

PUBLIC FINANCE AND AUDIT (AMENDMENT) ACT 1988
No. 19

NEW SOUTH WALES



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PUBLIC FINANCE AND AUDIT (AMENDMENT) ACT 1988 No. 19

NEW SOUTH WALES



Act No. 19, 1988

An Act to amend the Public Finance and Audit Act 1983 to provide for the establishment and use of a Revenue Equalisation Account within the Special Deposits Account and for the audit of subsidiary organisations of certain statutory bodies. [Assented to 28 June 1988]

Public Finance and Audit (Amendment) 1988

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Public Finance and Audit (Amendment) Act 1988.

Commencement

2. This Act commences on the date of assent.

Amendment of Public Finance and Audit Act 1983 No. 152

3. The Public Finance and Audit Act 1983 is amended as set out in Schedule 1.

Transitional provision

4. (1) Section 63B (3) of the Public Finance and Audit Act 1983, as amended by this Act, applies in relation to a corporation, association or trust that was in existence immediately before the date of assent to this Act, and that becomes a privately audited subsidiary organisation of a statutory body by virtue of the enactment of this Act, as if the corporation, association or trust had become such an organisation on that date.

(2) In this section, the expressions "association", "corporation", "privately audited subsidiary organisation" and "statutory body" have the same meanings as they have in section 63B of the Public Finance and Audit Act 1983, as amended by this Act.

SCHEDULE 1—AMENDMENTS

(Sec. 3)

(1) Section 22A—

After section 22, insert:

The Revenue Equalisation Account

22A. (1) The Treasurer may establish a Revenue Equalisation Account within the Special Deposits Account.

(2) The Treasurer may, with the approval of the Governor, transfer from the Consolidated Fund to the Revenue Equalisation Account such sums as the Treasurer may determine.

(3) The sums that may be transferred from the Consolidated Fund to the Revenue Equalisation Account pursuant to this section are in addition to any sums that may be so transferred pursuant to any Act appropriating money from the Consolidated Fund.

*Public Finance and Audit (Amendment) 1988*SCHEDULE 1—AMENDMENTS —*continued*

(4) Details of the sums transferred from the Consolidated Fund to the Revenue Equalisation Account pursuant to this section shall be included in any Bill introduced with the object of appropriating sums of money for the ordinary annual services of the Government or capital works and services of the Government during the financial year next succeeding that in which the transfer occurs.

(5) Money shall not be drawn from the Revenue Equalisation Account otherwise than by way of transfer from that Account to the Consolidated Fund.

(2) Section 39 (**Application and interpretation**)—

Section 39 (1) (e), (f)—

At the end of section 39 (1) (e), insert:

; and

(f) any other corporation, association or trust that is a subsidiary organisation (within the meaning of section 63B) of the statutory body,

(3) Section 63B—

After section 63A, insert:

Subsidiary organisations of statutory bodies

63B. (1) In this section—

“association” includes partnership and joint venture;

“corporation” means a corporation within the meaning of the Companies (New South Wales) Code;

“privately audited subsidiary organisation” means a subsidiary organisation whose auditor (being the auditor appointed in accordance with the law relating to the appointment of auditors for such organisations) is not the Auditor-General;

“statutory body” means—

(a) a person, group of persons or body specified in Schedule 2; or

(b) a person, group of persons or body (not being a person, group of persons or body specified in Schedule 3) whose funds are held in an account within the Special Deposits Account;

SCHEDULE 1—AMENDMENTS —*continued*

“subsidiary organisation”, in relation to a statutory body, means—

- (a) a corporation which, if the statutory body (or that and some other statutory body or bodies, considered as one body) were a corporation, would be a subsidiary, within the meaning of the Companies (New South Wales) Code, of the statutory body (or of that and such other statutory body or bodies, considered as one body); or
- (b) an association, not less than 50 per cent of the property of which is owned by the statutory body (or by that and some other statutory body or bodies) or not less than 50 per cent of the voting rights of which are controlled by the statutory body (or by that and some other statutory body or bodies); or
- (c) a trust of which the statutory body is a trustee or manager or from which the statutory body is entitled to benefit.

(2) A statutory body shall take such steps as are appropriate to ensure that no corporation, association or trust becomes a privately audited subsidiary organisation of the statutory body.

(3) If, on or after the commencement of this section, a corporation, association or trust becomes a privately audited subsidiary organisation of a statutory body, the statutory body shall (together with any other statutory body or bodies of which the corporation, association or trust is a subsidiary organisation) take such steps as are appropriate to ensure that the corporation, association or trust ceases to be a privately audited subsidiary organisation of the statutory body by the end of the third financial year (in relation to the statutory body) following that in which the corporation, association or trust becomes such an organisation.

(4) The Treasurer (after consultation with the Auditor-General and the Minister having the administration of the Act by or under which the statutory body is appointed, constituted or regulated) may make an order exempting a statutory body from, or extending the period of time within which the statutory body must comply with, the requirements of this section.

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SCHEDULE 1—AMENDMENTS —*continued*

(5) If, because of the fact that a person, group of persons or body has become a statutory body, a corporation, association or trust becomes a privately audited subsidiary organisation of the statutory body, the corporation, association or trust shall, for the purposes of this section, be taken to have become a privately audited subsidiary organisation of the statutory body at the same time as the person, group of persons or body became a statutory body.
