

EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Finance

Section 193H of the *Aboriginal and Torres Strait Islander Act 2005*;
Subsections 50B(2) and (4) of the *Defence Service Homes Act 1918*;
Subsection 47(1) of the *High Court of Australia Act 1979*;
Subsections 43(2) and (3) of the *Natural Heritage Trust of Australia Act 1997*.

Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015

The *Public Governance, Performance and Accountability Act 2013* (PGPA Act) sets out a framework for regulating resource management by the Commonwealth and relevant entities. Section 101 of the PGPA Act provides that the Finance Minister may make rules by legislative instrument to prescribe matters giving effect to the Act.

Under subsection 33(3) of the *Acts Interpretation Act 1901*, where an Act confers a power to make, grant or issue any instrument of a legislative or administrative character (including rules, regulations or by-laws), the power shall be construed as including a power exercisable in the like manner and subject to the like conditions (if any) to repeal, rescind, revoke, amend, or vary any such instrument.

The *Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015* (the Repeal Instrument) would repeal the whole of the *Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011)*.

The Repeal Instrument is issued under the authority of the following provisions:

- (a) section 193H of the *Aboriginal and Torres Strait Islander Act 2005*;
- (b) subsections 50B(2) and (4) of the *Defence Service Homes Act 1918*;
- (c) subsection 47(1) of the *High Court of Australia Act 1979*;
- (d) subsections 43(2) and (3) of the *Natural Heritage Trust of Australia Act 1997*.

Details of the Repeal Instrument are set out at [Attachment A](#). A statement of compatibility with human rights is at [Attachment B](#).

The Repeal Instrument is a legislative instrument for the purposes of the *Legislative Instruments Act 2003* and is subject to the disallowance provisions in that Act.

The Repeal Instrument is taken to have commenced on 1 July 2014.

Consultation

Earlier consultation undertaken in developing the *Public Governance, Performance and Accountability (Financial Reporting Rule) 2015* (the FRR) was relied upon. This consultation included the Australian National Audit Office and all Commonwealth reporting entities required to apply the FRR in preparing their financial statements. Further consultation was not undertaken as the changes are consequential. The Repeal Instrument was drafted by the Office of Parliamentary Counsel.

Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015

Section 1—Name of instrument

This section provides that the title of the instrument is the *Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015* (the Repeal Instrument).

Section 2—Commencement

This section provides that the Repeal Instrument is taken to have commenced on 1 July 2014.

Section 3—Authority

This section states that the Repeal Instrument is made under the authority of the following provisions:

- (a) section 193H of the *Aboriginal and Torres Strait Islander Act 2005*;
- (b) subsections 50B(2) and (4) of the *Defence Service Homes Act 1918*;
- (c) subsection 47(1) of the *High Court of Australia Act 1979*;
- (d) subsections 43(2) and (3) of the *Natural Heritage Trust of Australia Act 1997*.

Section 4—Schedules

This section provides that the legislative instrument specified in a schedule to this instrument is amended or repealed as set out, and any other item in a schedule to the instrument has effect as specified.

Schedule 1—Amendments

Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011)

Section 1—The whole of the Orders

This section repeals the whole of the *Finance Minister's Orders (Financial Statements for reporting periods commencing before 1 July 2011)* (the Orders).

From 1 July 2014 the *Public Governance and Accountability (Financial Reporting) Rule 2015* sets out the requirements for the preparation of the financial statements under:

- (a) section 193H of the *Aboriginal and Torres Strait Islander Act 2005*;
- (b) subsections 50B(2) and (4) of the *Defence Service Homes Act 1918*;
- (c) subsection 47(1) of the *High Court of Australia Act 1979*;
- (d) subsections 43(2) and (3) of the *Natural Heritage Trust of Australia Act 1997*.

Section 2—Continuing application of the Orders

This section provides for the Orders to continue to apply after the commencement of the Repeal Instrument in relation to financial years commencing before 1 July 2014.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the
Human Rights (Parliamentary Scrutiny) Act 2011

Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015

The *Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015* is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the legislative instrument

The *Finance Minister's Orders (Financial Statements for reporting periods ending on or after 1 July 2011) Repeal Instrument 2015* is being made to repeal *Finance Minister's Orders (Financial Statements for reporting periods commencing before 1 July 2011)*.

Human rights implications

The legislative instrument does not engage any of the applicable rights or freedoms.

Conclusion

The legislative instrument is compatible with human rights as it does not raise any human rights issues.

**Senator the Hon Mathias Cormann
Minister for Finance**