are CBMS account numbers; and
- journals for recoverable GST pre-empt upcoming amendments to *FMA Act* s30A arrangements, and as such may not reflect current agency practices. That is:
 - all payments of GST are drawn on *FMA Act* s30A special appropriation; and
 - all GST receipts are expensed to the OPA as administered receipts.

D01 - Recognition of Departmental Appropriations

Scenario: Departmental appropriation

- The Appropriation Act (No. 1) 20X0-X1 appropriated \$50M as annual departmental operating appropriation to the Agency. This amount does not include departmental capital budget.

Journal entries:

		Debit	Credit
1 st July	Dr. 5233035 Appropriation receivable	\$50M	
	Cr. 1280010 Revenue from government		\$50M
<i>Recognise annual departmental appropriation</i>			

ACM Transactions:

The Departmental budget is established in ACM as per the Appropriation Act (No.1) 20X0-X1 for \$50M (i.e. the Appropriated hard limit in ACM is \$50M).

Note: Annual departmental appropriations are disclosed in Table A of the appropriations note of the financial statements.

D02 - Repayments to the Commonwealth (s30) in Current Year

Scenario: Departmental appropriation

- On the 5th of July, the Agency paid \$250 to XYZ in exchange for stationery supplies.
- On the 31st of July, XYZ advised the Agency that it had overpaid for the stationery. On the same day, XYZ refunded \$50 to the Agency.

Journal entries:

		Debit	Credit
5 th July	Dr. 5220002 Cash at bank	\$250	
	Cr. 5233035 Appropriation receivable		\$250
	<i>Drawdown from OPA</i>		
	Dr. 2230098 Other supplier expenses	\$250	
	Cr. 5220002 Cash at bank		\$250
	<i>Record purchase of stationery supplies</i>		
31 st July	Dr. 5220002 Cash at bank	\$50	
	Cr. 2230098 Other supplier expenses*		\$50
	<i>Reduce stationery expenses by the amount refunded</i>		
	Dr. 5233035 Appropriation receivable**	\$50	
	Cr. 5220002 Cash at bank		\$50
	<i>Transfer cash to OPA</i>		

* This is a repayment during the same year, thus it is credited against the item to which the payment was charged. Amounts paid out in error and recovered during future years should be recorded as revenue, unless they merely give rise to a balance sheet adjustment.

** *FMA Act s30* is an adjustment to the Agency's available appropriation balance only (not appropriation revenue).

Note: FMA Act s30 adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a GDES drawdown in ACM by 2pm AEST one working day before the 5th of July to transfer the cash from the OPA to the Agency's Official Departmental Bank Account on the 5th of July.

Step 1 - Create Drawdown:

Control Type: Departmental
Payment Type: GDES
Drawdown Total: \$250.00
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 5 July 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$250.00

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental
Receipt Date: 31 July 20XX
Receipt Total: \$50.00
Agency: <Agency Name>
Title: <Agency Acronym> – Section 30 Repayment
July 20XX
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Appropriation Returns
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$50.00

D03 - Recoverable GST (s30A)

Scenario: Departmental appropriation

- On the 31st of July, XYZ invoiced the Agency \$110 (GST inclusive) for its telephone expenses for the month.
- On the 31st of August, the Agency paid the invoice. The Agency draws down cash (from s30A Special Appropriation) for GST prior to making the payment.
- On the 30st of September:
 - the Agency received \$10 for its input tax credit from the ATO into its Departmental bank account; and
 - the Agency transferred \$10 to the OPA.

Journal entries:

		Debit	Credit
31 st July	Dr. 2230098 Other supplier expenses	\$100	
	Dr. 5233033 GST input credits receivable	\$10	
	Cr. 3390098 Other payables		\$110
	<i>Record telephone expenses</i>		
31 st Aug	Dr. 5220002 Cash at bank	\$10	
	Cr. xxxxxxxx s30A special appropriation revenue		\$10
	<i>Cash drawdown from OPA (for paying GST liability)</i>		
	Dr. 5220002 Cash at bank	\$100	
	Cr. 5233035 Appropriation receivable		\$100
	<i>Cash drawdown from OPA</i>		
	Dr. 3390098 Other payables	\$110	
	Cr. 5220002 Cash at bank		\$110
	<i>Pay the invoice</i>		
30 st Sept	Dr. 5220002 Cash at bank	\$10	
	Cr. 5233033 GST input credits receivable		\$10
	<i>Received cash from ATO</i>		
	Dr. xxxxxxxx Expense	\$10	
	Cr. 5220002 Cash at bank		\$10
	<i>Transfer cash to OPA (GST transferred as departmental expense to administered receipt)</i>		

Note: A separate disclosure of FMA Act s30A adjustments is not required in the appropriations note.

ACM Transactions:

Create a GDES drawdown by 2pm AEST one working day before the 31st of August in ACM to transfer the cash from the OPA to the Agency's Official Departmental Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
Payment Type: GDES
Drawdown Total: \$10
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: GST Special Appropriation
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$10

Create a GDES drawdown by 2pm AEST one working day before the 31st of August in ACM to transfer the cash from the OPA to the Agency's Official Departmental Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
Payment Type: GDES
Drawdown Total: \$100
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$100

Create a receipt in ACM to record the cash transfer to the OPA (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 30 Sept 20XX
Receipt Total: \$10
Agency: <Agency Name>
Title: <Agency Acronym> – Section 30A App Fee July 20XX
Drawdown Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$10

D04 - Relevant Agency Receipts (s31)

Scenario (prepayment): Departmental appropriation

- On the 1st of July, the Agency sold a 12-month bulletin subscription to XYZ. On the same day, an invoice issued to XYZ for \$12,000 with payment due on the 31st of July.
- On the 1st of July, XYZ received its first bulletin.
- On the 31st of July:
 - XYZ made payment of \$12,000 to the Agency; and
 - the Agency transferred funds from Departmental Bank Account to the OPA.

Journal entries:

		Debit	Credit
1 st July	Dr. 5233000 Other receivables	\$12,000	
	Cr. 3390005 Prepayments received		\$11,000
	Cr. 1220008 Rendering of services revenue		\$1,000
	<i>Invoicing of the subscription plus earning the first month revenue</i>		
31 st July	Dr. 5220002 Cash at bank	\$12,000	
	Cr. 5233000 Other receivables		\$12,000
	<i>Receipt of cash</i>		
	Dr. 5233035 Appropriation receivable*	\$12,000	
	Cr. 5220002 Cash at bank		\$12,000
	<i>Transfer cash receipt to OPA</i>		
From 1 st Aug (monthly entries)	Dr. 3390005 Prepayments received	\$1,000	
	Cr. 1220008 Rendering of services revenue		\$1,000
	<i>Record subsequent revenue when earned</i>		

* FMA Act s31 is an adjustment to the Agency's available appropriation balance only (soft limit). This adjustment is recognised formally at the time when the cash is returned to the OPA. Legally, the amount is available to spend at the time the revenue is recorded in the agencies books.

Note: FMA Act s31 adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental

Receipt Date: 31 July 20XX

Receipt Total: \$12,000

Agency: <Agency Name>

Title: <Agency Acronym> – Section 31 Receipts July 20XX

Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>

Receipt Type: Section 31

Programme: Program A

Outcome: Outcome 1

Appropriation Source: Appropriation Act 1

Cash Flow: Operating and Investment in Non-Financial Assets

Amount: \$12,000

DRAFT

Scenario (sale of an asset – not exceed 5% annual limit): Departmental appropriation

- On the 1st of July, the Agency sold a forklift for \$50,000 to XYZ and made a gain on sale of \$5,000. Assume accumulated depreciation for the asset is nil and the Agency is able to retain sale proceeds under the *FMA Act* s31.
- On the 31st of July:
 - the payment was due; and
 - the Agency transferred funds from Departmental Bank Account to the OPA.

Journal entries:

		Debit	Credit
1 st July	Dr. 5233000 Other receivables	\$50,000	
	Cr. 5310000 Asset - Forklift		\$45,000
	Cr. 1254000 Gain on sale of assets - Forklift		\$5,000
	<i>Sale of the forklift with a gain</i>		
31 st July	Dr. 5220002 Cash at bank	\$50,000	
	Cr. 5233000 Other receivables		\$50,000
	<i>Receipt of cash</i>		
	Dr. 5233035 Appropriation receivable*	\$50,000	
	Cr. 5220002 Cash at bank		\$50,000
	<i>Return cash to OPA</i>		

* *FMA Act* s31 is an adjustment to the Agency's available appropriation balance only (soft limit). This adjustment is recognised formally at the time when the cash is returned to the OPA. Legally, the amount is available to spend at the time the revenue is recorded in the agencies books.

Note: *FMA Act* s31 adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental

Receipt Date: 31 July 20XX

Receipt Total: \$50,000

Agency: <Agency Name>

Title: <Agency Acronym> – Section 31 Receipts July 20XX

Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>

Receipt Type: Section 31

Programme: Program A

Outcome: Outcome 1

Appropriation Source: Appropriation Act 1

Cash Flow: Operating and Investment in Non-Financial Assets

Amount: \$50,000

DRAFT

Scenario (sale of an asset – exceeds 5% annual limit): Departmental appropriation

- Same as the above scenario but at end of financial year, the Agency’s s31 receipts exceeded 5% annual limit by \$1,000.

Journal entries (in addition to the entries above):

		Debit	Credit
30 th June	Dr. 2230098 Other supplier expenses*	\$1,000	
(end of the financial year)	Cr. 5233035 Appropriation receivable		\$1,000
	<i>Transfer excess s31 receipts to OPA</i>		

* Amounts that are excess to the 5% limit must be deposited to OPA as administered receipts and recorded as expenses against the relevant departmental item.

ACM Transactions:

Create receipt journal to reduce available appropriation balance in ACM at the 30th of June.

Receipt Journal:

Step 1 - Create Receipt Journal:

Title: <Agency Acronym> – Excess Section 31 Receipts

Agency: <Agency Name>

Year: 20XX/XX

Effective Date: 30 June 20XX/XX

Step 2 - Receipt Journal Details:

Description: <enter meaningful description>

Line 1:

Control Type: Departmental

Receipt Type: Section 31

Programme: Program A

Outcome: Outcome 1

Appropriation Source: Appropriation Act 1

Amount: \$1,000

DR/CR: DR

Cash Flow: Operating and Investment in Non-Financial Assets

Line 2:

Control Type: Administered

Receipt Type: Administered Receipts

Amount: \$1,000

DR/CR: CR

Cash Flow: Operating and Investment in Non-Financial Assets

Scenario (s31 - with GST): Departmental appropriation

- On the 1st of July, the Agency:
 - performed a service for XYZ and received \$55 (GST inclusive); and
 - transferred funds from Departmental Bank Account to the OPA.
- On the 1st of August, the Agency paid \$5 to the ATO.

Journal entries:

		Debit	Credit
1 st July	Dr. 5220002 Cash at bank	\$55	
	Cr. 3390033 GST payable		\$5
	Cr. 1220008 Rendering of services revenue		\$50
	<i>Record service revenue</i>		
	Dr. xxxxxxx Expense**	\$5	
	Cr. 5220002 Cash at bank		\$5
	<i>Transfer cash (GST) to OPA</i>		
	Dr. 5233035 Appropriation receivable*	\$50	
	Cr. 5220002 Cash at bank		\$50
	<i>Transfer cash to OPA</i>		
1 st Aug	Dr. 5220002 Cash at bank	\$5	
	Cr. xxxxxxx s30A special appropriation revenue		\$5
	<i>Cash drawdown from OPA (for paying GST liability)</i>		
	Dr. 3390033 GST payable	\$5	
	Cr. 5220002 Cash at bank		\$5
	<i>Pay ATO</i>		

* *FMA Act* s31 is an adjustment to the Agency's available appropriation balance only (soft limit). This adjustment is recognised formally at the time when the cash is returned to the OPA. Legally, the amount is available to spend at the time the revenue is recorded in the agencies books.

** GST receipts must be deposited to OPA as administered receipts and recorded as expenses against the relevant departmental item.

Note: FMA Act s31 adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a receipt in ACM to record the cash transfer to the OPA on the 1st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 1 July 20XX
Receipt Total: \$5
Agency: <Agency Name>
Title: <Agency Acronym> – <Receipt Description>
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$5

Create a receipt in ACM to record the cash transfer to the OPA on the 1st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental
Receipt Date: 1 July 20XX
Receipt Total: \$50
Agency: <Agency Name>
Title: <Agency Acronym> – Section 31 Receipts July 20XX
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Section 31
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$50

Create a GDES drawdown in ACM by 2pm AEST one working day before the 1st of August to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 1st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
Payment Type: GDES
Drawdown Total: \$5
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 1 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: GST Special Appropriation
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$5

Scenario (both s30A & s31 - with net GST refund from ATO): Departmental appropriation

- On the 31st of July, the Agency received its monthly telephone invoice for \$110 (GST inclusive).
- On the 31st of August, the Agency:
 - paid the telephone bill;
 - performed a service for XYZ and received \$55 (GST inclusive); and
 - transferred the funds from Departmental Bank Account to the OPA.
- On the 30th of September, the Agency:
 - received \$5 from the ATO; and
 - transferred the funds from Departmental Bank Account to the OPA.

Journal entries:

		Debit	Credit
31 st July	Dr. 2230098 Other supplier expenses	\$100	
	Dr. 5233033 GST input credits receivable	\$10	
	Cr. 3390098 Other payables		\$110
	<i>Record receipt of telephone invoice</i>		
31 st Aug	Dr. 5220002 Cash at bank	\$110	
	Cr. xxxxxxx s30A special appropriation revenue		\$10
	Cr. 5233035 Appropriation receivable		\$100
	<i>Cash drawdown from OPA (for paying GST) and for bill payment</i>		
	Dr. 3390098 Other payables	\$110	
	Cr. 5220002 Cash at bank		\$110
	<i>Pay the invoice</i>		
	Dr. 5220002 Cash at bank	\$55	
	Cr. 3390033 GST payable		\$5
	Cr. 1220008 Rendering of services revenue		\$50
	<i>Record service revenue</i>		
	Dr. 5233035 Appropriation receivable*	\$50	
	Dr. xxxxxxx Expense**	\$5	
	Cr. 5220002 Cash at bank		\$55
	<i>Transfer cash to OPA (GST transferred as departmental expense to administered receipt)</i>		

		Debit	Credit
30 th Sept	Dr. 5220002 Cash at bank	\$5	
	Cr. 5233033 GST input credits receivable		\$5
	<i>Received cash from ATO</i>		
	Dr. xxxxxxx Expense**	\$5	
	Cr. 5220002 Cash at bank		\$5
	<i>Transfer cash to OPA (GST transferred as departmental expense to administered receipt)</i>		

* *FMA Act s31* is an adjustment to the Agency's available appropriation balance only (soft limit). This adjustment is recognised formally at the time when the cash is returned to the OPA. Legally, the amount is available to spend at the time the revenue is recorded in the agencies books.

** GST receipts must be deposited to OPA as administered receipts and recorded as expenses against the relevant departmental item.

ACM Transactions:

Create a GDES drawdown in ACM by 2pm AEST one working day before the 31st of August to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
 Payment Type: GDES
 Drawdown Total: \$100
 Agency: <Agency Name>
 Title: <Agency Acronym> – Daily Payment Run
 Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
 Description: <enter meaningful description>
 Programme: Other-departmental
 Outcome: Outcome 1
 Appropriation Source: Appropriation Act 1
 Cash Flow: Operating and Investment in Non-Financial Assets
 Amount: \$100

Create a GDES drawdown in ACM by 2pm AEST one working day before the 31st of August to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
 Payment Type: GDES
 Drawdown Total: \$10
 Agency: <Agency Name>
 Title: <Agency Acronym> – Daily Payment Run
 Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
 Description: <enter meaningful description>
 Programme: Program A
 Outcome: Outcome 1
 Appropriation Source: GST Special Appropriation
 Cash Flow: Operating and Investment in Non-Financial Assets
 Amount: \$10

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of August (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental
Receipt Date: 31 August 20XX
Receipt Total: \$50
Agency: <Agency Name>
Title:
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Appropriation Returns
Programme: Other-departmental
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$50

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of August (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 31 August 20XX
Receipt Total: \$5
Agency: <Agency Name>
Title: <Agency Acronym> – <Receipt Description>
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$5

Create a receipt in ACM to record the cash transfer to the OPA on the 30st of Sept (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 31 July 20XX
Receipt Total: \$5
Agency: <Agency Name>
Title: <Agency Acronym> – <Receipt Description>
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$5

Scenario (both s30A & s31 - with net GST payment to ATO): Departmental appropriation

- On the 31st of July, the Agency received its monthly telephone invoice for \$55 (GST inclusive).
- On the 31st of August, the Agency:
 - paid the telephone bill;
 - performed a service for XYZ and received \$110 (GST inclusive); and
 - transferred the funds from Departmental Bank Account to the OPA.
- On the 30th of September, the Agency paid \$5 to the ATO.

Journal entries:

		Debit	Credit
31 st July	Dr. 2230098 Other supplier expenses	\$50	
	Dr. 5233033 GST input credits receivable	\$5	
	Cr. 3390098 Other payables		\$55
	<i>Record receipt of telephone invoice</i>		
31 st Aug	Dr. 5220002 Cash at bank	\$55	
	Cr. xxxxxxxx s30A special appropriation revenue		\$5
	Cr. 5233035 Appropriation receivable		\$50
	<i>Cash drawdown from OPA (for paying GST) and for bill payment</i>		
	Dr. 3390098 Other payables	\$55	
	Cr. 5220002 Cash at bank		\$55
	<i>Pay the telephone bill</i>		
	Dr. 5220002 Cash at bank	\$110	
	Cr. 3390033 GST payable		\$10
	Cr. 1220008 Rendering of services revenue		\$100
	<i>Record service revenue</i>		
	Dr. 5233035 Appropriation receivable*	\$100	
	Dr. xxxxxxxx Expense**	\$10	
	Cr. 5220002 Cash at bank		\$110
	<i>Transfer cash to OPA (GST transferred as departmental expense to administered receipt)</i>		

30 th Sept	Dr. 5220002 Cash at bank	\$5	
	Cr. xxxxxxxx s30A special appropriation revenue*		\$5
	<i>Cash drawdown from OPA (for paying GST liability)</i>		
	Dr. 5233033 GST input credits receivable	\$5	
	Cr. 5220002 Cash at bank		\$5
	<i>Payment to ATO</i>		

* *FMA Act s31* is an adjustment to the Agency's available appropriation balance only (soft limit). This adjustment is recognised formally at the time when the cash is returned to the OPA. Legally, the amount is available to spend at the time the revenue is recorded in the agencies books.

** GST receipts must be deposited to OPA as administered receipts and recorded as expenses against the relevant departmental item.

ACM Transactions:

Create a GDES drawdown in ACM by 2pm AEST one working day before the 31st of August to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
 Payment Type: GDES
 Drawdown Total: \$50
 Agency: <Agency Name>
 Title: <Agency Acronym> – Daily Payment Run
 Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
 Description: <enter meaningful description>
 Programme: Other-departmental
 Outcome: Outcome 1
 Appropriation Source: Appropriation Act 1
 Cash Flow: Operating and Investment in Non-Financial Assets
 Amount: \$50

Create a GDES drawdown in ACM by 2pm AEST one working day before the 31st of August to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
 Payment Type: GDES
 Drawdown Total: \$5
 Agency: <Agency Name>
 Title: <Agency Acronym> – Daily Payment Run
 Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
 Description: <enter meaningful description>
 Programme: Program A
 Outcome: Outcome 1
 Appropriation Source: GST Special Appropriation
 Cash Flow: Operating and Investment in Non-Financial Assets
 Amount: \$5

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of August (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Departmental
Receipt Date: 31 August 20XX
Receipt Total: \$100
Agency: <Agency Name>
Title:
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Appropriation Returns
Programme: Other-departmental
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$100

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of August (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 31 August 20XX
Receipt Total: \$10
Agency: <Agency Name>
Title: <Agency Acronym> – <Receipt Description>
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$10

Create a GDES drawdown in ACM by 2pm AEST one working day before the 30st of Sept to transfer the cash from the OPA to the Agency's Official Departmental Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Departmental
Payment Type: GDES
Drawdown Total: \$5
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: GST Special Appropriation
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$5

D05 - Transfer of functions (s32)

Scenario: Departmental appropriation

- On the 1st of July it was announced that Agency A would transfer some of its functions to Agency B.
- The Finance Delegate signed a section 32 determination on the 15th of July with the determination to commence on the 31st of July.

Financial data extracted from Agency A's records in relation to the function transferred:

Agency A's Financial Data	\$M
Current year departmental outputs appropriation	41.8
Prior year departmental outputs appropriations receivable	11.1
Total appropriation	52.9
Expenses (to date of transfer)	19.2
Cash payments (to date of transfer)	26.6

Calculations - Amount of section 32 determination transferred to Agency B:

Step 1	\$M
Appropriations for current year outputs	41.8
<i>Less:</i> Expenses (to date of transfer)	(19.2)
Current year appropriation available to be transferred to Agency B	22.6
Step 2	
Cash payments (to date of transfer)	26.6
<i>Less:</i> Expenses (to date of transfer)	(19.2)
Cash payments for prior year expenses (to date of transfer)	7.4
Step 3	
Prior year appropriation receivable	11.1
<i>Less:</i> Cash payments for prior year expenses (to date of transfer) – from Step 2	(7.4)
Prior year appropriation available to be transferred to Agency B	3.7
Step 4	
Current year appropriation to be transferred – from step 1	22.6
<i>Add:</i> Prior year appropriation to be transferred – from step 3	3.7
Amount of s32 determination transferred to Agency B	26.3

Journal entries – Agency A:

		Debit	Credit
31 st July	Dr. 4000003 Equity*	\$3.7M	
2010	Cr. 5233035 Appropriation receivable <i>Prior year amount transferred</i>		\$3.7M
	Dr. 1280010 Revenue from government**	\$22.6M	
	Cr. 5233035 Appropriation receivable <i>Current year amount transferred</i>		\$22.6M

* Prior year amount transferred is an adjustment to equity not revenue because Agency A would have booked the revenue in prior periods.

** Current year amount transferred is an adjustment to the Agency's appropriation revenue account.

Journal entries – Agency B:

		Debit	Credit
31 st July	Dr. 5233035 Appropriation receivable	\$26.3M	
2010	Cr. 4000003 Equity*		\$3.7M
	Cr. 1280010 Revenue from government** <i>Current and prior year amount transferred</i>		\$22.6M

*, ** see journal entries – Agency A

Note: FMA Act s32 transfers are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions (OPA Admin Team):

31st July:

- *Agency A Appropriation (Budget Transaction) reduced by:*
 - *\$22.6M current year; and*
 - *\$3.7M prior year.*
- *Agency B Appropriation (Budget Transaction) increased by:*
 - *\$26.3M current year.*

D06 - Advance to the Finance Minister (Annual Appropriations Act)

Scenario: Departmental appropriation

- On the 31st of January, the Finance Minister made a determination (under Annual Appropriations Acts No.1 s13) to advance \$2.5M (as departmental items) to the Agency.

Journal entries:

		Debit	Credit
31 st Jan	Dr. 5233035 Appropriation receivable	\$2.5M	
	Cr. 1280010 Revenue from government*		\$2.5M
	<i>Record Advance to the Finance Minister</i>		

* Advance to the Finance Minister is an adjustment to the Agency's appropriation revenue account.

Note: Advances to the Finance Minister are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions (OPA Admin Team):

31st Jan:

- Departmental Annual Appropriation increased (Budget Transaction) by \$2.5M:*
 - Program A;*
 - Outcome 1; and*
 - Appropriation Act 1 (Advance to the Finance Minister).*

D07 - Reducing departmental items (Annual Appropriations Act s10)

Scenario (current year reduction): Departmental appropriation

- On the 31st of May, the Finance Minister made a determination to reduce \$3.7M of the Agency's departmental items for the current year.

Journal entries:

		Debit	Credit
31 st May	Dr. 1280010 Revenue from government	\$3.7M	
	Cr. 5233035 Appropriation receivable		\$3.7M
	<i>Record s10 reduction</i>		

Scenario (prior year reduction): Departmental appropriation

- On the 31st of May, the Finance Minister made a determination to reduce \$5.2M of the Agency's departmental items for a previous year.

Journal entries:

		Debit	Credit
31 st May	Dr. 4000003 Equity	\$5.2M	
	Cr. 5233035 Appropriation receivable		\$5.2M
	<i>Record s10 reduction</i>		

Note: Reductions to departmental items are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions (OPA Admin Team):

31st May:

- Appropriation (Budget Transaction) reduced by:*
 - \$3.7M current year; and
 - \$5.2M prior year.

D08 - Funding to be provided in subsequent years for additional output in the current year

Scenario: Departmental appropriation

- On the 1st of July 20X1, the Government requested the Agency to perform additional work with appropriation to be provided next financial year of \$5M (departmental).
- On the 1st of July 20X2, the Government provided the Agency with \$50M (including the \$5M for additional output in 20X1).

Journal entries:

		Debit	Credit
1 st July 20X1	Dr. 5233000 Other receivables	\$5M	
	Cr. 1280010 Revenue from government*		\$5M
	<i>Record appropriation revenue for additional output</i>		
1 st July 20X2	Dr. 5233035 Appropriation receivable	\$50M	
	Cr. 5233000 Other receivables		\$5M
	Cr. 1280010 Revenue from government**		\$45M
	<i>Record appropriation revenue</i>		

* The agency must record the appropriation revenue and an appropriation receivable in the year of agreement for the amount agreed.

** The Agency's 20X2 appropriation revenue is net of the \$5M as \$5M appropriation revenue has been recognised in 20X1.

Note: Funding to be provided in subsequent years for additional output in the current year is disclosed in Table A of the appropriations note of the financial statements in the comparative table only (i.e. 20X1).

ACM Transactions (OPA Admin Team):

1st July 20X2:

- Agency A Appropriation (Budget Transaction) increased by:
 - \$50M current year.

Administered Illustrative Examples

A01 - Repayments to the Commonwealth (s30)

Scenario: Administered appropriation

- On the 1st of July, the Agency paid \$250 to XYZ for stationery supplies using an administered appropriation.
- On the 31st of July:
 - XYZ advised the Agency that it had been overpaid and refunded \$50 to the Agency into the Agency's Administered Receipts Bank Account; and
 - the funds were swept to the OPA.

Journal entries:

		Debit	Credit
1 st July	Dr. 5220002 Cash at bank	\$250	
	Cr. 4100001 Accumulated results**		\$250
	<i>Drawdown from OPA</i>		
	Dr. 2230098 Other supplier expenses	\$250	
	Cr. 5220002 Cash at bank		\$250
	<i>Record purchase of stationery supplies</i>		
31 st July	Dr. 5220002 Cash at bank	\$50	
	Cr. 2230098 Other supplier expenses*		\$50
	<i>Reduce stationery expenses by the amount refunded</i>		
	Dr. 4100001 Accumulated results**	\$50	
	Cr. 5220002 Cash at bank		\$50
	<i>Transfer cash to OPA</i>		

* This is a repayment during the same year, thus it is credited against the item to which the payment was charged. Amounts paid out in error and recovered during future years should be recorded as revenue, unless they merely give rise to a balance sheet adjustment.

** In CBMS this entry would be made via the movement account in the equity table. Entities would normally have an equity account in the FMIS called "Cash transferred from OPA" or similar.

Note: FMA Act s30 adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a GDES drawdown in ACM by 2pm AEST one working day before the 1st of July to transfer the cash from the OPA to the Agency's Official Administered Payments Bank Account on the 1st of July.

Step 1 - Create Drawdown:

Control Type: Administered
Payment Type: GDES
Drawdown Total: \$250
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 1 July 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$250

Create a receipt in ACM to record the cash transfer to the OPA on the 31st of July (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 31 July 20XX
Receipt Total: \$50
Agency: <Agency Name>
Title: <Agency Acronym> – Section 30 Repayment
July 20XX
Receipt Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Appropriation Returns
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$50

A02 - Recoverable GST (s30A)

Scenario: Administered appropriation

- On the 31st of July, XYZ invoiced the Agency \$110 (GST inclusive) for minor repairs to an administered asset.
- On the 31st of August, the Agency paid the invoice.
- On the 30th of September:
 - the Agency received \$10 for its input tax credit from the ATO into the Agency's Administered Receipts Bank Account; and
 - the funds swept to the OPA.

Journal entries:

		Debit	Credit
31 st July	Dr. 2230098 Other supplier expenses	\$100	
	Dr. 5233033 GST input credits receivable	\$10	
	Cr. 3390098 Other payables		\$110
	<i>Record repair expenses</i>		
31 st Aug	Dr. 5220002 Cash at bank	\$10	
	Cr. 4100001 Accumulated results*		\$10
	<i>Cash drawdown from OPA (for paying GST)</i>		
	Dr. 5220002 Cash at bank	\$100	
	Cr. 4100001 Accumulated results*		\$100
	<i>Cash drawdown from OPA</i>		
	Dr. 3390098 Other payables	\$110	
	Cr. 5220002 Cash at bank		\$110
	<i>Pay the repair bill</i>		
30 st Sept	Dr. 5220002 Cash at bank	\$10	
	Cr. 5233033 GST input credits receivable		\$10
	<i>Received cash from ATO</i>		
	Dr. 4100001 Accumulated results*	\$10	
	Cr. 5220002 Cash at bank		\$10
	<i>Transfer to OPA</i>		

* In CBMS this entry would be made via the movement account in the equity table. Entities would normally have an equity account in the FMIS called "Cash transferred from OPA" or similar.

Note: FMA Act s30A adjustments are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions:

Create a GDES drawdown by 2pm AEST one working day before the 31st of August in ACM to transfer the cash from the OPA to the Agency's Official Administered Payments Bank Account on the 31st of August.

Step 1 - Create Drawdown:

Control Type: Administered
Payment Type: GDES
Drawdown Total: \$110
Agency: <Agency Name>
Title: <Agency Acronym> – Daily Payment Run
Drawdown Year: 20XX/XX

Step 2 - Drawdown Details:

Fund Release Date: 31 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: Appropriation Act 1
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$100
Fund Release Date: 31 August 20XX
Description: <enter meaningful description>
Programme: Program A
Outcome: Outcome 1
Appropriation Source: GST Special Appropriation
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$10

Create a receipt in ACM to record the cash transfer to the OPA (Note: must be within two working days of the receipt date).

Step 1 - Create Receipt:

Control Type: Administered
Receipt Date: 30 Sept 20XX
Receipt Total: \$10
Agency: <Agency Name>
Title: <Agency Acronym> – BSA Refund
Drawdown Year: 20XX/XX

Step 2 - Receipt Details:

Description: <enter meaningful description>
Receipt Type: Administered Receipt
Programme: n/a
Outcome: n/a
Appropriation Source: n/a
Cash Flow: Operating and Investment in Non-Financial Assets
Amount: \$10

A03 - Advance to the Finance Minister (Annual Appropriations Act)

Scenario: Administered appropriation

- On the 31st of January, the Finance Minister made a determination (under Annual Appropriations Acts No.1 s13) to advance \$2.5M (as administered items) to the Agency.

Journal entries:

		Debit	Credit
31 st Jan	Dr. 5233035 Appropriation receivable	\$2.5M	
	Cr. 4100001 Accumulated results*		\$2.5M
	<i>Record Advance to the Finance Minister</i>		

* In CBMS this entry would be made via the movement account in the equity table. Entities would normally have an equity account in the FMIS called “Cash transferred from OPA” or similar.

Note: Advances to the Finance Minister are disclosed in Table A of the appropriations note of the financial statements.

ACM Transactions (OPA Admin Team):

31st Jan:

- Administered Appropriation increased (Budget Transaction) by \$2.5M:
 - Program A;
 - Outcome 1; and
 - Appropriation Act 1 (Advance to the Finance Minister).

Definitions:

- An appropriation is an authority under the law to draw money from the consolidated revenue fund.
- An administered appropriation is administered by an agency on behalf of the government. They are normally governed by eligibility rules and conditions established by the government or parliament, such as grants, subsidies and benefit payments.
- A departmental appropriation provides for operating costs of an agency over which it has control to achieve government outcomes.
- The Official Public Account means a group of bank accounts, known as the Official Public Account (OPA) Group, the aggregate balance of which represents the daily cash position of the government.
- Royal Assent occurs when the Governor-General signs Acts after they have been passed by Parliament.