

Financial Provisioning Scheme Annual Report Framework

Financial Provisioning Scheme



Queensland
Government

© The State of Queensland (Queensland Treasury) 2019

Copyright

This publication is protected by the *Copyright Act 1968*

Licence

This work is licensed under a Creative Commons Attribution-Non Commercial-No Derivatives 4.0 International License. To view this licence, visit <https://creativecommons.org/licenses/by-nc-nd/4.0/>



You are free to use this work in accordance with the licence terms. For permissions beyond the scope of this licence, contact intelproperty@treasury.qld.gov.au

Attribution

Content from this document should be attributed to:

© The State of Queensland (Queensland Treasury)



Translating and interpreting assistance

The Queensland Government is committed to providing accessible services to Queenslanders from all cultural and linguistic backgrounds. If you have difficulty in understanding this publication, you can contact us on telephone (07) 3035 3503 and we will arrange an interpreter to effectively communicate the report to you.

Contents

1	Purpose	2
2	Legislative matters	2
3	Governance Matters	2
3.1	Administration of the Act	2
3.2	Financial Provisioning Scheme	3
4	Financial Matters	3
4.1	Matters to be audited	3
4.2	Matters that are not audited	4

1 Purpose

This document sets out the principles for reporting information in the Financial Provisioning Scheme annual report.

2 Legislative matters

The *Mineral and Energy (Financial Provisioning) Act 2018* (the Act) requires the Scheme Manager to give an annual report to the Minister within three months of the end of financial year.

Section 72 of the MERFP sets out the Scheme Manager's annual reporting responsibilities. The Scheme Manager must prepare an annual report (report) about the administration of the Act and the Financial Provisioning Scheme (Scheme). This section also sets out what must be included but does not otherwise limit what is to be included provided it is within the scope of what is relevant to the 'administration of the Act and the scheme'.

The statutory mandatory contents for inclusion in the report are as follows:

1. Information relating to the investigation of the actuarial sustainability of the scheme in the period.
2. Summary of information received from the public during the year about the effectiveness of the scheme.
3. Other information prescribed by regulation. As at this stage no matters have been prescribed under regulation.

In addition to the mandatory requirements, the Scheme Manager is to disclose the governance arrangements, performance and financial accountability for the Financial Provisioning Scheme.

Information that is excluded from the report includes:

- information that would expose the Scheme to additional risk
- information that may breach the commercial in confidence requirements in Part 5 of the Act, either directly or through inference.

The Scheme Manager has discretion as to how the information is presented and ordered. The sections outlined in the report contents below pertain to the type of information relevant for inclusion in the annual report. Where information is not yet relevant, e.g. no grants have been provided for abandoned mines works, that information would not be included in the annual report until it has occurred or it has been agreed that it will occur in the next financial year.

3 Governance Matters

3.1 Administration of the Act

The Advisory Committee provides advice to the Scheme Manager as well as the chief executive officers of the Department of Environment and Science and Department of Resources. Matters for reporting include:

- members of the Advisory Committee
- number of meetings held
- matters advised on that are not considered confidential in nature (e.g. number of research/abandoned mines grant applications received and nominal aggregate value, number of grants Scheme Manager agrees to provide – purpose/outcome to be achieved, value of each grant and time periods for meeting milestones).

3.2 Financial Provisioning Scheme

Matters of accountability to be reported on by the Scheme Manager are:

- an overview of the period covered by the annual report that places the Financial Provisioning Scheme in context with its purpose and any changes that have occurred in the period or will occur in the following year
- depending on interdepartmental considerations such as public availability of information, commentary on the overarching issues that may affect the Financial Provisioning Scheme, for example economic and environmental matters.
- mandatory requirements under section 72 relating to:
 - actuarial assessment if undertaken
 - summary of stakeholder submissions on Scheme effectiveness such as
 - number of submissions received
 - matters raised in the submissions
 - Scheme Manager's response to those matters
- information on jurisdictional reviews in progress if any
- information on processes/reviews to ensure confidentiality is maintained
- statistical analysis of work undertaken in the period for example:
 - number of assessment decisions made
 - number of transitional decisions (final year of reporting 2022)
 - number of new decisions
 - number assigned to the Financial Provisioning Fund
 - number assigned to Surety
 - number of surety transactions in the period for small scale miners (includes those with ERC less than \$100,000) for example:
 - surrender of authorities
 - transfer of authorities
 - new authorities.

4 Financial Matters

The Financial Provisioning Scheme's financial performance is audited as part of its inclusion in Queensland Treasury's financial statements. Therefore, a separate audit is only required where aggregate values are not disclosed in the Queensland Treasury financial statements or are presented differently.

4.1 Matters to be audited

The Financial Provisioning Fund report at the end of the financial year showing its balance, receipts and payments are specific to the Act requirements and are not presented in accordance with Australian Accounting Standards. Therefore, the report must be audited for the period. The Financial Provisioning Fund financial report must set out the:

- opening balance,
- aggregate movement by regulatory type and purpose (where relevant)
- closing balance.

Under the *Auditor-General Act 2009*, the Auditor-General, through the Queensland Audit Office, has jurisdiction to audit departmental accounts and will audit the Financial Provisioning Fund financial report.

4.2 Matters that are not audited

A mixture of financial, statistical analysis and non-financial information will be used to report on the overall performance of the Financial Provisioning Scheme. This may include:

- planned expenditure for the Financial Provisioning Fund based on known cost assessments such as approved expenditure for claims and grants; and
- surety information, which is to be consistent with Queensland Treasury's annual financial statements where it is also disclosed there.