1. The *Financial Accountability Act 2009* (the FA Act) contains statutory processes for the finalisation of departmental appropriations at the end of the financial year.
2. Section 35 of the FA Act provides that should expenditure from the Consolidated Fund exceed the amount approved by annual appropriation, the Governor in Council, on the recommendation of the Treasurer, may authorise the expenditure. This is known as unforeseen expenditure and must be approved by Governor in Council within four weeks of the end of the financial year. Unforeseen expenditure must also be formally approved by Parliament via Appropriation Bills.
3. The Appropriation Bill (No. 2) 2015 and Appropriation (Parliament) Bill (No. 2) 2015 sought Parliamentary approval of supplementary appropriation for unforeseen expenditure incurred in the 2014-15 financial year.
4. Unforeseen expenditure does not represent an overall position but reflects additional spending of some departments. The total unforeseen expenditure for the 2014-15 financial year is the lowest level of unforeseen expenditure over the past 18 years on both a total and percentage of appropriation basis. The 2014-15 Consolidated Fund Financial Report provides details of appropriation paid to each department, including adjustments to original appropriation.
5. An amendment to section 71 of the FA Act proposed to provide that the accountable officer of a department may, under a Treasurer’s approval, borrow amounts for the State. Following a review of the operations of Queensland Treasury Corporation (QTC), it was agreed QTC exit the business of leasing. Section 71 of the FA Act therefore requires amendment to remove the specific reference to QTC.
6. Cabinet approved the introduction of the Appropriation Bill (No. 2) 2015 and Appropriation (Parliament) Bill (No. 2) 2015 into the Legislative Assembly as soon as possible.
7. *Attachments*
* [Appropriation Bill (No. 2) 2015](Attachments/Bill.PDF)
* [Explanatory Notes – Appropriation Bill (No. 2) 2015](Attachments/ExNotes.PDF)
* [Appropriation (Parliament) Bill (No. 2) 2015](Attachments/BillParl.PDF)
* [Explanatory Notes – Appropriation (Parliament) Bill (No. 2) 2015](Attachments/ExNotesParl.PDF)