This guide contains material that has been prepared to assist non-corporate Commonwealth entities to apply the principles and requirements of the Public Governance, Performance and Accountability Act 2013 and associated rules, and any applicable policies, in the preparation of the entities' annual reports. In this guide, the principles or requirements are set out as things entities 'should' do, while actions or practices that entities are expected to take into account to give effect to those principles or requirements are set out as things entities 'should consider' doing.
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Audience

This guide applies to the accountable authorities of non-corporate Commonwealth entities. The guide is also intended to support units responsible for preparing the annual report within non-corporate Commonwealth entities.

Key points

This guide:

- sets out the obligations for non-corporate Commonwealth entities under section 46 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act) to prepare an annual report
- provides guidance on fulfilling the mandatory requirements for the content of annual reports as prescribed by the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) in sections 17AA to 17AJ in Subdivision A – Annual report for non-corporate Commonwealth entities.

The guide applies to annual reports for reporting periods that begin on or after 1 July 2015.

Resources

This guide is available on the Department of Finance website at [www.finance.gov.au](http://www.finance.gov.au) and relates to the following guidance:

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<th>RMG No.</th>
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Part 1 – Introduction

What is an annual report?

1. The primary purpose of annual reports of non-corporate Commonwealth entities is accountability, in particular to the Parliament.

2. Annual reports serve to inform the Parliament (through the responsible Minister), other stakeholders, educational and research institutions, the media and the general public about the performance of entities in relation to activities undertaken. Annual reports are also a key reference document and a document for internal management. They form a critical part of the historical record.

3. Annual reports form part of the formal accountability mechanism between government and entities, and between entities – through (or on behalf of) government – and the Parliament of Australia. Annual reports are reports from accountable authorities to the responsible Minister, for tabling in the Parliament.

4. Annual reports are also a key element of the enhanced Commonwealth performance framework, established under the PGPA Act. The reporting of the actual performance of entities in the annual report against the planned performance information outlined in their Portfolio Budget Statements and corporate plans are important parts of the Commonwealth’s resource management framework.

5. Annual reports coexist with additional information available through other sources, including entity websites.

Principles underlying annual report requirements

6. When non-corporate Commonwealth entities are preparing an annual report, they should consider the following principles. An annual report should:

- be written in plain English and provide sufficient information and analysis for the Parliament to make a fully informed judgment on entity performance
- align with the overall Commonwealth resource management framework, PGPA Act, PGPA Rule and the enhanced Commonwealth performance framework
- reflect the harmonisation, as far as practicable, of reporting regimes within government (including corporate plans, Portfolio Budget Statements, Portfolio Additional Estimates Statements and other portfolio statements accompanying any other additional appropriation bills), and between the government and non-government sectors
- include consideration by the accountable authority of the relative benefits and costs involved as to the level to which particular matters are reported.
Part 2 – The role of annual reports in the enhanced Commonwealth performance framework

7. The enhanced Commonwealth performance framework addresses performance planning, measurement and reporting through the planned performance information presented by entities in their Portfolio Budget Statements and corporate plans, and reported in entities’ annual performance statements included in annual reports. Each entity is required to identify its purposes, which include its objectives, functions and role. Figure 1 shows the main elements of the framework and the annual cycle.

8. As part of the enhanced Commonwealth performance framework, annual reports that include annual performance statements should report on the achievement of the targets outlined in entities’ Portfolio Budget Statements and corporate plans.

Figure 1: The enhanced Commonwealth performance framework

9. Portfolio Budget Statements, corporate plans, annual performance statements and annual reports provide the government and the Parliament with detailed information about the actual financial and non-financial performance of entities, and forecasts of future needs and expectations. The ‘clear read’ between corporate plans and Portfolio Budget Statements on the one hand, and annual reports and annual performance statements on the other, is an essential part of the accountability system that compares performance targets and figures against the outcomes actually achieved.

10. A strong emphasis is placed on compatibility between budget and performance information documents, and entities should focus on presenting an annual report that combines with the entities’ annual performance statement to provide a clear end-of-cycle picture of an entity's performance.
Part 3 – Preliminary

Authority for specific requirements for annual reports for non-corporate Commonwealth entities

11. The requirements for non-corporate Commonwealth entities’ annual reports are prescribed by Subdivision A of Division 3A of the PGPA Rule. The subdivision is made for subsection 46(3) of the PGPA Act. The requirements for content to be included in entities’ annual reports were approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit on 2 May 2016.

Commencement and reporting period

12. The amendment to the PGPA Rule to prescribe the requirements for content to be included in annual reports came into force on 7 May 2016 and applies in relation to any reporting period that begins on or after 1 July 2015.

Application

13. The annual report requirements prescribed in sections 17AA to 17AJ of the PGPA Rule apply to the accountable authorities of all non-corporate Commonwealth entities, as defined in section 11 of the PGPA Act.

14. Annual report requirements for corporate Commonwealth entities and Commonwealth companies, as defined in sections 11 and 89 of the PGPA Act, are provided in:

- Resource Management Guide No. 136 – Annual reports for corporate Commonwealth entities

Both guides are available on the Department of Finance’s website at www.finance.gov.au.
Commonwealth entities ceasing to exist or functions transferred

Public Governance, Performance and Accountability Rule 2014
17A Commonwealth entities ceasing to exist or functions transferred

Commonwealth entity ceases to exist

(1) If a Commonwealth entity (the old entity) ceases to exist, then the accountable authority of another Commonwealth entity nominated by the Finance Minister must prepare:
   (a) the annual performance statements for the old entity; and
   (b) the annual financial statements for the old entity; and
   (c) the annual report for the old entity;
   that the accountable authority of the old entity would have been required to prepare under the Act if the old entity had not ceased to exist.

(2) Subsection (1) applies only to the extent that the old entity’s functions are not transferred to one or more other Commonwealth entities.

Note: See subsection (3) for when a function of the old entity is transferred to another Commonwealth entity.

Transfer of Commonwealth entity’s functions

(3) If a function of a Commonwealth entity (the old entity) is transferred to one or more other Commonwealth entities, either because the old entity ceases to exist or for any other reason, then the accountable authority of the entity or entities to which the function has been transferred must prepare:
   (a) the annual performance statements for the old entity that relate to that function; and
   (b) the annual financial statements for the old entity that relate to that function; and
   (c) the annual report for the old entity that relate to that function;
   that the accountable authority of the old entity would have been required to prepare under the Act if the function had not been transferred.

(4) Despite subsection (3), if the Finance Minister nominates another Commonwealth entity to prepare for the old entity the statements and report mentioned in that subsection, the nominated entity must prepare the statements and report, instead of the entity or entities to which the function has been transferred.

15. In cases of machinery-of-government changes during the reporting period, where functions or offices are gained or lost by an entity, section 17A of the PGPA Rule sets out the requirements relating to the preparation of annual reports, annual performance statements and financial statements. Specifically, section 17A mandates that, where a function or office is transferred between entities, the gaining entity will take responsibility for the mandatory reporting requirements under the PGPA Act for those functions. This includes instances where functions are transferred as a result of an entity ceasing its operation.

16. In the case of any doubt, section 17A of the PGPA Rule allows for the Finance Minister to nominate the entity responsible for preparing the annual report of the old entity.
17. Section 46 of the PGPA Act requires that accountable authorities prepare and present annual reports for their entity to the responsible Minister by the 15th day of the fourth month after the end of the reporting period. For entities that report on a financial year basis, this requires the annual report to be prepared and provided to the responsible Minister by 15 October for each reporting period.

18. It has been practice for the responsible Minister to present the report to each house of the Parliament on or before 31 October. If Senate Supplementary Budget Estimates hearings are scheduled to occur before 31 October, Ministers have sought to table annual reports prior to those hearings.

19. The provisions of subsections 34C(4) to (7) of the Acts Interpretation Act 1901 allow for an application for extension of the period for presenting annual reports. An extension should only be sought if it would not be reasonably possible for the report to be prepared within the specified timeframes.
Part 4 – Parliamentary standards and clear design

Parliamentary standards of presentation

Public Governance, Performance and Accountability Rule 2014

17AB Parliamentary standards of presentation

The annual report for a non-corporate Commonwealth entity must comply with guidelines for presenting documents to the Parliament.

20. Section 46(1) of the PGPA Act requires that the annual reports be prepared by an entity for presentation to the Parliament by the entity’s responsible Minister.

21. The Department of the Prime Minister and Cabinet publishes guidelines that Commonwealth entities should follow when arranging for the presentation of documents to the Parliament. These guidelines can be accessed at www.dpmc.gov.au/resource-centre/government/guidelines-presentation-documents-parliament-0.

22. It is the responsibility of individual entities to ensure compliance with the tabling requirements in the guidelines.

23. Part 6 of this guide provides further information on production and distribution guidelines and requirements for the preparation of annual reports for entities.

Plain English and clear design

Public Governance, Performance and Accountability Rule 2014

17AC Plain English and clear design

(1) The annual report for a non-corporate Commonwealth entity must be prepared having regard to the interests of the Parliament and any other persons who are interested in the annual report.

(2) Information included in the annual report must be relevant, reliable, concise, understandable and balanced, including through doing the following, where practicable:

(a) using clear design (for example, through headings and adequate spacing);
(b) defining acronyms and technical terms (for example, in a glossary);
(c) using tables, graphs, diagrams and charts;
(d) including any additional matters as appropriate.

24. Annual reports are key documents of accountability and transparency to the Parliament and the public. Subsection 17AC(1) of the PGPA Rule requires the annual reports prepared by entities to inform the Parliament and other interested persons. That is, annual reports should be prepared to best provide readers with a clear account of the operations and performance of the entity for the reporting period.

25. Subsection 17AC(2) of the PGPA Rule requires the information included in annual reports to be relevant, reliable, concise, understandable and balanced. To promote this, the PGPA Rule lists the following criteria to be used where practicable:

- using clear design (for example, through headings and adequate space)
Part 5 – Specific annual report content requirements

Public Governance, Performance and Accountability Rule 2014

17AD Specific requirements for annual reports

The annual report for a non-corporate Commonwealth entity for a reporting period must include the following:

(a) a review by the accountable authority of the entity for the period;
(b) an overview of the entity for the period in accordance with section 17AE;
(c) a report on the performance of the entity for the period that includes:
   i) the annual performance statements for the entity for the period in accordance with paragraph 39(1)(b) of the Act and section 16F of this rule; and
   ii) a report on the financial performance of the entity for the period in accordance with section 17AF;
(d) information on the management and accountability of the entity for the period in accordance with section 17AG;
(e) the annual financial statements for the entity for the period in accordance with subsection 43(4) of the Act;
(f) the other mandatory information referred to in section 17AH;
(g) a letter of transmittal in accordance with section 17AI;
(h) aids to access in accordance with section 17AJ.

Note 1: The review by the accountable authority may include a summary of significant issues for the entity, an overview of the entity’s performance and financial results and an outlook for the next reporting period.

Note 2: Other legislation may require non-corporate Commonwealth entities to include additional matters in the annual report. Guidance material for this section specifies some of that other legislation.

Note 3: For when the annual report must be given to the responsible Minister, see subsection 46(2) of the Act.

26. Section 17AD of the PGPA Rule establishes the core set of information required to be included in annual reports to ensure that accountability requirements are met and to provide consistency for readers. The annual report must include the following items:

- a review by the accountable authority
- an entity overview
- a report on the performance (including both the entity's annual performance statements and a report on the financial performance of the entity)
- information on the management and accountability of the entity
- the financial statements of the entity
- other mandatory information
- a letter of transmittal
27. The required standards for these items are set out in Parts 5(a) – 5(h) of this guide.

28. Entities vary in role and size, and accountable authorities have discretion as to the extent of information to include in annual reports and the sequence in which it is presented, as long as the requirements for information set out in the PGPA Rule are met. Whether or not particular information should be reported, should be decided, in the absence of any contrary direction in this guide, having regard to the principles underlying annual report requirements as detailed in the introduction to this guide.

Part 5(a) – Review by the accountable authority

<table>
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<tr>
<td><strong>17AD Specific requirements for annual reports</strong></td>
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<tr>
<td>(a) a review by the accountable authority of the entity for the period.</td>
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</table>

29. Subsection 17AD(a) of the PGPA Rule requires that the annual report include a review by the accountable authority of the entity for the reporting period. The content of this review is at the discretion of the accountable authority; however, it is suggested that the review may include:

- a summary of the significant issues and developments for the entity during reporting period
- an overview of the entity's performance and financial results
- the outlook for the following reporting period.

If the entity is a department of state that oversees a portfolio, the review may also include a summary of the significant issues and developments for the portfolio during the reporting period.
Part 5(b) – Overview of the entity

Public Governance, Performance and Accountability Rule 2014

17AE Overview of the entity

(1) For the purposes of paragraph 17AD(b), the overview of the entity for the period must include:

(a) a description of the entity, including the following:
   (i) the role and functions of the entity;
   (ii) an outline of the organisational structure of the entity;
   (iii) the outcomes and programmes administered by the entity during the period;
   (iv) the purposes of the entity as included in the entity’s corporate plan for the period; and

(b) if the entity is a Department of State—an outline of the structure of the portfolio that includes the Department.

(2) If the outcomes and programmes administered by the entity during the period are not the same as the outcomes and programmes included in any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, the report must set out and explain the reasons for the differences.

30. Subsection 17AD(b) of the PGPA Rule requires that the annual report include an overview of the entity for the reporting period. Subsection 17AE(1) of the PGPA Rule requires that the overview contain information describing the:

- role(s) and function(s) of the entity in the period
- organisational structure of the entity
- outcome and program structure of the entity as published in the relevant Portfolio Budget Statements for the reporting period
- purpose(s) of the entity as published in the entity’s corporate plan prepared for the reporting period under section 35(1) of the PGPA Act.

Additionally, if the entity is a department of state that oversees a portfolio, the overview must also include a summary of the significant issues and developments for the portfolio during the reporting period.

31. Entities should note that when providing details of outcome and program structures, this information must be consistent or reconcilable with information in the Portfolio Budget Statements, Portfolio Additional Estimates Statements or other portfolio estimate statements relating to the entity for the period covered by the annual report. Where an entity reports using a structure different to the Portfolio Budget Statements, the report must detail the variations and explain the reasons for the change.
Part 5(c)– Report on performance

Public Governance, Performance and Accountability Rule 2014

17AD Specific requirements for annual reports

(c) a report on the performance of the entity for the period that includes:
   (i) the annual performance statements for the entity for the period in
       accordance with paragraph 39(1)(b) of the Act and section 16F of this
       rule; and
   (ii) a report on the financial performance of the entity for the period in
        accordance with section 17AF;

32. Subsection 17AD(c) of the PGPA Rule requires that the annual report include a report on
    the performance of the entity over the reporting period. The content of this report must
    include two core elements:

    • the annual performance statements of the entity prepared in accordance with
      paragraph 39(1)(b) of the PGPA Act and section 16F of the PGPA Rule
    • a report on the financial performance of the entity for the reporting period.

33. The report on performance is intended to demonstrate how the entity has performed
    during the year in relation to the entity's purpose(s) and program(s) and, where
    possible, indicate the entity's effectiveness in achieving its planned or intended results.
    Descriptions of processes and activities should be avoided. Rather, reporting should be
    aimed at providing an assessment of how the entity has progressed toward the
    achievement of its intended results.

34. Further details on the two core elements of the report on performance can be found in
    Part 5(c)(a) and Part 5(c)(b) below.

Part 5(c)(a) – Report on performance – annual performance statement

Public Governance, Performance and Accountability Rule 2014

17AD Specific requirements for annual reports

(c) a report on the performance of the entity for the period that includes:
   (i) the annual performance statements for the entity for the period in
       accordance with paragraph 39(1)(b) of the Act and section 16F of this
       rule; and

35. Paragraph 17AD(c)(i) requires that the annual report includes an entity's annual
    performance statement as prepared in accordance with section 16F of the PGPA Rule.

36. The annual performance statements are intended to be the key location for all public
    data on the actual performance of an entity in a reporting period. The content reported
    by entities in their statements must directly reflect the actual results achieved against
    the planned performance criteria set out in their corporate plans and Portfolio Budget
    Statements for the reporting period.
37. Entities should note that the annual performance statements must report on the performance of the entity in fulfilling its purpose(s) during the reporting period. This can only be achieved by an entity acquitting the performance criteria as published in both its corporate plan and the relevant Portfolio Budget Statements for the reporting period. However, to demonstrate the fulfilment of their purpose(s), entities will need to clearly map (or attribute) each Portfolio Budget Statement's performance criterion to the entity's purpose(s). This mapping will serve to establish a 'clear read' between the entity's corporate plan, relevant Portfolio Budget Statements, annual performance statements and the annual report, and ensure that the reader can clearly see how (and how well) the entity is fulfilling its purpose(s).

38. It is expected that the annual performance statements should be presented in a consistent form by all entities. Appendix A to this guide provides a suggested presentation structure for the annual performance statements. Entities may depart from the suggested structure if necessary, but should be prepared to explain their reasons for doing so. Also, entities may expand or add information beyond the suggested structure if it is necessary to clearly convey the full breadth and complexity of the performance story of the entity for the reporting period.


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**Public Governance, Performance and Accountability Rule 2014**

**17AF Report on financial performance**

(1) For the purposes of subparagraph 17AD(c)(ii), the report on the financial performance of the entity for the period must include:

(a) a discussion and analysis of the entity's financial performance during the period; and

(b) a table summarising the total resources of the entity, and the total payments made by the entity, during the period.

Note 1: Guidance material for this section sets out the preferred format of the table mentioned in paragraph (1)(b).

Note 2: The annual performance statements (which deal with the non-financial performance of the entity) are dealt with in section 16F of this rule.

(2) If there have been or may be significant changes in financial results during or after the reporting period, or from the previous reporting period, the annual report must describe those changes, including in relation to:

(a) the cause of any operating loss of the entity, how the entity has responded to the loss and the actions that have been taken in relation to the loss; and

(b) any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.
40. Paragraph 17AD(c)(ii) requires that the annual report include a report on the financial performance of the entity in the reporting period. Section 17AF of the PGPA Rule requires the report on financial performance to contain:

- discussion and analysis of the entity’s financial performance for the reporting period
- a table summarising the total resources of the entity, and the total payments made by the entity, during the period.

41. A suggested format for the table referred to above is set out in Appendix B. The core content of the summary table is to show the total resources for the entity in comparison with the total payments made during the year. In addition, the table should also incorporate a series of summary tables showing the total resources for each outcome administered by the entity. These tables should be consistent with the corresponding table in relevant Portfolio Budget Statements for the entity for the reporting period. It is suggested that the tables be included in an appendix to the report.

42. Further to the core elements of the report on financial performance, subsection 17AF(2) of the PGPA Rule requires that an entity explain any significant changes in financial results. This should include any significant changes in financial results from the previous reporting period, within the reporting period (including changes since the corresponding Portfolio Budget Statements or Portfolio Additional Estimates Statements) and from the end of the reporting period, including in relation to:

- the cause of any operating loss and its implications, including how an entity has responded and the follow-up actions that have occurred
- any matter or circumstance, if it can reasonably be anticipated to have a significant impact on the entity’s future operations or financial results.

### Part 5(d) – Information on management and accountability

#### Public Governance, Performance and Accountability Rule 2014

**17AG Information on management and accountability**

(1) For the purposes of paragraph 17AD(d), this section sets out the requirements for the information on the management and accountability of the entity for the period that is to be included in the annual report.

43. Section 17AG of the PGPA Rule establishes that the annual report must contain a core set of information on the management and accountability practices of the entity in the reporting period. This requires entities to provide information in their annual report on:

- corporate governance
- external scrutiny
- management of human resources

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1 Budgeted operating losses need to be formally approved by the Finance Minister. For further information, refer to the relevant estimates memorandum in the Knowledge Management section of the Central Budget Management System.
• asset management
• purchasing
• consultants
• Australian National Audit Office access clauses
• exempt contracts
• procurement initiatives to support small business.

44. The required standards for these items are set out in Part 5(d)(a) – 5(d)(i) of this guide below.

### Part 5(d)(a) – Corporate governance

#### Public Governance, Performance and Accountability Rule 2014

**17AG Information on management and accountability**

*Corporate governance*

(2) The annual report must include the following:

(a) information on compliance with section 10 (which deals with preventing, detecting and dealing with fraud) in relation to the entity during the period;

(b) a certification by the accountable authority of the entity that:

(i) fraud risk assessments and fraud control plans have been prepared for the entity; and

(ii) appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place for the entity; and

(iii) all reasonable measures have been taken to deal appropriately with fraud relating to the entity;

(c) an outline of the structures and processes that are in place for the entity during the period to implement the principles and objectives of corporate governance;

45. Subsection 17AG(2)(a) of the PGPA Rule requires that the annual report include information on the entity's compliance with section 10 of the PGPA Rule, which sets a minimum standard for accountable authorities of Commonwealth entities for managing the risk and incidents of fraud that relate to their entity. Further information on the Commonwealth Fraud Control Framework can be found at [www.ag.gov.au/CrimeAndCorruption/FraudControl/Pages/default.aspx](http://www.ag.gov.au/CrimeAndCorruption/FraudControl/Pages/default.aspx).

46. Supporting the entity's compliance information, paragraph 17AG(2)(b) of the PGPA Rule requires the accountable authority of an entity to explicitly certify that:

- their entity has prepared fraud risk assessments and fraud control plans
- their entity has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet the specific needs of the entity
- they have taken all reasonable measures to appropriately deal with fraud relating to the entity.
47. Entities may wish to include this certification as an element of the letter of transmittal from the accountable authority. Further information on the requirements for the letter of transmittal can be found at Part 5(g) of this guide.

48. Paragraph 17AG(2)(c) of the PGPA Rule requires the annual report to include a statement of the structures and processes that the entity had in place during the year to implement the principles and objectives of corporate governance. The content of this statement is at the discretion of the accountable authority; however, it is suggested that the review may include:

- the names of the senior executive and their responsibilities
- senior management committees and their roles
- corporate and operational plans and associated performance reporting and review, including contribution to specified outcomes
- internal audit arrangements, including the approach adopted to identifying areas of significant operational or financial risk, and arrangements in place to manage those risks
- the entity's policy and practices on the establishment and maintenance of appropriate ethical standards
- how the nature and amount of remuneration for senior executive service employees is determined.

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3 The responsibilities of the senior executive should be able to be reconciled with the entity's organisational and outcome/program structures as set out under 'Overview of the entity'. Entities may choose to locate this information in the 'Overview of the entity' section.

4 Terminology in relation to entity plans may vary – it may, for example, involve strategic and business plans. The intent is to address longer term and annual plans.

5 The requirement in relation to the APS Values and Code of Conduct applies to departments and executive agencies, and prescribed agencies staffed under the Public Service Act 1999. Under section 44 of the Public Service Act 1999, the Public Service Commissioner reports annually on these issues in the State of the Service report.

6 Financial reporting requirements prescribed by the Minister for Finance require entities to disclose in their financial statements financial information in relation to senior executive remuneration (on both a cash and accrual basis) and the number of substantive senior executives by prescribed bands.
Significant non-compliance issues with finance law

**Public Governance, Performance and Accountability Rule 2014**

**17AG Information on management and accountability**

*Corporate governance*

(2) The annual report must include the following:

(d) a statement of any significant issue reported to the responsible Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with the finance law in relation to the entity;

(e) if a statement is included under paragraph (d) of this subsection—an outline of the action that has been taken to remedy the non-compliance.

49. Paragraphs 17AG(2)(d) and (e) require the annual report to contain details of any instances of significant non-compliance with the finance law as it relates to the entity in the reporting period. The finance law incorporates the PGPA Act, any rules and instruments created under the PGPA Act, and appropriation Acts.

50. This requirement replaces a previous system for compliance reporting known as the Certificate of Compliance, which was in place for the now ceased Financial Management and Accountability Act 1997 and Commonwealth Authorities and Companies Act 1997.

51. This requirement is linked to section 19 of the PGPA Act, which requires accountable authorities of Commonwealth entities to notify their responsible Minister when significant issues have been identified. As matter of better practice, Ministers should be notified as soon as possible after significant non-compliance issues are identified, and then the details of those significant non-compliance issues (as reported to the Minister under section 19 of the PGPA Act) must be reported in the entity’s annual report for the reporting period when the issue occurred.

52. If an entity identifies and reports details of significant non-compliance issues, it is then required to provide an outline of the actions it has taken to remedy the non-compliance (as per paragraph 17AG(2)(e)).

54. Subsection 17AG(3) of the PGPA Rule requires that the annual report include information on any external scrutiny of the entity that has occurred within the reporting period. The annual report must detail any significant developments in external scrutiny that the entity has been subject to and the entity’s response to those events, including information about:

- any judicial decisions, decisions of administrative tribunals, and decisions by the Australian Information Commissioner that have had a significant impact on the operation of the entity
- any reports on the operations of the entity, including by:
  - the Auditor-General
  - a Parliamentary committee
  - the Commonwealth Ombudsman
  - agency capability reviews (once released).
55. Subsection 17AG(4) of the PGPA Rule requires that the annual report include information about the entity's effectiveness in managing and developing its employees, and certain statistics on the entity's human resources.

56. Paragraph 17AG(4)(a) of the PGPA Rule requires that the annual report include an assessment of the entity's effectiveness in managing and developing its staff to achieve
its objectives (as at the end of the reporting period). The content of this assessment is at the discretion of the accountable authority; however, it is suggested that it may include:

- workforce planning and staff retention and turnover
- the main features of enterprise or collective agreements, individual flexibility arrangements, determinations made under subsection 24(1) of the *Public Service Act 1999*, common law contracts, any remaining Australian Workplace Agreements, and developments regarding agreement making and the impact of making agreements\(^7\)
- the entity’s key training and development strategies, the outcomes of training and development, and an evaluation of effectiveness
- the entity’s work health and safety performance\(^8\)
- productivity gains.

57. To support the assessment of human resources, paragraph 17AG(4)(b) of the PGPA Rule requires that the annual report include statistics on the number of APS employees\(^9\) as at the last day of the reporting period (30 June) for the current and preceding reporting year. These statistics must include:

- the number of ongoing APS employees:
  - at each APS classification level
  - who are employed on a full-time basis
  - who are employed on a part-time basis
  - by gender
  - by physical location of their workplace
  - who identify as Indigenous.

- the number of non-ongoing APS employees:
  - at each APS classification level
  - who are employed on a full-time basis
  - who are employed on a part-time basis
  - by gender
  - by physical location of their workplace
  - who identify as Indigenous.

58. Paragraph 17AG(4)(c) of the PGPA Rule requires that the annual report include information about the arrangements that employees are employed under in the entity. This may include information on any enterprise or collective agreements, individual flexibility agreements, determinations made under subsection 24(1) of the *Public Service Act 1999*, common law contracts or Australian Workplace Agreements. This information must include:

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\(^7\) Entities should take care to ensure that any information provided on individual terms and conditions arrangements does not, or cannot be used to, identify individual employees.

\(^8\) Specific information is also required pursuant to the *Work Health and Safety Act 2011*.

\(^9\) This terminology applies to departments and executive agencies, and to prescribed agencies staffed under the *Public Service Act 1999*. 

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• the number of APS employees covered by enterprise or collective agreements, individual flexibility agreements, subsection 24(1) determinations, common law contracts and Australian Workplace Agreements by Senior Executive Service (SES) employees and non-SES employees

• the salary ranges available for APS employees by classification level (the range should reflect the full span of salaries available under an enterprise or collective agreement, individual flexibility agreement, subsection 24(1) determination, common law contract and/or Australian Workplace Agreement)

• a description of the range of non-salary benefits provided by the entity to employees.

59. For those entities subject to a determination made under subsection 24(3) of the Public Service Act 1999, it would be appropriate to include a discussion of the effect of that determination when responding to this requirement. This discussion should include the number of employees covered by the determination, any supplementary arrangements entered into via subsection 24(1) determinations or common law contracts, and progress towards replacement of the determination with an enterprise or collective agreement.

60. Paragraph 17AG(4)(d) of the PGPA Rule requires that the annual report include information on performance pay, also known as performance-based bonuses. This information must include:

• the number of APS employees at each APS classification level who received performance pay

• the aggregated amount of performance payments at each APS classification level

• the average bonus payment and the range of payments at each APS classification level

• the aggregate bonus payment for the entity as a whole.

61. Detailed guidance on how to compile information on performance pay is contained in Appendix C.

Part 5(d)(d) – Asset management

Public Governance, Performance and Accountability Rule 2014

17AG Information on management and accountability

Assets management

(5) If managing assets is a significant part of the activities of the entity during the period, the annual report must include an assessment of the effectiveness of that management.

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10 Entities that do not pay, or no longer pay, performance pay should include a statement to that effect in their annual report.

11 In the case of a small entity, or a small number of employees at a given classification level (e.g. five employees or fewer), a lesser disaggregation will be necessary to ensure that individuals cannot be identified.
62. Subsection 17AG(5) of the PGPA Rule requires that the annual report include an assessment of the effectiveness of the entity's asset management practices during the reporting period. This requirement is only necessary where assets management (including assets of which the day-to-day management has been outsourced) is a significant aspect of the strategic business of the entity. Entities may wish to include a discussion of their asset management plans, particularly if a significant portion of their asset base has a life of 50 years or greater.

63. For further information and context, entities may find it useful to refer to the Joint Committee of Public Accounts and Audit Report 363 – Asset management by Commonwealth agencies, or the Australian National Audit Office’s better practice guide Strategic and operational management of assets by public sector entities, available at www.anao.gov.au/bpg_assets2010/HTML/index.html.

Part 5(d)(e) – Purchasing

Public Governance, Performance and Accountability Rule 2014

17AG Information on management and accountability

Purchasing

(6) The annual report must include an assessment of the entity’s performance during the period against the Commonwealth Procurement Rules.

64. Subsection 17AG(6) of the PGPA Rule requires that the annual report include an assessment of the entity’s performance with respect to its responsibilities under the Commonwealth Procurement Rules.

66. Subsection 17AG(7) of the PGPA Rule requires that the annual report include information on the entity’s use of contracts that engage consultants or consultancy services.

67. Many individuals, partnerships and corporations provide services to entities under contracts for services. However, not all such contractors should be categorised as consultants for the purposes of annual reporting. Consultants are distinguished from other contractors by the nature of the work they perform.

68. For reporting purposes, officials need to be able to distinguish consultancies from ‘non-consultancy’ contracts and employment contracts. Briefly, a consultant is an individual, a partnership or a corporation engaged to provide professional, independent and expert advice or services.

69. The Department of Finance has developed guidance to assist entities in identifying whether a contract is a consultancy for reporting purposes. The guidance is available at www.finance.gov.au/procurement/procurement-policy-and-guidance/buying/reporting-requirements/consultancies-reporting/principles.html.

70. Paragraph 17AG(7)(a) of the PGPA Rule requires that the annual report include a summary statement detailing:
the number of new consultancy contracts let during the year\textsuperscript{12}
the total actual expenditure on all new consultancy contracts let during the year (inclusive of GST)\textsuperscript{13}
the number of ongoing consultancy contracts that were active in the previous reporting year
the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).

71. To ensure consistency in entities’ reports, paragraph 17AG(7)(b) of the PGPA Rule requires that annual reports must include the following statement:

‘During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of $[specified million].’

72. To support the mandatory content as detailed above, entities may also consider including a table showing expenditure on consultancy contracts over the three most recent reporting periods. If doing so, care needs to be taken to ensure that expenditure on consultancies in previous years is not included in the annual report for subsequent years. That is, the table should clearly distinguish between expenditure on new consultancies compared to ongoing consultancies for each reporting period in the table.

73. In addition to the summary information in the body of the report on the number of consultancy contracts let during the year and the total expenditure on consultancy services, paragraph 17AG(7)(c) of the PGPA Rule requires that entities provide (in the body of the report or in an appendix to the report) a summary of the entity’s policy on the selection and engagement of consultants, its selection procedures, and the main categories of purposes for which consultants were engaged.

74. Typical reasons for engaging consultancy services include a requirement for specialist expertise not available within the entity or where an independent assessment is considered desirable. The selection process may involve, for example, open tender, selective tender, direct sourcing, or a panel consisting of recognised and pre-eminent experts, a consultant who had previously undertaken closely related work for the entity, or a consultant known to have the requisite skills where the value of the project did not justify the expense or delay associated with seeking tenders. Detailed guidance is available on the Department of Finance’s website at www.finance.gov.au/procurement/procurement-policy-and-guidance/buying/reporting-requirements/consultancies-reporting/principles.html.

75. In accordance with recommendation 9 of the Senate Standing Committee on Finance and Public Administration report Departmental and agency contracts: Second report on the operation of the Senate order for the production of lists of departmental and agency contracts (2003–06), entities should include a note in their annual reports referring readers to the AusTender website for information on contracts and consultancies. To

\textsuperscript{12} Entities should be mindful that this requirement includes consultancies valued below $10,000 and, as such, these contracts will not be listed on AusTender.

\textsuperscript{13} As per footnote above.
comply with this recommendation, paragraph 17AG(7)(d) of the PGPA Rule requires all entities to include the following statement in the body of their annual report:

‘Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website, www.tenders.gov.au.’

Part 5(d)(g) – Australian National Audit Office access clauses

Public Governance, Performance and Accountability Rule 2014

17AG Information on management and accountability

Australian National Audit Office access clauses

(8) If the accountable authority of the entity entered, during the period, into a contract that has a value of $100 000 or more (inclusive of GST) with a contractor, and that does not provide for the Auditor-General to have access to the contractor’s premises, the annual report must include:

(a) the name of the contractor; and
(b) the purpose and value of the contract; and
(c) the reason why a clause allowing such access was not included in the contract.

76. Subsection 17AG(8) of the PGPA Rule requires entities to include information in their annual reports on contracts that do not provide for the Auditor-General to have access to the contractor’s premises. Entities must provide details of any contract let during the reporting period of $100,000 or more (inclusive of GST) that does not provide for the Auditor-General to have access to the contractor’s premises. The annual report must include the name of the contractor; the purpose and value of the contract; and the reason why standard access clauses were not included in the contract.

77. The inclusion of standard access clauses provides the Australian National Audit Office with access to various types of information held by contractors and third party subcontractors for the purpose of audits, including access to records, information and assets directly relevant to the contract performance. The clauses do not enable access to information that is outside the scope of the specific contract.

78. Standard access clauses were developed following a commitment made by the government in its response to the Senate Finance and Public Administration Reference Committee report, Contracting out of government services, published in May 1998.
Part 5(d)(h) – Exempt contracts

Public Governance, Performance and Accountability Rule 2014

17AG Information on management and accountability

Exempt contracts

(9) If a contract entered into during the period by the accountable authority of the entity, or a standing offer, with a value of more than $10 000 (inclusive of GST) has been exempted by the accountable authority from being published in AusTender because it would disclose exempt matters under the Freedom of Information Act 1982, the annual report must include:

(a) a statement that the contract or standing offer has been exempted; and
(b) the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.

79. Subsection 17AG(9) of the PGPA Rule addresses the requirement to document in entities’ annual reports any contracts entered into during the reporting period, where the contract details were not published in AusTender. This requirement also covers standing offers.

80. An accountable authority may direct in writing that contract details are not to be reported on AusTender if they would be subject to an exemption under the Freedom of Information Act 1982 (FOI Act) and the accountable authority considers that the information is genuinely sensitive and harm is likely to be caused by its disclosure.

81. The PGPA Rule requires that if any contract in excess of $10,000 (inclusive of GST) or a standing offer has been exempted by the accountable authority from being published on AusTender on the basis that it would disclose exempt matters under the FOI Act, the fact that the contract has been exempted and the value of the contract or standing offer must be reported, to the extent that doing so does not in itself disclose the exempt matters.
Part 5(d)(i) – Procurement initiatives to support small business

Public Governance, Performance and Accountability Rule 2014

17AG Information on management and accountability

Procurement initiatives to support small business

(10) The annual report must include the following:
(a) a statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market, Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”;
(b) an outline of the ways in which the procurement practices of the entity support small and medium enterprises;
(c) if the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”.

Note: Paragraph 5.4 of the Commonwealth Procurement Rules deals with the requirements for procurement practices of Commonwealth entities to support small and medium enterprises.

82. The Australian Government is committed to entities sourcing at least 10 per cent of procurement by value from small and medium-sized enterprises (SMEs). The Commonwealth Procurement Rules state that, to ensure that SMEs can engage in fair competition for Australian Government business, officials should apply procurement practices that do not unfairly discriminate against SMEs and provide appropriate opportunities for SMEs to compete.

83. Paragraph 17AG(10)(a) of the PGPA Rule provides that annual reports prepared for entities must include a statement that refers readers to the statistics on SMEs’ participation in Commonwealth Government procurement on the Department of Finance’s website. To ensure consistency, entities must include a statement along the following lines:


84. Paragraph 17AG(10)(b) of the PGPA Rule requires that entities must also include in their annual reports a brief statement on the ways in which their procurement practices support SMEs, consistent with paragraph 5.4 of the Commonwealth Procurement Rules. This statement may include some of the following initiatives or practices:

- the Commonwealth Contracting Suite for low-risk procurements valued under $200,000
- Australian Industry Participation plans in whole-of-government procurement where applicable
• the Small Business Engagement Principles (outlined in the government’s Industry Innovation and Competitiveness Agenda), such as communicating in clear, simple language and presenting information in an accessible format
• electronic systems or other processes used to facilitate on-time payment performance, including the use of payment cards.

85. Paragraph 17AG(10)(c) of the PGPA Rule requires that entities that are considered material in nature, as characterised by the Department of Finance in the PGPA Flipchart available at www.finance.gov.au/resource-management/governance/#flipchart, must include a statement in their annual reports referring readers to the on-time payment performance results on the Department of the Treasury’s website. To ensure consistency, entities must include a statement along the following lines:

‘[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website, www.treasury.gov.au.’

Part 5(e) – Annual financial statements

Public Governance, Performance and Accountability Rule 2014
17AD Specific requirements for annual reports

(e) the annual financial statements for the entity for the period in accordance with subsection 43(4) of the Act;

86. Paragraph 17AD(e) of the PGPA Rule reiterated the requirement established by subsection 43(4) of the PGPA Act that the annual report must include a copy of the annual financial statements of the entity (and the Auditor-General’s report) for the period that the annual report is prepared.

87. Financial statements must be prepared in accordance with the PGPA (Financial Reporting) Rule 2015.

89. Section 17AH of the PGPA Rule requires that the annual report include a series of other information.

**Advertising and market research**

90. Paragraph 17AH(1)(a) of the PGPA Rule requires that annual reports include a statement providing details of any advertising campaigns undertaken by the entity in the reporting period. Specifically, entities must include the following statement on advertising campaigns:

‘During [reporting period], [name of entity] conducted the following advertising campaigns: [names of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website, www.finance.gov.au.’

91. If no advertising campaigns were undertaken, then a statement to that effect should be included in the annual report.

92. Entities should note that this requirement is in addition to the requirements stipulated by the *Commonwealth Electoral Act 1918*. For further information on those requirements, see **Appendix D**.
Grants

93. Paragraph 17AH(1)(b) of the PGPA Rule requires that annual reports include information on grant programs administered by the entity. As part of reforms introduced to improve the transparency and accountability of grants administration, the Commonwealth Grants Rules and Guidelines were issued in July 2014. The guidelines apply to non-corporate Commonwealth entities subject to the PGPA Act. The guidelines establish the overarching Commonwealth grants policy framework and articulate the expectations for all non-corporate Commonwealth entities in relation to grants administration.

94. The Commonwealth Grants Rules and Guidelines require that entities publish details of grants on their website, no later than 14 working days after the funding agreement for the grant takes effect. Details must remain on the website for at least two reporting periods. As entity websites now provide information about all grants made, there is no need for entities to compile lists of grant recipients for their annual reports. Instead, as per subsection 17AH(1) of the PGPA Rule, entities should include the following statement in their annual reports:

‘Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].’

95. Further information on grants administration is available from the Grants Policy Team, Department of Finance, at grants@finance.gov.au.

Disability reporting mechanism

96. Paragraph 17AH(1)(c) of the PGPA Rule requires that annual reports include information on the disability reporting mechanisms of the entity.

97. The specific requirement for disability reporting in individual entity annual reports has been discontinued, because disability reporting occurs through National Disability Strategy reporting to the Council of Australian Governments and within the State of the Service report.

98. In order to preserve the completeness of individual entity annual reports and the level of parliamentary scrutiny of disability issues overall, each individual entity’s report must include an explicit and transparent reference to other disability reporting mechanisms, specifically noting where agency level information can be found. A suggested form of words to satisfy this requirement is set out below:

‘Since 1994, non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission’s State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au. From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a
picture of how people with disability are faring. The first of these progress reports was published in 2014, and can be found at www.dss.gov.au.'

**Freedom of information**

99. Paragraph 17AH(1)(d) of the PGPA Rule requires that annual reports include information on an entity's publication of information under Part II of the *Freedom of Information Act 1982* (FOI Act).

100. As part of major reforms to freedom of information legislation, the Information Publication Scheme (IPS) was established in 2011 (see Part II of the FOI Act). The IPS replaces the former annual report publication requirements in section 8 of the FOI Act. The IPS provides a statutory framework for proactive publication of information by entities. As part of the IPS, entities are required to publish, on a website, 10 categories of information, including information about the entity's structure, functions and statutory appointments. Entities must also publish 'operational information' that guides decisions or recommendations affecting members of the public, as well as information about how the public can comment on policy proposals. Further information about the IPS is available at www.oaic.gov.au/freedom-of-information/freedom-of-information-act/the-information-publication-scheme.

101. To address the requirement contained in paragraph 17AH(1)(d) of the PGPA Rule, annual reports should include a statement along the following lines:

‘Entities subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements.’

**Remediation of information published in previous annual reports**

102. Paragraph 17AH(1)(e) of the PGPA Rule allows for accountable authorities to be able to update or address any information published in previous annual reports, if that information has later proven to be erroneous or misleading.

103. Accordingly, if the previous annual report of an entity contains any significant statement on a matter of fact that has proved to be wrong in a material respect, the annual report must include information to correct the record.

**Part 5(f)(a) – Other mandatory information – Information required by another Act or instrument**

<table>
<thead>
<tr>
<th>Public Governance, Performance and Accountability Rule 2014</th>
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<tbody>
<tr>
<td>17AH Other mandatory information</td>
</tr>
<tr>
<td>(2) Information required by an Act or instrument (other than the Act or this rule) to be included in the annual report must be included in one or more appendices to the report.</td>
</tr>
</tbody>
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104. The operations that an entity reports on in its annual report can be affected by other legislation or legislative instruments. Such legislation can either be general in nature or
specific enabling legislation of the entity. Subsection 17AH(2) of the PGPA Rule provides that other mandatory information be included in one or more appendixes to entities’ annual reports.

105. **Appendix D** provides further information on the specific statutory provisions for information that must be included in annual reports. The appendix covers the requirements relating to:

- work health and safety (Schedule 2, Part 4 of the *Work Health and Safety Act 2011*)
- advertising and market research (section 311A of the *Commonwealth Electoral Act 1918*) – in addition to this statutory reporting requirement, entities must include a statement on advertising campaigns
- ecologically sustainable development and environmental performance (section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*).

106. In the case of an entity that is defined as a ‘public service care agency’, compliance with the entity’s obligations under the *Carer Recognition Act 2010* is required.

107. A public service care agency is defined in section 4 of the *Carer Recognition Act 2010* to mean an agency as defined in the *Public Service Act 1999* that is responsible for the development, implementation, provision or evaluation of policies, programs or services directed to carers or the persons for whom they care. For further information about the obligations of entities under the *Carer Recognition Act 2010*, see the Carer Recognition Act Guidelines on the Department of Social Services website at [www.dss.gov.au](http://www.dss.gov.au). Questions about the application of these requirements to individual entities should be directed to carersupport@dss.gov.au.

## Part 5(g) – Letter of transmittal

**Public Governance, Performance and Accountability Rule 2014**

17AI Letter of transmittal

For the purposes of paragraph 17AD(g), the letter of transmittal for the annual report for the entity must:

(a) be signed by the accountable authority of the entity; and

(b) state that the annual report has been prepared for the purposes of:

(i) section 46 of the Act, which requires that an annual report be given to the entity’s responsible Minister for presentation to the Parliament; and

(ii) if the entity has enabling legislation that specifies additional requirements in relation to the annual report—that legislation; and

(c) be dated on the day the accountable authority approves the final text of the report for printing.

108. Subsection 17AD(g) of the PGPA Rule requires that a letter of transmittal be included in the entity’s annual report and section 17AI of the PGPA Rule provides the minimum content of the letter.
109. The purpose of the letter of transmittal is to provide assurance from the accountable authority to the responsible Minister that the annual report of the entity has been prepared in accordance with all applicable obligations under the PGPA Act and other legislation, such as enabling legislation.

110. The letter of transmittal is to be dated on the day the signatory approves the final text of the report for printing.

**Part 5(h) – Aids to access**

**Public Governance, Performance and Accountability Rule 2014**

17AJ Aids to access

For the purposes of paragraph 17AD(h), the aids to access that must be included in the annual report for the entity are the following:

(a) a table of contents;
(b) an alphabetical index of the contents of the report (including any appendices);
(c) a glossary of any abbreviations and acronyms used in the report;
(d) the list of requirements as set out in Schedule 2 to this rule;
(e) details (for example the title, telephone number and email address) of the contact officer to whom inquiries for further information may be addressed;
(f) the address of the entity’s website;
(g) if the annual report is to be available electronically—the direct address for the annual report on the entity’s website.

111. The information presented in entities’ annual reports should be able to be easily accessed by the reader. The reader should be able to locate specific information of interest in a straightforward manner. Section 17AJ of the PGPA Rule sets out a minimum set of aids to access an entity must include in its annual report. Specifically, entities’ annual reports must include:

- a table of contents
- an index of the contents
- a glossary of any abbreviations and acronyms
- the list of requirements
- details of the contact officer to whom inquiries for further information may be addressed (for example, title, telephone number and email address)
- the address of the entity’s website
- the website address for the annual report on the entity’s website.

112. By ensuring a level of consistency between the minimum aids to access included in annual reports, the requirements in section 17AJ will assist readers of multiple entities’ annual reports to find information of interest in each report.

113. The accountable authority has the discretion to include any additional structure to the annual report that might enhance the accessibility of the specific information included in the entity’s report.
114. Entities should note that the requirement for entities’ annual reports to include a list of requirements (as per paragraph 17AJ(d) of the PGPA rule) must be provided in a consistent format for all entities. The mandatory table can be located in schedule 2 of the PGPA Rule, available at www.legislation.gov.au, and in Appendix F of this guide.

115. The list of requirements must be included as an appendix to the annual report. If an item specified in the checklist is not applicable to an entity, it should be reported as not applicable rather than omitted from the list. Entities must also provide details of the location of the information in the annual report that addresses each of the mandatory requirements specified by the PGPA Rule.

Part 6 – Production and distribution guidelines and requirements

Commonwealth printing standards for documents tabled in Parliament

116. As discussed in Part 4 of this guide, entities are required to comply with the guidelines for presenting documents to Parliament when preparing their annual reports, as provided by the PGPA Rule.


Distribution arrangements

118. Information on the printing and distribution requirements for annual reports is contained in the Guidelines for the presentation of documents to the Parliament (including government documents, government responses to committee reports, ministerial statements, annual reports and other instruments), available at www.dpmc.gov.au/resource-centre/government/guidelines-presentation-documents-parliament-0.

119. Entities need to account for the relevant number of copies required for tabling when Parliament is sitting or for presentation when Parliament is not sitting, copies required for the Parliamentary Papers series, copies required for the combined Commonwealth Library Deposit and Free Issue Schemes, copies required for the entity’s own use, and copies required for sale and free issue. Entities should also ensure that copies are provided for Senate and House of Representatives committees that have the annual reports of entities within their portfolio areas referred to them.

Publishing online

120. Entities are required to publish a range of public accountability information online, including, but not limited to, annual reports. The PGPA Rule requires online publishing of other elements of the enhanced Commonwealth performance framework. For example, at the start of the reporting period, entities are required to publish their corporate plans on their websites.

121. The Office of the Australian Information Commissioner provides further information on the handling and use of information at www.oaic.gov.au.
Appendix A: Suggested format for annual performance statements

1. As discussed in Part 5(c)(a) of this guide, the annual performance statements are intended to be the key non-financial reporting mechanism for all public data on the actual performance of an entity in a reporting period.

2. The annual performance statements must report on the non-financial performance of the entity in fulfilling its purpose(s) during the reporting period. This can only be achieved by an entity acquitting the performance criteria as published in both their corporate plan and the relevant Portfolio Budget Statements for the reporting period. To demonstrate the fulfilment of their purpose(s), entities must map (or attribute) each performance criterion to their purpose(s).14

3. It is hoped that the annual performance statements will be presented in a consistent form by entities. The diagram below provides the suggested presentation structure for the annual performance statements.

4. It is suggested that annual performance statements produced by entities contain:
   - an introduction statement (as required by section 16F(2), item 1 of the PGPA Rule)
   - a clear statement detailing the entity’s purpose(s), including reference to outcome numbers from the relevant Portfolio Budget Statements
   - results that demonstrate the entity’s performance against its purpose(s) as measured by relevant performance criteria. The results should include the following elements:
     a. the name and description of the performance criterion being reported on, as published in the entity’s corporate plan and/or relevant Portfolio Budget Statements. All performance criteria published in the entity’s corporate plan and/or relevant Portfolio Budget Statements for the reporting period must be attributed to a purpose or purposes
     b. source – details of where the performance criterion, attributed to the purpose, was originally published or sourced from. This is limited to the corporate plan prepared for the reporting period or the relevant Portfolio Budget Statements for the reporting period. If a performance criterion is sourced from both the corporate plan and Portfolio Budget Statements, then both should be stated as the source
     c. results against the performance criterion – the actual results achieved by the entity in the reporting period against the performance criterion that are attributed to the purpose. This should also include contextual analysis of the result.

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14 Performance criteria published in an entity’s corporate plan should also be mapped to the entity’s purpose(s). However, performance criteria published in the entity’s relevant Portfolio Budget Statements are mapped to programs. To report accurately in annual performance statements, entities must map their Portfolio Budget Statements programs to entity corporate plan purpose(s). This will determine under which purpose entities should report their Portfolio Budget Statements performance criteria in their annual performance statements.
an analysis of the context and any factors that may have contributed to the outcome.

5. Entities with more than a single purpose should consider repeating this structure (excluding the introduction statement) for each and every purpose. Additionally, all performance criteria published in the entity’s corporate plan and/or relevant Portfolio Budget Statements for the reporting period must be attributed to a purpose or purposes, without exception.

PROPOSED ANNUAL PERFORMANCE STATEMENT STRUCTURE

- **Introductory statement**
  A statement that the annual performance statement is for s39(1)(a) of the PGPA Act for the 20XX-XX financial year and accurately presents the entity’s performance in accordance with s39(2) of the PGPA Act.

- **Entity purpose**
  Outline the entity’s purpose as described in its corporate plan. Include the relevant outcome number(s) in parentheses after the description of the purpose.

- **Results**
  An entity will detail the performance criteria that relate to Purpose X, the source of each performance criterion and the result against each performance criterion. This information may be displayed in the following format:

  - **Performance criterion**
    Describe the performance criterion which relates to this purpose.

  - **Criterion source**
    Reference the source of the criterion. For example, corporate plan or Portfolio Budget Statements (PBS) or both. Include relevant PBS program coordinates, for example Program X, 2015–16 Portfolio Budget Statements, p. xx.

  - **Result against performance criterion**
    Report the result against the performance criterion. The accountable authority of an entity must measure and assess the entity’s performance in achieving the entity’s purposes. It is expected that a supporting statement be included to provide additional context. This content would identify significant developments or trends and other criterion-specific influences that may have affected results.

- **Analysis of performance against Purpose X**
  An analysis of factors that may have contributed to the entity’s performance in achieving its purpose(s), including any changes to:
  (a) the entity’s purposes, activities or organisational capability; or
  (b) the environment in which the entity operated that may have had a significant impact on the entity’s performance in the reporting period.

1 If an entity has more than one purpose, then the structure needs to be repeated for each additional purpose, with the exception of the initial introductory statement.
Appendix B: Entity resource statements and resource for outcomes

Entity resource statements

1. Paragraph 17AF(1)(b) of the PGPA Rule requires non-corporate Commonwealth entities to summarise the total resources of the entity and the total payments made by the entity in a table. Part 5(c)(b) of this guide discusses this requirement.

2. The preferred format for this table is provided below. The table should be included as an appendix to the annual report. Agency resource statements were introduced to Portfolio Budget Statements in 2008–09 to provide information about the various funding sources that are available to the agency and that the agency may draw against.

3. The suggested format for an entity resource statement in the annual report has been designed to allow entities to reconcile the final usage of all resources in cash terms, by declaring the actual available appropriation for the relevant reporting period (including cash balances carried forward and further adjustments such as section 75 transfers under the PGPA Act and advances to the Finance Minister), and comparing this to the actual payments made.

4. Additionally, for departmental appropriations and special accounts, information about any remaining balance that will be carried over to the next reporting period should also be reported.

5. The preferred format for the table, which is consistent with Table 1.1 in the Portfolio Budget Statements, is set out below.
## Entity resource statement 20xx–xx

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<thead>
<tr>
<th></th>
<th>Actual available</th>
<th>Payments made</th>
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### Ordinary annual services

#### Departmental appropriation

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### Administered expenses

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#### Payments to corporate entities

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### Total ordinary annual services

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### Other services

#### Administered expenses

#### Specific payments to States, Act, NT and Local Government

#### Outcome aaa

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#### New administered expenses

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#### Departmental non-operating

#### Equity injections

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#### Administered non-operating

#### Administered Assets and Liabilities

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Resource Management Guide No. 135
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<thead>
<tr>
<th>Payments to corporate entities – non-operating</th>
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<tbody>
<tr>
<td>Total</td>
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<th>Total other services</th>
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<tr>
<th>Total available annual appropriations and payments</th>
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<td>Special appropriations</td>
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<tr>
<td>Special appropriations limited by criteria/entitlement</td>
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<tr>
<td><em>Public Governance, Performance and Accountability Act 2013 - s77</em></td>
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<td>Special Appropriation Act x</td>
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<td>Special Appropriation Act y</td>
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<td>Special appropriations limited by amount</td>
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<td>Special Appropriation Act z</td>
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<tr>
<td>Total special appropriations</td>
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<th>Special accounts</th>
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<tr>
<td>Opening balance</td>
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<td>Appropriation receipts</td>
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<tr>
<td>Appropriation receipts – other entities</td>
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<tr>
<td>Non-appropriation receipts to special accounts</td>
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<tr>
<td>Payments made</td>
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<td>Total special accounts</td>
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<thead>
<tr>
<th>Total resourcing and payments</th>
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<td>A+B+C+D</td>
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<th>Less appropriations drawn from annual or special appropriations above and credited to special accounts</th>
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</table>
and/or payments to corporate entities through annual appropriations

Total net resourcing and payments for entity X

1 Appropriation Act (No. 1) 20xx-xx and Appropriation Act (No. 3) 20xx-xx [and Appropriation Act (No. 5) 20xx-xx if necessary]. This may also include prior-year departmental appropriation and section 74 retained revenue receipts.

2 Includes an amount of $X m in 20xx-xx for the departmental capital budget. For accounting purposes, this amount has been designated as 'contributions by owners'. Also includes an amount of $X m that has been credited to the XX special account for interest equivalency payments.

3 Includes an amount of $X m in 20xx-xx for the administered capital budget. For accounting purposes, this amount has been designated as 'contributions by owners'.

*Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the Public Governance, Performance and Accountability Act 2013.

4 Appropriation Act (No. 2) 20xx-xx and Appropriation Act (No. 4) 20xx-xx [and Appropriation Act (No. 6) 20xx-xx if necessary].

5 Does not include 'special public money' held in accounts like 'services for other entities and trust moneys' special accounts.

6 Appropriation receipts from entity X annual and special appropriations for 20xx-xx included above.

7 Appropriation receipts from other entities credited to entity X's special accounts.

Notes for drafters (not to be included in final tables)

Shaded areas denote that no data is required in these fields.

'Actual available appropriation' column should use the 20xx-xx figures as disclosed in the 20xx-xx Portfolio Budget Statements – entity resource statement. Adjustment lines can then be inserted against particular resourcing categories to explain any final resourcing movements such as, but not limited to, section 74 transfers and advances to the Finance Minister.

*# Combined total should reconcile to the relevant entity total line the appropriation notes, after adjusting for GST payments/receipts and payments into special accounts.

^- 'Actual available appropriation for 20xx-xx' for Total C should be equal to 'payments made 20xx-xx' for Total C.
**Expenses by outcomes**

6. The annual report should also include in an appendix a table for each outcome showing the total expenses for the outcome.

7. Entities should present the information by way of a table that corresponds to that contained in the 'Budgeted expenses for outcome' table in the relevant Portfolio Budget Statements (and where relevant, the corresponding Portfolio Additional Estimates Statements). This table is now presented by appropriation source rather than against specific programs and administered expenses.

8. The information in the table must reconcile with the relevant portion in the financial statements. In reconciling the information for each outcome, the actual expenses (column 2 in the table below) should agree with the appropriate line in the financial statements (as required by rule 34(1) of the PGPA (Financial Reporting) Rule 2015.

9. The required format for the table, which is consistent with a Table 2.1 in the Portfolio Budget Statements, is set out below.

<table>
<thead>
<tr>
<th>Outcome x: [insert outcome statement]</th>
<th>Budget* expenses</th>
<th>Actual expenses</th>
<th>Variation expenses</th>
</tr>
</thead>
<tbody>
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<td>20xx–xx</td>
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**Program 1.1: [Insert program name]**

Administered expenses

Ordinary annual services ( Appropriation Act No. 1 )

Other services ( Appropriation Act Nos. 2, 4 and 6 )

Special appropriations

Special accounts

Departmental expenses

Departmental appropriation

Special appropriations

Special accounts

Expenses not requiring appropriation in the budget year

**Total for Program 1.1**
Program 1.2: [insert program name]

Administered expenses
- Ordinary annual services (Appropriation Act Nos. 1, 3 and 5)
- Other services (Appropriation Bill Nos. 2, 4 and 6)
- Special appropriations
- Special accounts

Departmental expenses
- Departmental appropriation

Special appropriations
- Special accounts
- Expenses not requiring appropriation in the budget year

Total for Program 1.2

Outcome x totals by appropriation type

Administered expenses
- Ordinary annual services (Appropriation Bill No. 1)
- Other services (Appropriation Bill No. 2)
- Special appropriations
- Special accounts

Departmental expenses
- Departmental appropriation

Special appropriations
- Special accounts
- Expenses not requiring appropriation in the budget year

Total expenses for Outcome 1

Average staffing level (number)

20xx-xx 20xx-xx

* Full-year budget, including any subsequent adjustment made to the 20xx-xx budget at Additional Estimates.
Further assistance with these tables can be obtained by contacting the Department of Finance at budget_framework@finance.gov.au.

1 Departmental appropriation combines ordinary annual services (Appropriation Act Nos. 1, 3 and 5) and retained revenue receipts under section 74 of the Public Governance, Performance and Accountability Act 2013.
Appendix C: Performance pay

1. The PGPA Rule requires non-corporate Commonwealth entities to include information on performance pay paid to APS employees of the entity (see paragraph 17AG(4)(d) of the PGPA Rule and Part 5(d)(c) of this guide).

2. Each entity’s annual report must include information about performance pay, also known as performance-linked bonuses and usually taking the form of a one-off payment in recognition of performance.

3. In compiling the information about performance pay, entities should:
   - include all eligible ongoing and non-ongoing APS staff
   - include staff who left the entity during the reporting period, even if the performance payment was made after their departure
   - include staff on leave of any kind at the end of the reporting period
   - report the aggregate of actual payments, not payments before moderation
   - include each employee under one classification only. If an employee was promoted during the year and received performance pay at the lower classification only, include that employee in the report for the lower classification. If the promoted employee received performance pay at both classifications or at the higher level only, include the employee in the report for the higher level only and include the total payment in the aggregated payment report for that classification. Do not include the same employee in both classifications and do not break up the payment when aggregating the total payments for the various classifications
   - not include performance-linked advancement (advancement to a higher pay point which then becomes the employee’s nominal salary). If an employee receives a performance bonus and a performance-linked advancement, only the bonus element should be reported
   - not include payments in the nature of retention payments, job loadings or skills and responsibilities loadings
   - not include bonuses that accrued wholly in a previous reporting period, even if they were paid in the reporting period to which the report relates. For example, if a payment was made in the 2014–15 financial year for performance in respect of the periods 1 July 2012 to 30 June 2013 or 1 October 2012 to 30 September 2013, it should not be included in the 2014-15 annual report. If a significant number of payments fall into this category, consideration should be given to correcting the information in the previous year’s annual report.
Appendix D: Information on specific statutory provisions relating to annual reports

1. Subsection 17AH(2) of the PGPA Rule provides for the inclusion of other mandatory information in annual reports as required by an Act or instrument. The PGPA Rule provides for such mandatory information to be included in one or more appendices to an annual report prepared for a non-corporate Commonwealth entity. This requirement was discussed in Part 5(f)(a) of this guide.

2. It is the responsibility of non-corporate Commonwealth entities to consider if the following legislation applies to them.

Work health and safety

Note that the following is an extract from Schedule 2, Part 4 of the Work Health and Safety Act 2011.

4 Annual reports

(1) Each of the following entities must include the matters mentioned in subclause (2) in its annual report for a financial year:

(a) A non-corporate Commonwealth entity within the meaning of the Public Governance, Performance and Accountability Act 2013;

(b) a public authority.

(2) The matters are:

(a) initiatives taken during the year to ensure the health, safety and welfare of workers who carry out work for the entity; and

(b) health and safety outcomes (including the impact on injury rates of workers) achieved as a result of initiatives mentioned under paragraph (a) or previous initiatives; and

(c) statistics of any notifiable incidents of which the entity becomes aware during the year that arose out of the conduct of businesses or undertakings by the entity; and

(d) any investigations conducted during the year that relate to businesses or undertakings conducted by the entity, including details of all notices given to the entity during the year under Part 10 of the Work Health and Safety Act 2011; and

(e) such other matters as are required by guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit.

Advertising and market research

Note that the following replicates the substance of the reporting requirements contained in section 311A of the Commonwealth Electoral Act 1918.

3. Section 311A of the Commonwealth Electoral Act 1918 requires certain annual reporting by each Commonwealth department (defined as a department of state of the Commonwealth; or a department of the Parliament; or an agency within the meaning of the Public Service Act 1999).
4. The reporting requirements below are based on the *Commonwealth Electoral Act 1918*. Note that the reporting on advertising and market research is not restricted to electoral matters.

5. The annual report is to include a statement setting out particulars of all amounts paid by, or on behalf of the Commonwealth department during the reporting period to:

(a) advertising agencies – meaning creative advertising agencies that have developed advertising campaigns. The amount of money paid to them should be the amount paid in creative head hours. Recruitment and tender notices are not required to be reported under this item but should be reported in relation to the item below on payments to media advertising organisations

(b) market research organisations

(c) polling organisations

(d) direct mail organisations – includes those organisations that handle the sorting and mailing out of information material to the public. The costs reported should cover only the amount paid to the organisation and not the cost of postage or production of the material sent out. Where a creative agency or direct marketing agency has been used to create the direct mail materials, the amount paid to the agency should be reported here

(e) media advertising organisations – the master advertising agencies that place government advertising in the media. This covers both campaign and non-campaign advertising.

6. The statement must identify the persons or organisations to whom those amounts were paid. For the 2016–17 financial year, particulars of payments of $13,000 or less (inclusive of GST) are not required. Note that the reporting threshold is indexed and the method of calculating the amount of indexation each year is specified in section 321A of the *Commonwealth Electoral Act 1918*.

**Ecologically sustainable development and environmental performance**

7. Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act) requires Commonwealth entities and Commonwealth companies to report on:

(a) how the activities of, and the administration (if any) of legislation by, the reporter during the period accorded with the principles of ecologically sustainable development (ESD)

(i) the EPBC Act notes that ‘activities’ includes developing and implementing policies, plans, programs and legislation, and the operations of the organisation

(ii) the principles of ESD are detailed below

(b) how the outcomes (if any) specified for the reporter in an Appropriations Act relating to the period contribute to ESD

(c) the effect of the reporter’s activities on the environment

(iii) the EPBC Act defines the environment to mean:

* ecosystems and their constituent parts, including people and communities
* natural and physical resources
• the qualities and characteristics of locations, places and areas
• heritage values of places (including places on the Register of the National Estate kept under the *Australian Heritage Council Act 2003*)
• the social, economic and cultural aspects of the things mentioned above

(d) any measures the reporter is taking to minimise the impact of activities by the reporter on the environment
(e) the mechanisms, if any, for reviewing and increasing the effectiveness of those measures.

8. Further information about the EPBC Act, including a link to the Act, can be found at [www.environment.gov.au/epbc/about](http://www.environment.gov.au/epbc/about).

9. Promoting ESD is a key objective of the EPBC Act. Section 3A of the EPBC Act identifies the following as principles of ESD:

(a) decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations (the ‘integration principle’)
(b) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation (the ‘precautionary principle’)
(c) the principle of intergenerational equity – that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations (the ‘intergenerational principle’)
(d) the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making (the ‘biodiversity principle’)
(e) improved valuation, pricing and incentive mechanisms should be promoted (the ‘valuation principle’).

10. The ESD Reporting Guidelines and working template have been developed to assist organisations in meeting their statutory ESD reporting requirements under section 516A of the EPBC Act. These guidelines outline an approach that aims to enhance the quality and consistency of ESD reporting across the Commonwealth.


12. Given the need for flexibility and autonomy due to the diversity of organisations in terms of size and operations, and in line with principles of CEO independence, individual reporters should have regard to their own circumstances in determining how best to meet ESD reporting requirements and what information is appropriate to their entity.

13. Further information on reporting requirements under section 516A of the EPBC Act is available from the Department of the Environment and Energy.
Appendix E: Glossary

1. This appendix defines some of the terms that are used in this guide.


3. This glossary consolidates common resource management terms used in the PGPA Act and accompanying resource management guidance material. All terms in the glossary that make reference to legislation must be read in conjunction with the relevant legislation or legislative instrument.

4. In relation to the preparation of annual reports, entities should be aware of the dictionary in section 8 of the PGPA Act and the definitions in section 4 of the PGPA Rule.

5. The terms set out below have the following meanings in this guide (unless the contrary intention appears):

   a. APS employee: a person engaged under section 22, or a person who is engaged as an APS employee under section 72, of the Public Service Act 1999
   b. corporate governance: the process by which entities are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control
   c. financial results: the results shown in the financial statements of an entity
   d. grant: Commonwealth financial assistance covered by the Commonwealth Grants Rules and Guidelines
   e. materiality: takes into account the planned outcome and the relative significance of the resources consumed in contributing to the achievement of that outcome
   f. non-ongoing APS employee: a person engaged as an APS employee under subsection 22(2)(b) or 22(2)(c) of the Public Service Act 1999
   g. ongoing APS employee: a person engaged as an ongoing APS employee under subsection 22(2)(a) of the Public Service Act 1999
   h. operations: functions, services and processes performed in pursuing the objectives or discharging the functions of an entity
   i. outcomes: the results, impacts or consequences of actions by the Commonwealth on the Australian community – these should be consistent with those listed in the entity’s Portfolio Budget Statements and Portfolio Additional Estimates Statements
   j. performance information: evidence about performance that is collected and used systematically and may relate to appropriateness, effectiveness and efficiency and the extent to which an outcome can be attributed to an intervention – performance information may be quantitative (numerical) or qualitative (descriptive), and it should be verifiable
   k. programs: an activity or group of activities that deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole and are the primary vehicles for Commonwealth entities to achieve the intended results of their outcome statements
   l. purchaser–provider arrangements: arrangements under which the services of one entity are purchased by another entity to contribute to outcomes – these arrangements can occur between Commonwealth entities or between Commonwealth entities and state/territory government or private sector bodies
   m. service charters: it is government policy that entities that provide services directly to the public have service charters in place. A service charter is a public statement about the service that an entity will provide and what customers can expect from the entity.
In particular, the service charter advises what the entity does, how to contact and communicate with the entity, the standard of service that customers can expect, and their basic rights and responsibilities, and how to provide feedback or make a complaint.
### Appendix F: List of Requirements

Below is the table set out in Schedule 2 of the PGPA Rule. Section 17AJ(d) requires this table to be included in entities’ annual reports as an aid of access.

<table>
<thead>
<tr>
<th>PGPA Rule Reference</th>
<th>Part of Report</th>
<th>Description</th>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>17AD(g)</td>
<td>Letter of transmittal</td>
<td>A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AD(h)</td>
<td>Aids to access</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
  17AJ(a) | Table of contents. | Mandatory |
  17AJ(b) | Alphabetical index. | Mandatory |
  17AJ(c) | Glossary of abbreviations and acronyms. | Mandatory |
  17AJ(d) | List of requirements. | Mandatory |
  17AJ(e) | Details of contact officer. | Mandatory |
  17AJ(f) | Entity’s website address. | Mandatory |
  17AJ(g) | Electronic address of report. | Mandatory |
| 17AD(a)             | Review by accountable authority | A review by the accountable authority of the entity. | Mandatory |
| 17AD(b)             | Overview of the entity  |  
  17AE(1)(a)(i) | A description of the role and functions of the entity. | Mandatory |
  17AE(1)(a)(ii) | A description of the organisational structure of the entity. | Mandatory |
  17AE(1)(a)(iii) | A description of the outcomes and programmes administered by the entity. | Mandatory |
  17AE(1)(a)(iv) | A description of the purposes of the entity as included in corporate plan. | Mandatory |
  17AE(1)(b) | An outline of the structure of the portfolio of the entity. | Portfolio departments - mandatory |
  17AE(2) | Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change. | If applicable, Mandatory |
| 17AD(c)             | Report on the Performance of the entity  |  
  Annual performance Statements  |  
  17AD(c)(i); 16F | Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule. | Mandatory |
<p>| 17AD(c)(ii)         | Report on Financial Performance |  |  |</p>
<table>
<thead>
<tr>
<th>Requirement</th>
<th>Description</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>17AF(1)(a)</td>
<td>A discussion and analysis of the entity’s financial performance.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AF(1)(b)</td>
<td>A table summarising the total resources and total payments of the entity.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AF(2)</td>
<td>If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity’s future operation or financial results.</td>
<td>If applicable, Mandatory</td>
</tr>
</tbody>
</table>

### Management and Accountability

#### Corporate Governance

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Description</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>17AG(2)(a)</td>
<td>Information on compliance with section 10 (fraud systems)</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(2)(b)(i)</td>
<td>A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(2)(b)(ii)</td>
<td>A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(2)(b)(iii)</td>
<td>A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(2)(c)</td>
<td>An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(2)(d) – (e)</td>
<td>A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.</td>
<td>If applicable, Mandatory</td>
</tr>
</tbody>
</table>

#### External Scrutiny

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Description</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>17AG(3)</td>
<td>Information on the most significant developments in external scrutiny and the entity’s response to the scrutiny.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AG(3)(a)</td>
<td>Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td>17AG(3)(b)</td>
<td>Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td>17AG(3)(c)</td>
<td>Information on any capability reviews on the entity that were released during the period.</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td><strong>Management of Human Resources</strong></td>
<td></td>
<td></td>
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<tr>
<td>----------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17AG(4)(a)</td>
<td>An assessment of the entity’s effectiveness in managing and developing employees to achieve entity objectives.</td>
<td>Mandatory</td>
</tr>
</tbody>
</table>
| 17AG(4)(b) | Statistics on the entity’s APS employees on an ongoing and non-ongoing basis; including the following:  
- Statistics on staffing classification level;  
- Statistics on full-time employees;  
- Statistics on part-time employees;  
- Statistics on gender;  
- Statistics on staff location;  
- Statistics on employees who identify as Indigenous. | Mandatory |
| 17AG(4)(c) | Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the Public Service Act 1999. | Mandatory |
| 17AG(4)(c)(i) | Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c). | Mandatory |
| 17AG(4)(c)(ii) | The salary ranges available for APS employees by classification level. | Mandatory |
| 17AG(4)(c)(iii) | A description of non-salary benefits provided to employees. | Mandatory |
| 17AG(4)(d)(i) | Information on the number of employees at each classification level who received performance pay. | If applicable, Mandatory |
| 17AG(4)(d)(ii) | Information on aggregate amounts of performance pay at each classification level. | If applicable, Mandatory |
| 17AG(4)(d)(iii) | Information on the average amount of performance payment, and range of such payments, at each classification level. | If applicable, Mandatory |
| 17AG(4)(d)(iv) | Information on aggregate amount of performance payments. | If applicable, Mandatory |

**Assets Management**

| 17AG(5) | An assessment of effectiveness of assets management where asset management is a significant part of the entity’s activities. | If applicable, mandatory |

**Purchasing**

<p>| 17AG(6) | An assessment of entity performance against the Commonwealth Procurement Rules. | Mandatory |</p>
<table>
<thead>
<tr>
<th><strong>Consultants</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>17AG(7)(a)</strong></td>
</tr>
<tr>
<td><strong>17AG(7)(b)</strong></td>
</tr>
<tr>
<td><strong>17AG(7)(c)</strong></td>
</tr>
<tr>
<td><strong>17AG(7)(d)</strong></td>
</tr>
</tbody>
</table>

**Australian National Audit Office Access Clauses**

| **17AG(8)**  | If an entity entered into a contract with a value of more than $100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract. | If applicable, Mandatory |

**Exempt contracts**

<p>| <strong>17AG(9)</strong>  | If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters. | If applicable, Mandatory |</p>
<table>
<thead>
<tr>
<th><strong>Small business</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>17AG(10)(a)</td>
<td>A statement that “[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website.”</td>
</tr>
<tr>
<td>17AG(10)(b)</td>
<td>An outline of the ways in which the procurement practices of the entity support small and medium enterprises.</td>
</tr>
<tr>
<td>17AG(10)(c)</td>
<td>If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Department of Finance’s website.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Financial Statements</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>17AD(e)</td>
<td>Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>17AD(f) Other Mandatory Information</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>17AH(1)(a)(i) If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td>17AH(1)(a)(ii) If the entity did not conduct advertising campaigns, a statement to that effect.</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td>17AH(1)(b) A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”</td>
<td>If applicable, Mandatory</td>
</tr>
<tr>
<td>17AH(1)(c) Outline of mechanisms of disability reporting, including reference to website for further information.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AH(1)(d) Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.</td>
<td>Mandatory</td>
</tr>
<tr>
<td>17AH(1)(e) Correction of material errors in previous annual report</td>
<td>If applicable, mandatory</td>
</tr>
<tr>
<td>17AH(2) Information required by other legislation</td>
<td>Mandatory</td>
</tr>
</tbody>
</table>