

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Administration

Financial Management and Accountability Act 1997

Determination 2002/04 establishing a Special Account under section 20

The attached Instrument makes a determination under subsection 20(1) of the *Financial Management and Accountability Act 1997* (the Act) 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, each account.

Special Accounts Generally

Under the Constitution, revenues or moneys received by the Executive Government of the Commonwealth form the Consolidated Revenue Fund (CRF) and may not be spent except under a valid appropriation. Special Accounts allow money in the CRF to be set aside (hypothecated) for a particular purpose and expended for that purpose without the need for a further specific appropriation.

In effect, a determination establishing and/or allowing or requiring an amount to be credited to a Special Account makes a new appropriation for that amount. This is achieved via a standing appropriation (in subsection 20(4) of the Act) for the purposes of each Special Account, up to the balance of each Special Account.

Determinations relating to Special Accounts must be tabled in each House of Parliament by the Finance Minister. They may be disallowed by either House within 5 sitting days after they are tabled. If they are not disallowed, they come into effect the day after the last day on which they could have been disallowed.

The PSS Special Account

The determination establishes the *PSS Special Account*, to be administered by the PSS Board.

The purpose of the Account is to provide for the expenditure of monies related to the administration of the PSS Scheme by the PSS Board, the performance of any other function conferred on the PSS Board under legislation, and the management and investment of the PSS Fund by the PSS Board, where a corresponding amount has been or is to be credited to the Account from the PSS Fund in respect of such expenditure.

Any monetary contributions appropriated from the CRF, or received by ComSuper as revenue relating to the PSS Scheme or in relation to the administration by the PSS Board of the PSS Scheme, or amounts paid from the PSS Fund in relation to expenditure incurred by the PSS Board on the management or investment of the PSS Fund and is to be met from the Account may be credited to the Account.