

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Administration

Financial Management and Accountability Act 1997

Determination 2004/20 to establish a Special Account

The attached instrument makes a determination under subsection 20 (1) of the *Financial Management and Accountability Act 1997* to establish a Special Account. It also specifies the nature of amounts which may be credited to, and the purposes for which amounts may be debited from, the Special Account.

Special Accounts Generally

Under the Constitution, all revenues or moneys raised or received by the Executive Government of the Commonwealth form one Consolidated Revenue Fund (CRF) and may not be applied otherwise than in accordance with an appropriation by the Parliament for the purposes of the Commonwealth. Special Accounts allow amounts from the CRF to be set aside (hypothecated) for a particular purpose and expended for that purpose.

The Finance Minister must cause a copy of a determination relating to a Special Account to be tabled in each House of Parliament. Either House may disallow a determination within 5 sitting days of having been tabled. If the determination is not disallowed, it comes into effect the calendar day after the last day on which it could have been disallowed.

The notes to the determination identify legislation and other laws that allow or require amounts to be credited to, or debited from, the Special Account.

Media Commissions Special Account

The determination establishes the *Media Commissions Special Account*.

This determination is required in order to establish a new Special Account, which gives effect to amendments that were required to the existing Media Commissions Account for the activities related to the processing of media commissions through the central advertising system to the advertising and related agencies.

The Special Account records amounts until such time as payments are made for advertising and related agencies. The Special Account purposes also include any activities that are incidental, both direct and indirect, to activities performed by media, advertising and related agencies.

The existing Media Commissions Account required several amendments which are addressed by the establishment of this new Media Commissions Special Account. The new Special Account introduces a capacity to make repayments to the original

contributors, and a capacity to return excess amounts to the Budget (that is, reduce the balance of the Special Account without a real or notional payment). This Media Commissions Special Account also has a clarified clause specifying the amounts that may be credited to the Special Account.

The purposes of the existing Media Commissions Account are to be amended by another determination *Financial Management and Accountability Determination 2004/19 – Media Commissions Account Variation and Abolition 2004*, to allow amounts to be debited from the Media Commissions Account and be credited to the Media Commissions Special Account. The *Financial Management and Accountability Determination 2004/19 – Media Commissions Account Variation and Abolition 2004* also abolishes the Media Commissions Account subject to the balance reaching zero and the variation taking effect.

Estimates of transactions on the Special Account

	Opening Balance 2005-06 <i>2004-05</i> \$'000	Credits 2005-06 <i>2004-05⁽¹⁾</i> \$'000	Debits 2005-06 <i>2004-05</i> \$'000	Closing Balance 2005-06 <i>2004-05</i> \$'000
Media Commissions Special Account	13,329 <i>0</i>	2,450 <i>16,929</i>	3,600 <i>3,600</i>	12,179 <i>13,329</i>

1. Includes balance debited from the Media Commissions Account and credited to the Media Commissions Special Account.