

Queensland



AUDIT LEGISLATION AMENDMENT ACT 1993

Act No. 9 of 1993

Queensland



AUDIT LEGISLATION AMENDMENT ACT 1993

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MINOR AMENDMENTS OF FINANCIAL ADMINISTRATION AND AUDIT AMENDMENT ACT 1991		

Queensland



Audit Legislation Amendment Act 1993

Act No. 9 of 1993

An Act to amend the law relating to public sector auditing, and for other purposes

[Assented to 26 March 1993]

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Assembly of Queensland in Parliament assembled, and by the authority of the same, as follows.

PART 1—PRELIMINARY

Short title

1. This Act may be cited as the *Audit Legislation Amendment Act 1993*.

Commencement

2. This Act commences on a day to be fixed by proclamation.

PART 2—AMENDMENT OF FINANCIAL ADMINISTRATION AND AUDIT ACT 1977

Amended Act

3. The *Financial Administration and Audit Act 1977* is amended as set out in this Part and Schedule 1.

Amendment of s.5 (Interpretation)

4.(1) Section 5(1) (definitions “**abstract**”, “**accounts**”, “**appropriate Minister**”, “**audit**”, “**authorized auditor**”, “**bank**”, “**department**”, “**financial year**”, “**internal control**”, “**officer**”, “**Public Finance Standards**” and “**statutory body**”)—

omit.

(2) Section 5(1) (definitions “**Annual Appropriation Act**”, “**appropriation**”, “**Appropriation Act**”, “**Approved Estimates**”, “**Estimates in Chief**”, “**special services**”, “**subdivision**”, “**supply services**” and “**vote**”)—

omit.

(3) Section 5(1)—

insert—

“**appropriate Minister**” means—

- (a) in relation to a department—the Minister administering the department; or
- (b) in relation to the Town Commission constituted under the *Alcan Queensland Pty. Limited Agreement Act 1965*—the Minister administering matters connected with the Town Commission; or
- (c) in relation to a council constituted under the *Local Government (Aboriginal Lands) Act 1978*, the *Community Services (Aborigines) Act 1984* or the *Community Services (Torres Strait) Act 1984*—the Minister administering matters connected with the council; or
- (d) in relation to another local authority—the Minister administering the *Local Government Act 1936*; or
- (e) in relation to a statutory body—the Minister administering the Act by or under which the statutory body is established; or
- (f) in relation to another public sector entity—the Minister administering matters connected with the entity;

“**authorised auditor**” means—

- (a) the Auditor-General or Deputy Auditor-General; or
- (b) a member of the staff of the Audit Office; or
- (c) a contract auditor;

“**contract auditor**” means a person who is appointed under this Act as a contract auditor;

“**control**”, in relation to an entity, has the meaning given by section 5A;

“**controlled entity**” means an entity that is controlled by another entity;

“**department**” includes—

- (a) a part of a department; or

- (b) subject to subsection (3), an authority, instrumentality or body corporate—
 - (i) that—
 - (A) represents the Crown; or
 - (B) is established by or under an Act; or
 - (C) is established for a purpose connected with the government of the State; and
 - (ii) whose—
 - (A) receipts are paid, in whole or part, into a fund of the public accounts; or
 - (B) expenditure is paid, in whole or part, out of a fund of the public accounts;

“economic entity” means a group of entities comprising the parent entity and each of its controlled entities;

“entity” has the meaning given by section 5A;

“financial year” means—

- (a) subject to paragraph (b), a period of 12 months beginning on 1 July; or
- (b) in relation to an entity for which another period is specified as its financial year by the Act by or under which it is established or by or under any other law—the other period;

“internal control” means the methods adopted within an entity—

- (a) to safeguard its assets; and
- (b) to check the accuracy and reliability of its accounting information; and
- (c) to secure compliance with any prescribed requirements;

“officer”, in relation to a public sector entity, includes a member or employee of the entity;

“parent entity” means an entity that controls another entity;

“Parliamentary Committee” means the Parliamentary Committee of Public Accounts;

“Public Finance Standards” means the standards in force under section 46L;

“public sector entity” means—

- (a) a department; or
- (b) a local authority; or
- (c) a statutory body; or
- (d) a controlled entity of a department, local authority or statutory body;

“statutory body” means a corporation sole, or a body or association (whether incorporated or unincorporated)—

- (a) that is established by or under an Act; and
- (b) that has control of funds; and
- (c) whose member, or any of whose members—
 - (i) is appointed by or under an Act; or
 - (ii) is appointed, or confirmed in appointment, by the Governor in Council or a Minister;

but does not include—

- (d) a department; or
- (e) a local authority; or
- (f) a corporate sole, body or association prescribed by regulation not to be a statutory body;’.

(4) Section 5(1)—

insert—

“Annual Appropriation Act” means an Act that—

- (a) authorises amounts to be issued from the public accounts and applied for services in a financial year; and
- (b) specifies the services for which the amounts may be issued and applied;

“appropriation” means—

- (a) an amount appropriated by an Appropriation Act for supply services; or
- (b) an amount (whether specified or unspecified) appropriated by another Act for special services;

“Appropriation Act” means an Act that authorises amounts to be issued from the public accounts and applied for services in a financial year;

“special services” means services for which an amount is or may be issued from the public accounts and applied under an Act other than an Appropriation Act;

“subdivision” means a separate subhead or classification of expenditure within a vote as specified in an Annual Appropriation Act;

“supply services” means services specified in an Annual Appropriation Act, and includes purposes for which the Treasurer, under this Act, allocates amounts appropriated under an Appropriation Act other than an Annual Appropriation Act pending the enactment of an Annual Appropriation Act;

“vote” means an amount appropriated by, and specified in, an Annual Appropriation Act for expenditure on supply services.’.

(5) Section 5(2), (3) and (4)—

omit, insert—

‘(2) For the purposes of the definition “department” in subsection (1), the expenditure of an authority, instrumentality or body corporate is not taken to be paid, in whole or part, out of a fund of the public accounts merely because a payment in the nature of a grant in aid, endowment or subsidy is made to it from the public accounts under an appropriation.’.

Insertion of new s.5A

5. After section 5—

insert—

‘Entities and their control

‘5A.(1) A regulation may—

- (a) define the expression “entity”; or
- (b) make provision for or in relation to determining whether or not an entity controls another entity.

‘(2) Before a regulation is made under subsection (1), the Minister must consult with the Auditor-General about the proposed regulation.

‘(3) Subject to any regulation made under subsection (1), if a prescribed accounting standard—

- (a) defines the expression “entity”—the definition in the standard also has effect for the purposes of this Act; or
- (b) includes a provision because of which an entity is taken to control an entity for the purposes of the standard—the first entity is taken to control the other entity for the purposes of this Act.’.

Replacement of s.21 (Estimates in Chief)

6. Section 21—

omit, insert—

‘Annual Appropriation Act

‘21.(1) For each financial year, the Treasurer is to present to the Legislative Assembly a Bill for an Annual Appropriation Act.

‘(2) The Bill is to indicate the proposed expenditure under the headings of proposed votes, subdivisions and subdivisional items.

‘(3) At the time of presenting the Bill, the Treasurer must lay before the Legislative Assembly estimates of receipts relating to the proposed expenditure.’.

Omission of s.22 (Approved Estimates)

7. Section 22—

omit.

Amendment of s.25 (Unforeseen expenditure)**8.** Section 25—

omit ‘of the Approved Estimates’,
insert ‘of the Annual Appropriation Act’.

Replacement of s.34B (Appropriations where departments levy charges for goods and services)**9.** Section 34B—

omit, insert—

‘Appropriations where departments levy charges for goods and services**‘34B.(1) If—**

- (a) a department levies charges that are categorised in the public accounts as receipts for goods and services; and
- (b) the Treasurer authorises the accountable officer to apply this section to all or part of the receipts;

an amount equal to the receipts or part of the receipts to which this section is applied under the authority is taken to be appropriated to meet the expenditure of the department in the financial year in which this section is applied to them.

‘(2) Details of receipts to which this section is applied are to be noted in the relevant departmental appropriation account.’.

Amendment of s.36 (Functions and duties of accountable officer)**10.(1)** Section 36(1)(e)—

omit, insert—

- ‘(e) must ascertain by regular examination whether fees and charges for goods and services supplied by the department are—
 - (i) properly assessed and levied; and
 - (ii) adequate having regard to the cost of supplying the goods and services and other relevant matters; and’.

(2) After section 36(1)—

insert—

‘(2) The accountable officer may fix the fees and charges payable for goods and services supplied by the department.’.

(3) Section 36(5) and (6)—

renumber as section 36(3) and (4) respectively.

(4) At the end of section 36—

insert—

‘(5) For the purposes of this section, supplying goods and services includes—

(a) leasing land and buildings; and

(b) hiring property or otherwise making property available for use.’.

Replacement of s.36A (Delegation of functions and duties of accountable officer)

11. Section 36A—

omit, insert—

‘Delegation by accountable officer

‘36A.(1) An accountable officer may delegate the accountable officer’s powers under this Act to—

(a) an officer of the department; or

(b) the holder of an office in or connected with the department.

‘(2) The delegation of a power does not relieve the accountable officer from the accountable officer’s obligation to ensure that the power is properly exercised.’.

Amendment of s.37 (Departmental appropriation accounts)

12. Section 37(2)(a)—

omit, insert—

- ‘(a) the expenditure of the department concerned compared with relevant appropriations; and’.

Amendment of s.39 (Treasurer’s Annual Statement)

13. Section 39(3) and (4)—

omit, insert—

‘(3) After auditing the Treasurer’s annual statement, the Auditor-General must certify on the statement—

- (a) whether or not the Auditor-General has received all the information and explanations required by the Auditor-General; and
- (b) whether or not, in the Auditor-General’s opinion—
 - (i) the public accounts have been properly kept in accordance with law; and
 - (ii) the statement is in agreement with the public accounts; and
 - (iii) the statement has been properly drawn up to present a true and fair view of—
 - (A) the transactions for the financial year; and
 - (B) the position of the public accounts at the end of the financial year.

‘(4) The Treasurer must lay the certified annual statement before the Legislative Assembly within 14 sitting days after the Treasurer receives it from the Auditor-General.’.

Amendment of s.40 (General purpose financial statements)

14. Section 40(4)—

omit, insert—

‘(4) The general purpose financial statements prepared under subsection (1) must include consolidated financial statements for the department and its controlled entities if the Public Finance Standards or prescribed accounting standards require that they be included.

‘(5) If subsection (4) applies to the department, the certificates required under subsections (1) and (2) must be modified to refer to the consolidated financial statements.’.

Insertion of new Division 9 of Part 2

15. After section 43—

insert—

‘Division 9—Formation of companies and acquisition of shares

‘Formation of companies by department etc. requires Treasurer’s approval

‘44.(1) A department may—

- (a) form, or participate in the formation of, a company; or
- (b) otherwise become a parent entity in relation to a company;

only with the Treasurer’s prior approval.

‘(2) A person may use public moneys to form, or participate in the formation of, a company only with the Treasurer’s prior approval.

‘(3) If the use of public moneys for a purpose would result in an entity becoming a parent entity in relation to a company, the moneys may only be used for that purpose with the Treasurer’s prior approval.’.

Omission of s.46A (Provisions of this Part paramount)

16. Section 46A—

omit.

Omission of s.46B (Appropriate Minister to furnish prescribed particulars)

17. Section 46B—

omit.

Amendment of s.46F (Statutory body to prepare annual financial statements)**18.** Section 46F(1A)—

omit, insert—

‘**(1A)** The general purpose financial statements prepared under subsection (1) must include consolidated financial statements for the statutory body and its controlled entities if the Public Finance Standards or prescribed accounting standards require that they be included.

‘**(1B)** If subsection (1A) applies to the statutory body, the certificate required under subsection (1) must be modified to refer to the consolidated financial statements.’.

Omission of s.46I (Audit of accounts of associated body)**19.** Section 46I—

omit.

Replacement of s.46L (Public Finance Standards)**20.** Section 46L—

omit, insert—

‘Public Finance Standards

‘**46L.(1)** The Treasurer may issue standards in relation to—

- (a) the policies and principles to be observed in financial management, including internal audit, by accountable officers and statutory bodies; and
- (b) the content of financial statements and annual reports by accountable officers and statutory bodies; and
- (c) the nature of matters to be included in Financial Management Practice Manuals.

‘**(2)** Before issuing a standard, the Treasurer must consult with the Auditor-General about the standard.

‘(3) The standards may include practice statements if the Treasurer considers that a uniform standard of practice or procedure is necessary or desirable.

‘(4) In preparing standards, the Treasurer must have regard to any relevant standards issued by appropriate professional bodies.

‘(5) Every accountable officer and statutory body must comply with all applicable standards in force under subsection (1).

‘(6) A standard issued under subsection (1) is subordinate legislation.’.

Replacement of Part 3 (AUDIT)

21. Part 3—

omit, insert—

‘PART 5—QUEENSLAND AUDITOR-GENERAL AND QUEENSLAND AUDIT OFFICE

‘Division 1—General

‘Auditor-General and Audit Office

‘47.(1) There is to be a Queensland Auditor-General.

‘(2) An office called the Queensland Audit Office is established.

‘(3) The office consists of the Auditor-General, the Deputy Auditor-General and the staff of the Audit Office.

‘Control of Audit Office

‘48. The Auditor-General is to control the Audit Office.

‘Auditor-General not subject to direction

‘49.(1) The Auditor-General is not subject to direction by any person about—

- (a) the way in which the Auditor-General's powers in relation to audit are to be exercised; or
- (b) the priority to be given to audit matters.

‘(2) Subsection (1) has effect despite the *Public Service Management and Employment Act 1988* and the *Public Sector Management Commission Act 1990*.

‘Division 2—Provisions relating to Auditor-General

‘Appointment of Auditor-General

‘50.(1) The Auditor-General is to be appointed by the Governor in Council.

‘(2) A person may be appointed as the Auditor-General only if—

- (a) press advertisements have been placed nationally calling for applications from suitably qualified persons to be considered for appointment; and
- (b) the Minister has consulted with the Parliamentary Committee about—
 - (i) the process of selection for appointment; and
 - (ii) the appointment of the person as the Auditor-General.

‘Duration of appointment

‘51.(1) The appointment of the Auditor-General is for the term (not longer than 7 years) specified in the Auditor-General's instrument of appointment.

‘(2) A person appointed as Auditor-General is not eligible for reappointment.

‘Terms of appointment

‘52.(1) The Auditor-General holds office on a full-time basis.

‘(2) The Auditor-General is to be paid remuneration and allowances equal to the highest remuneration and allowances payable to the chief executive of a department within the meaning of the *Public Service Management and Employment Act 1988*.

‘(3) The remuneration and allowances of the Auditor-General are payable out of the public accounts, which are appropriated accordingly.

‘(4) The Auditor-General holds office on the terms not provided by this Act that are determined by the Governor in Council.

‘Pecuniary interests declaration

‘53.(1) Within 1 month after appointment, the Auditor-General must give to the Speaker a statement setting out the information mentioned in subsection (2) in relation to the pecuniary and other interests of the Auditor-General and other persons related to or connected with the Auditor-General.

‘(2) The information to be set out in the statement is the information that would be required to be entered on a register or otherwise disclosed by any law or resolution of the Legislative Assembly if the Auditor-General were a member of the Legislative Assembly.

‘(3) If a change happens in the pecuniary or other interests that would be required to be disclosed if the Auditor-General were a member of the Legislative Assembly, the Auditor-General must give to the Speaker a revised statement taking account of the change.

‘(4) The Speaker must, on request, give a copy of the latest statement to—

- (a) the Premier; or
- (b) the leader of a political party represented in the Legislative Assembly; or
- (c) the Criminal Justice Commission; or
- (d) the Electoral and Administrative Review Commission; or
- (e) a member of the Parliamentary Committee.

‘(5) The Speaker must, on request, give a copy of the part of the latest statement that relates only to the Auditor-General to another member of the Legislative Assembly.

‘(6) A member of the Legislative Assembly may, by writing given to the Speaker, allege that the Auditor-General has not complied with the requirements of this section.

‘Preservation of rights

‘54.(1) This section applies if an officer of the public service is appointed as the Auditor-General.

‘(2) The person retains and is entitled to all rights that have accrued to the person because of employment as an officer of the public service, or that would accrue in the future to the person because of that employment, as if service as Auditor-General were a continuation of service as an officer of the public service.

‘(3) If the person ceases to be Auditor-General and again becomes an officer of the public service, the person’s service as Auditor-General is to be regarded as service of a similar kind in the public service for the purpose of determining the person’s rights as an officer of the public service.

‘Leave of absence

‘55. The Minister may grant leave of absence to the Auditor-General in accordance with the terms on which the Auditor-General holds office.

‘Resignation

‘56. The Auditor-General may resign by signed notice given to the Governor and the Speaker or, if there is no Speaker or the Speaker is unavailable, the Clerk of the Parliament.

‘Suspension and removal

‘57.(1) The Governor may, on an address from the Legislative Assembly, remove the Auditor-General from office—

- (a) on the ground of proved incapacity, incompetence or misconduct; or
- (b) if the Auditor-General is convicted of an indictable offence.

‘(2) The motion for the address may only be moved by the Premier.

‘(3) The Premier may move the motion only if—

- (a) the Premier has given the Auditor-General a statement setting out the reasons for the motion; and
- (b) the statement and any written response by the Auditor-General have been laid before the Legislative Assembly; and
- (c) the Premier has consulted with the Parliamentary Committee about the motion; and
- (d) agreement to the motion has been obtained from—
 - (i) all members of the Parliamentary Committee; or
 - (ii) a majority of members of the Parliamentary Committee (other than a majority consisting solely of the members of the political party or parties in government in the Assembly).

‘(4) The Governor in Council may suspend the Auditor-General from office—

- (a) on the ground of incapacity, incompetence or misconduct; or
- (b) if the Auditor-General is convicted of an indictable offence.

‘(5) When the Legislative Assembly is in session, the Governor in Council may suspend the Auditor-General only on an address from the Legislative Assembly.

‘(6) The motion for the address must comply with subsections (2) and (3).

‘(7) When the Legislative Assembly is not in session, the Governor in Council may suspend the Auditor-General only if—

- (a) the Premier has given the Auditor-General a statement setting out the reasons for the suspension; and
- (b) the Premier has considered any response by the Auditor-General to the statement.

‘(8) The Premier must lay the statement and any written response by the Auditor-General before the Legislative Assembly within 3 sitting days after the day on which the suspension begins.

‘(9) A suspension made when the Legislative Assembly is not in session ceases to have effect—

- (a) subject to paragraph (b), at the end of 7 sitting days after the day on which the suspension begins; or
- (b) if the Auditor-General is earlier suspended or removed from office on an address from the Legislative Assembly—at that earlier time.

‘(10) If the suspension ceases to have effect under subsection (9)(a), the Auditor-General is entitled to be paid remuneration and allowances for the period of the suspension.

‘(11) Except as provided in subsection (10), the Auditor-General is entitled to be paid remuneration and allowances for the period of a suspension only if—

- (a) the Legislative Assembly resolves that remuneration and allowances be paid for the period; or
- (b) the Governor in Council approves the payment of remuneration and allowances for the period.

‘Division 3—Deputy Auditor-General

‘Deputy Auditor-General

58. There is to be a Deputy Auditor-General.

‘Duties of Deputy Auditor-General

‘59.(1) The Deputy Auditor-General is to perform the duties directed by the Auditor-General.

‘(2) The Deputy Auditor-General is to act as Auditor-General—

- (a) during vacancies in the office of Auditor-General; and

- (b) during periods when the Auditor-General is absent from duty or Australia or is, for another reason, unable to perform the functions of the office.

‘(3) While the Deputy Auditor-General is acting as Auditor-General—

- (a) the Deputy Auditor-General has all the powers and functions of the Auditor-General; and
- (b) this Act and other Acts apply to the Deputy Auditor-General as if the Deputy Auditor-General were the Auditor-General.

‘(4) Anything done by or in relation to the Deputy Auditor-General while the Deputy Auditor-General is purporting to act as Auditor-General is not invalid merely because the occasion for the Deputy Auditor-General to act had not arisen or had ceased.

‘Deputy Auditor-General appointed under Public Service Management and Employment Act

‘60. The Deputy Auditor-General is to be appointed under the *Public Service Management and Employment Act 1988*.

‘Pecuniary interests declaration

‘61. Section 53 (Pecuniary interests declaration) applies to the Deputy Auditor-General in the same way as it applies to the Auditor-General.

‘Deputy Auditor-General subject only to direction of Auditor-General

‘62.(1) The Deputy Auditor-General is not subject to direction by any person (other than the Auditor-General) about—

- (a) the way in which the Auditor-General’s powers in relation to audit are to be exercised; or
- (b) the priority to be given to audit matters.

‘(2) Subsection (1) has effect despite the *Public Service Management and Employment Act 1988* and the *Public Sector Management Commission Act 1990*.

Division 4—Staff of Audit Office**‘Staff to be appointed under Public Service Management and Employment Act**

‘63. The staff of the Audit Office are to be appointed under the *Public Service Management and Employment Act 1988*.

‘Auditor-General has functions and powers of chief executive

‘64. The Auditor-General has all the functions and powers of the chief executive of a department, so far as they relate to the organisational unit comprising the Audit Office’s staff, as if—

- (a) that unit were a department under the *Public Service Management and Employment Act 1988*; and
- (b) the Auditor-General were the chief executive of the department.

‘Staff subject only to direction of Auditor-General

‘65.(1) The staff of the Audit Office are not subject to direction by any person (other than the Auditor-General, the Deputy Auditor-General or a person authorised by the Auditor-General) about—

- (a) the way in which the Auditor-General’s powers in relation to audit are to be exercised; or
- (b) the priority to be given to audit matters.

‘(2) Subsection (1) has effect despite the *Public Service Management and Employment Act 1988* and the *Public Sector Management Commission Act 1990*.

Division 5—Other matters**‘Delegation of powers**

‘66.(1) The Auditor-General may delegate powers under any Act to an authorised auditor.

‘(2) However, the Auditor-General must not delegate a power to report to the Legislative Assembly.

‘Auditor-General accountable officer

‘67.(1) The Audit Office is a department within the meaning of this Act.

‘(2) The Auditor-General is the accountable officer of the Audit Office.

‘Estimates

‘68.(1) The Auditor-General must prepare, for each financial year, estimates of proposed receipts and expenditure relating to the Audit Office.

‘(2) The Auditor-General must give the estimates to the Treasurer.

‘(3) The Treasurer must consult with the Parliamentary Committee in developing the proposed budget of the Audit Office for each financial year.

‘Audit of Audit Office

‘69.(1) The Governor in Council must, for each financial year, appoint a person who is a registered company auditor under the Corporations Law to conduct an audit of the Audit Office.

‘(2) The person is to be paid the fee determined by the Treasurer for the audit.

‘(3) For the purpose of conducting the audit—

(a) the person has all the powers of an authorised auditor; and

(b) this Act and other Acts apply to the person as if the person were an authorised auditor.

‘(4) On completing the audit, the person must give a report on the audit to the Auditor-General and the Treasurer.

‘(5) The Auditor-General must include the person’s report in the annual report of the Audit Office.

‘Public Sector Management Commission standards

‘70.(1) The Public Sector Management Commission may make a standard under section 4.13 of the *Public Sector Management Commission Act 1990* that applies specifically to the Audit Office (whether or not it also applies to other units of the public sector within the meaning of that Act) only with the approval of the Auditor-General.

‘(2) Subsection (1) does not apply to a standard that applies generally to all units of the public sector within the meaning of that Act.

‘Reviews under Public Sector Management Commission Act only at request of Auditor-General

‘71.(1) The Public Sector Management Commission may conduct a review into the management of the Audit Office only at the request of the Auditor-General.

‘(2) Subsection (1) has effect despite the *Public Sector Management Commission Act 1990*.

‘Strategic review of Audit Office

‘72.(1) Strategic reviews of the Audit Office are to be conducted under this section.

‘(2) A review is to be conducted at least every 5 years.

‘(3) Each review is to be undertaken by an appropriately qualified person appointed by the Governor in Council.

‘(4) The terms of reference for the review are to be determined by the Governor in Council.

‘(5) Before a person is appointed to conduct a review, the Minister must consult with the Parliamentary Committee and the Auditor-General about—

- (a) the appointment of the person; and
- (b) the terms of reference for the review.

‘(6) The remuneration and other terms of appointment of a person appointed to conduct a review are as determined by the Governor in Council.

‘(7) For the purposes of conducting the review—

- (a) the person has all the powers that an authorised auditor has for the purposes of an audit of an entity; and
- (b) this Act and other Acts apply to the person as if the person were an authorised auditor conducting an audit of an entity.

‘(8) On completing the review, the person must give a report on the review to the Minister and the Auditor-General.

‘(9) If the person proposes to include in the report a matter that, in the person’s opinion, is a matter of significance, the person must—

- (a) give the Minister and the Auditor-General written advice of the matter; and
- (b) include in the advice a statement to the effect that comments on the matter may be made in writing to the person within—
 - (i) 21 days after the advice is received; or
 - (ii) such longer period as is specified in the advice.

‘(10) If the matter is included in the report, any comments given to the person under subsection (9)(b) must also be included in the report.

‘(11) The Minister must lay the report before the Legislative Assembly within 3 sitting days after the Minister receives the report.

‘PART 6—AUDIT OF PUBLIC ACCOUNTS AND PUBLIC SECTOR ENTITIES

‘Division 1—Scope of Auditor-General’s mandate

‘General

‘73.(1) The Auditor-General must, in relation to each financial year, audit—

- (a) the public accounts; and

(b) all public sector entities.

‘(2) However, the Auditor-General must not audit the Audit Office.

‘(3) Subsection (1) does not apply to a public sector entity exempt from audit by the Auditor-General under a regulation made under section 74.

‘Exemption of certain public sector entities from audit by Auditor-General

‘74.(1) A regulation may—

- (a) exempt a public sector entity from audit by the Auditor-General; and
- (b) provide that a person appointed under, or in a way specified in, the regulation must audit the public sector entity.

‘(2) Before a regulation is made under subsection (1), the Minister must consult with the Auditor-General about the proposed regulation.

‘(3) For the purpose of conducting an audit under a regulation made under subsection (1)(b)—

- (a) the person appointed under the regulation has all the powers of an authorised auditor; and
- (b) this Act and other Acts apply to the person as if the person were an authorised auditor.

‘Appropriate Minister to give Auditor-General information relating to public sector entities

‘75.(1) If—

- (a) a public sector entity is established; or
- (b) an entity becomes a public sector entity;

the appropriate Minister must give the Auditor-General any information about the matter that the Auditor-General requires.

‘(2) This section does not apply to a public sector entity that is, or is a part of, a department within the meaning of the *Public Service Management and Employment Act 1988*.

‘Auditor-General to be appointed auditor of every company public sector entity

‘76.(1) The shareholders of a company that is a public sector entity must—

- (a) appoint the Auditor-General to be the auditor of the company; and
- (b) ensure that the Auditor-General remains, at all times, the auditor of the company while the company remains a public sector entity.

‘(2) Subsection (1) does not apply to a company exempt from audit by the Auditor-General under a regulation made under section 74 (Exemption of certain public sector entities from audit by Auditor-General).

‘Audits at request of Parliament

‘77.(1) If the Legislative Assembly, by resolution, requests the Auditor-General to conduct an audit of a matter relating to the financial administration of a public sector entity, the Auditor-General must conduct the audit.

‘(2) This section does not apply to the financial administration of the Audit Office.

‘By-arrangement audits

‘78.(1) The Auditor-General may audit an entity that is not a public sector entity at the request of a Minister or a public sector entity.

‘(2) The Auditor-General may audit the entity only if the entity agrees to the audit.

*‘Division 2—Conduct of audits***‘Way in which audit is to be conducted**

‘79.(1) The Auditor-General may conduct an audit in the way the Auditor-General considers appropriate.

‘(2) In determining the appropriate way to conduct an audit, the Auditor-General may have regard to—

- (a) the character of the relevant internal control system (including internal audit); and
- (b) recognised standards and practices.

‘(3) Subsection (2) does not limit the matters to which the Auditor-General may have regard.

‘(4) In the case of the audit of a company, the Auditor-General is not limited to conducting the audit in accordance with the Corporations Law, and may do anything else that the Auditor-General considers appropriate.

‘Audit of performance management systems

‘80.(1) The Auditor-General may conduct an audit of performance management systems of a public sector entity.

‘(2) The audit may be conducted as a separate audit or as part of another audit (including an audit of another public sector entity under this section).

‘(3) The object of the audit includes determining whether the performance management systems enable the public sector entity to assess whether its objectives are being achieved economically, efficiently and effectively.

‘(4) In conducting the audit, the Auditor-General must have regard to any prescribed requirements relating to the establishment and maintenance of performance management systems that apply to the public sector entity.

‘Audit of public accounts

‘81. In auditing the public accounts, the Auditor-General must ascertain whether or not, in the Auditor-General’s opinion—

- (a) proper accounts were properly kept in accordance with law; and
- (b) procedures applied were in accordance with the prescribed requirements and were adequate to ensure—
 - (i) proper control and safeguards were exercised over the collection, custody, banking, withdrawal, issue of, and

- accounting for, public moneys; and
- (ii) public moneys received on account of, or paid out of, the public accounts were credited to, or charged to, the appropriate fund; and
 - (iii) withdrawals from the public accounts were made for lawful and appropriate purposes; and
 - (iv) proper safeguards were followed to prevent fraud and mistake; and
 - (v) the requirements of the law relating to public moneys were complied with in all material respects; and
- (c) the Treasurer's annual statement is in agreement with the public accounts; and
- (d) the Treasurer's annual statement has been properly drawn up to present a true and fair view of—
- (i) the transactions for the financial year; and
 - (ii) the position of the public accounts at the end of the financial year.

'Appointment of contract auditors

'82.(1) The Auditor-General may appoint an appropriately qualified individual who is not a member of the staff of the Audit Office to be a contract auditor.

'(2) The appointment of a person to be a contract auditor may be general or limited to a particular audit.

'(3) The contract auditor—

- (a) is appointed on the terms specified in the instrument of appointment; and
- (b) may resign the appointment by signed notice given to the Auditor-General.

‘Identity cards for authorised auditors

‘83.(1) The Auditor-General may issue an identity card to an authorised auditor.

‘(2) The identity card must—

- (a) contain a recent photograph of the authorised auditor; and
- (b) be signed by the authorised auditor and the Auditor-General.

‘(3) A person who ceases to be an authorised auditor must not, without reasonable excuse, fail to return the person’s identity card to the Auditor-General as soon as practicable after ceasing to be an authorised auditor.

Maximum penalty for subsection (3)—10 penalty units.

‘Proof of authority as authorised auditor

‘84. An authorised auditor may exercise a power in relation to a person only if the authorised auditor produces his or her identity card for inspection by the person.

‘Access to documents and property

‘85.(1) For the purpose of conducting an audit of the public accounts, an authorised auditor is entitled, at all reasonable times, to full and free access to all documents and property relevant to the audit.

‘(2) For the purpose of conducting an audit of an entity under this Act, an authorised auditor is entitled, at all reasonable times, to full and free access to all documents and property belonging to, in the custody of, or under the control of, the entity.

‘(3) For the purpose of conducting an audit under this Act, an authorised auditor may—

- (a) enter, at any reasonable time—
 - (i) a place occupied by a public sector entity or another entity subject to audit; or

- (ii) a place occupied by a bank or other financial institution with which a public sector entity, or another entity subject to audit, maintains an account; or
- (iii) another place if the occupier of the place consents to the entry; and
- (b) inspect, examine, photograph or film anything in the place; and
- (c) take extracts from, and make copies of, any documents in the place; and
- (d) take into the place persons, equipment and materials that the authorised auditor reasonably requires; and
- (e) require any person in the place to give to the authorised auditor reasonable assistance in relation to the exercise of the powers mentioned in paragraphs (a) to (d).

‘(4) A person must not, without reasonable excuse, fail to comply with a requirement made under subsection (3)(e).

Maximum penalty—40 penalty units.

‘(5) It is not a reasonable excuse for a person to fail to comply with a requirement made under subsection (3)(e) that complying with the requirement might tend to incriminate the person.

‘(6) Neither an answer by a person under a requirement made under subsection (3)(e), nor any information, document or other thing obtained as a direct or indirect consequence of the person giving the answer, is admissible against the person in a criminal proceeding (other than a proceeding relating to the falsity of the answer) if—

- (a) the person, before giving the answer, claimed that giving the answer might tend to incriminate the person; and
- (b) the answer might in fact tend to incriminate the person.

‘(7) The fact that a document was produced by a person under a requirement made under subsection (3)(e) is not admissible in evidence against the person in a criminal proceeding (other than a proceeding relating to the falsity of the document) if—

- (a) the person, before producing the document, claimed that producing the document might tend to incriminate the person; and

- (b) producing the document might in fact tend to incriminate the person.

‘Obtaining information

‘86.(1) If it is reasonably necessary for the purposes of an audit under this Act, an authorised auditor may, by written notice given to a person, require the person to give to the authorised auditor specified information, within a reasonable period and in a reasonable way specified in the notice.

‘(2) A person must not, without reasonable excuse, fail to comply with a requirement made under subsection (1).

Maximum penalty—40 penalty units.

‘(3) It is not a reasonable excuse for a person to fail to comply with a requirement under subsection (1) that complying with the requirement might tend to incriminate the person.

‘(4) Neither information given by a person under a requirement under subsection (1), nor any other information or a document or other thing obtained as a direct or indirect consequence of the person giving the information, is admissible against the person in a criminal proceeding (other than a proceeding relating to the falsity of the information) if—

- (a) the person, before giving the information, claimed that giving the information might tend to incriminate the person; and
- (b) giving the information might in fact tend to incriminate the person.

‘Obtaining evidence

‘87.(1) If it is reasonably necessary for the purposes of an audit under this Act, an authorised auditor may, by written notice given to a person, require the person—

- (a) to attend before an authorised auditor, at a reasonable time and place specified in the notice, and then and there answer questions; and

- (b) to produce to an authorised auditor, at a reasonable time and place specified in the notice, documents belonging to, in the custody of, or under the control of, the person.

‘(2) The authorised auditor before whom the person attends may require answers to be verified or given on oath or affirmation, and either orally or in writing, and for that purpose the authorised auditor may administer an oath or affirmation.

‘(3) The oath to be taken, or affirmation to be made, by a person for the purposes of this section is an oath or affirmation that the answers the person will give will be true.

‘(4) An authorised auditor to whom a document is produced under a notice under subsection (1)—

- (a) may keep the document for a reasonable period for the purposes of conducting the relevant audit; and
- (b) may take extracts from and make copies of the document.

‘(5) While the authorised auditor has possession of the document, the authorised auditor must allow the document to be inspected at any reasonable time by a person who would be entitled to inspect it if it were not in the authorised auditor’s possession.

‘(6) The regulations must prescribe scales of allowances and expenses to be allowed to persons required to attend under this section.

‘(7) A person must not, without reasonable excuse, fail to comply with a notice under subsection (1).

Maximum penalty—40 penalty units.

‘(8) It is not a reasonable excuse for a person to fail to comply with a notice under subsection (1) that complying with the notice might tend to incriminate the person.

‘(9) Neither an answer given by a person under this section, nor any information, document or other thing obtained as a direct or indirect consequence of the person giving the answer, is admissible against the person in a criminal proceeding (other than a proceeding relating to the falsity of the answer) if—

- (a) the person, before giving the answer, claimed that giving the answer might tend to incriminate the person; and

(b) the answer might in fact tend to incriminate the person.

‘(10) The fact that a document was produced by a person under this section is not admissible in evidence against the person in a criminal proceeding (other than a proceeding relating to the falsity of the document) if—

- (a) the person, before producing the document, claimed that producing the document might tend to incriminate the person; and
- (b) producing the document might in fact tend to incriminate the person.

‘Compensation

‘88.(1) A person (other than a public sector entity or another person subject to audit) who incurs any loss or expense—

- (a) because of the exercise or purported exercise of a power under this Division; or
- (b) in complying with a requirement made of the person under this Division;

may claim compensation from the State.

‘(2) A payment of compensation may be claimed and ordered—

- (a) in a proceeding for compensation brought in a court of competent jurisdiction for the recovery of compensation; or
- (b) during a proceeding for an offence against this Act brought against the person by whom the claim is made.

‘(3) A court may order the payment of compensation for the loss or expense only if it is satisfied that it is just to do so in the circumstances of the particular case.

‘False or misleading information

‘89.(1) A person must not—

- (a) make a statement to an authorised auditor that the person knows is false or misleading in a material particular; or

- (b) omit from a statement made to an authorised auditor anything without which the statement is, to the person’s knowledge, misleading in a material particular.

Maximum penalty—80 penalty units.

‘(2) A complaint against a person for an offence against subsection (1)(a) or (b) is sufficient if it states that the information given was false or misleading to the person’s knowledge.

‘Obstruction of authorised auditor

‘90. A person must not, without reasonable excuse—

- (a) obstruct, hinder or resist; or
- (b) attempt to obstruct, hinder or resist;

an authorised auditor in the exercise of a power under this Act.

Maximum penalty—80 penalty units.

‘Impersonation of authorised auditor

‘91. A person must not pretend to be an authorised auditor.

Maximum penalty—80 penalty units.

‘Confidentiality

‘92.(1) In this section—

“**person to whom this section applies**” means a person who is or has been—

- (a) an authorised auditor; or
- (b) a person engaged or employed by a contract auditor;

“**protected information**” means information that is obtained under this Act.

‘(2) A person to whom this section applies must not—

- (a) make a record of protected information; or

- (b) whether directly or indirectly, divulge or communicate protected information;

unless the record is made, or the information divulged or communicated—

- (c) under or for the purposes of this Act; or
- (d) in the performance of duties, as a person to whom this section applies, under or for the purposes of this Act.

Maximum penalty—200 penalty units, imprisonment for 1 year or both.

‘(3) Subsection (2) does not prevent the disclosure of information to—

- (a) the Parliamentary Committee of Public Accounts; or
- (b) the Parliamentary Committee of Public Works; or
- (c) the Criminal Justice Commission; or
- (d) a police officer, or a person or body responsible for the investigation or prosecution of offences, if the information relates to the investigation or prosecution of an offence; or
- (e) a court for the purposes of the prosecution of a person for an offence.

‘Report on audit

‘93.(1) The Auditor-General may prepare a report on any audit conducted under this Act.

‘(2) An authorised auditor (other than the Auditor-General) must give the Auditor-General a report on every audit conducted by the authorised auditor.

‘(3) A report under subsection (1) or (2) may contain observations and suggestions about anything arising out of the audit.

‘(4) If the Auditor-General is of the opinion that observations or suggestions made under subsection (3) require attention or further consideration, the Auditor-General must give them (together with any comments on them)—

- (a) if they arose out of an audit of the public accounts—to the Treasurer; or

- (b) if they arose out of an audit of a department—to the accountable officer of the department; or
- (c) if they arose out of an audit of another entity—the chairperson or equivalent officer of the entity and the person responsible for the financial administration of the entity.

‘(5) If the Auditor-General is of the opinion that the observations or suggestions made under subsection (3) are of significance, the Auditor-General must also give them (together with any comments on them) to the appropriate Minister and the Treasurer.

‘Protection from liability

‘94.(1) An authorised auditor does not incur civil liability for an act or omission done or omitted to be done honestly and without negligence under or for the purposes of this Act.

‘(2) A liability that would, but for subsection (1), attach to an authorised auditor attaches instead to the State.

‘Audit fees

‘95.(1) The Auditor-General may charge fees for an audit conducted by the Auditor-General.

‘(2) The Auditor-General may, with the Treasurer’s approval, determine the basic rates of fees.

‘(3) The Auditor-General must assess the fees for an audit having regard to the basic rates of fees determined under subsection (2).

‘(4) Unpaid fees may be recovered by the Auditor-General as a debt due to the Auditor-General.

‘Act does not limit other powers of Auditor-General

‘96. This Act does not limit any power that the Auditor-General has apart from this Act.

Division 3—Reports to the Legislative Assembly**‘Reports on auditing standards**

‘97.(1) As soon as practicable after the commencement of this section, the Auditor-General must prepare a report to the Legislative Assembly—

- (a) setting out the general standards that the Auditor-General applies, or proposes to apply, to—
 - (i) the conduct of audits; and
 - (ii) the selection, engagement, and quality control of the work, of contract auditors; and
- (b) indicating the extent to which the standards are in accordance with auditing standards issued by relevant professional bodies.

‘(2) If the Auditor-General subsequently makes a significant change to the general standards, the Auditor-General must, as soon as practicable after making the change, prepare a report to the Legislative Assembly indicating—

- (a) the nature of the change; and
- (b) the extent to which the changed standards are in accordance with auditing standards issued by relevant professional bodies.

‘(3) A report to the Legislative Assembly prepared by the Auditor-General on the conduct of an audit must refer to any occasion of significance on which the general standards were not applied.

‘(4) The Auditor-General must arrange for copies of the report under subsection (1), and each report under subsection (2), to be made available for sale to the public.

‘Annual report on public accounts

‘98.(1) The Auditor-General must prepare a report to the Legislative Assembly on each audit conducted of the public accounts.

‘(2) The report must—

- (a) deal with the matters mentioned in section 81 (Audit of public accounts); and

- (b) deal with the action (if any) taken to remedy significant deficiencies reported in previous reports on audits conducted of the public accounts.

‘Annual reports on audits of public sector entities

‘99.(1) The Auditor-General must prepare a report to the Legislative Assembly on each audit conducted of a public sector entity by an authorised auditor.

‘(2) The report must—

- (a) state whether or not—
 - (i) the audit of the public sector entity has been completed; and
 - (ii) the statements relating to the accounts of the public sector entity have been audited; and
- (b) draw attention to any case in which the functions relating to the financial management of the public sector entity were not adequately and properly performed if, in the Auditor-General’s opinion, the matter is of sufficient significance to require inclusion in the report; and
- (c) set out—
 - (i) the results of audits conducted, in relation to the relevant financial year, of controlled entities of the public sector entity by an authorised auditor; and
 - (ii) if audits were not conducted in relation to particular controlled entities—the reasons why they were not conducted; and
- (d) deal with the action (if any) taken to remedy significant deficiencies reported in previous reports on audits of the public sector entity.

‘Reports on audits requested by Parliament

‘100. The Auditor-General must prepare a report to the Legislative Assembly on each audit conducted at the request of the Legislative Assembly.

‘Interim, supplementary and combined reports

‘101.(1) The Auditor-General may prepare interim and supplementary reports to the Legislative Assembly on any matter on which the Auditor-General is to report or has reported.

‘(2) The Auditor-General may combine reports on any 2 or more audits.

‘Other reports

‘102. The Auditor-General may prepare any of the following reports to the Legislative Assembly—

- (a) if the Auditor-General considers it desirable to do so at any particular time for reasons of urgency—a report on any significant matter arising out of an audit;
- (b) if the Auditor-General considers it to be in the public interest to do so—a full report on, or a report on any specific matters arising out of, a particular audit;
- (c) if the Auditor-General considers it otherwise appropriate to do so at any time—a report on any matter arising out of an audit to which attention should be drawn;
- (d) if a regulation has been made for the purposes of section 5A(1) (Entities and their control) or section 74 (Exemption of certain public sector entities from audit by Auditor-General) that the Auditor-General advised should not have been made or should have been made differently—a report setting out the advice and the reasons for it.

‘Comments on proposed audit reports

‘103.(1) If the Auditor-General proposes to include in a report to the Legislative Assembly under this Division a matter that, in the Auditor-General’s opinion, is a matter of significance, the Auditor-General must give written advice of the matter that is proposed to be included to—

- (a) if the matter relates to a department—the accountable officer of the department; or

- (b) if the matter relates to a public sector entity controlled by a department—the chairperson or equivalent officer of the entity, the person responsible for the financial administration of the entity and the accountable officer of the department; or
- (c) if the matter relates to another public sector entity—the chairperson or equivalent officer of the entity and the person responsible for the financial administration of the entity;

and—

- (d) if the matter raises issues concerning the powers or functions of the Treasurer under this Act—the Treasurer; or
- (e) if the matter does not raise issues concerning the powers or functions of the Treasurer under this Act—to the appropriate Minister.

‘(2) The advice must include a statement to the effect that comments on the proposed matter may be made in writing given to the Auditor-General—

- (a) within 21 days after the advice is received; or
- (b) within such longer period as is specified in the advice.

‘(3) If comments are received within the 21 days or longer period, the Auditor-General must include them in the report.

‘Procedure for reporting certain sensitive information

‘104.(1) If the Auditor-General considers that it would be against the public interest to disclose in a report under this Division information that could—

- (a) have a serious adverse effect on the commercial interests of a public sector entity; or
- (b) reveal trade secrets of a public sector entity; or
- (c) prejudice the investigation of a contravention or possible contravention of the law; or
- (d) prejudice the fair trial of a person; or

- (e) cause damage to the relations between the Government of the State and another Government;

the Auditor-General must not disclose the information in the report but must instead include it in a report prepared and given to the Parliamentary Committee.

‘(2) This section has effect despite anything in this or any other Act.

‘Tabling of reports

‘105.(1) A report prepared under this Division must be given to the Speaker or, if there is no Speaker or the Speaker is unavailable, to the Clerk of the Parliament.

‘(2) The Speaker or Clerk must cause a copy of the report to be laid before the Legislative Assembly on its next sitting day.

‘(3) For the purposes of its printing and publication, a report that is given to the Speaker or the Clerk under subsection (2) is taken to have been laid before the Legislative Assembly, and to have been ordered to be printed by the Legislative Assembly, when it is given to the Speaker or the Clerk.’.

Replacement of s.77 (Losses and special payments)

22. Section 77—

omit, insert—

‘Losses and special payments

‘106.(1) Losses in relation to the public accounts and departmental accounts may be written off by the relevant accountable officer.

‘(2) Special payments may be authorised to be made from departmental accounts by the relevant accountable officer.

‘(3) A special payment may be made to an accountable officer only with the prior approval of the Governor in Council.’.

Replacement of ss.79–83

23. Sections 79 to 83—

omit, insert—

‘Delegation by Treasurer

‘109.(1) The Treasurer may delegate the Treasurer’s powers under the provisions mentioned in subsection (2) to—

- (a) an officer of the department; or
- (b) the holder of an office in or connected with the department.

‘(2) Subsection (1) applies to the powers of the Treasurer under the following provisions—

- (a) section 11(3) and (4) (Powers of Treasurer re Trust and Special Funds);
- (b) section 14 (Moneys to be kept at bank);
- (c) section 16 (Overdrafts);
- (d) section 18 (Departmental bank accounts);
- (e) section 41(2) and (3) (Power of Treasurer to invest moneys);
- (f) section 42 (Appropriation not required);
- (g) section 46(4) (Treasurer’s Unclaimed Moneys Fund).

‘(3) The delegation of a power does not relieve the Treasurer from the Treasurer’s obligation to ensure that the power is properly exercised.

‘Regulations

‘110.(1) The Governor in Council may make regulations for the purposes of this Act.

‘(2) A regulation may create offences and prescribe penalties for the offences of not more than 5 penalty units.’.

Insertion of new Part 8

24. After Part 4—

insert—

‘PART 8—TRANSITIONAL PROVISIONS

‘References to authorised officer in other Acts

‘111. A reference in another Act to an authorised officer within the meaning of this Act is a reference to an authorised auditor.

‘References to Consolidated Revenue Fund, Consolidated Revenue or Loan Fund

‘112. A reference in an Act to the Consolidated Revenue Fund, the Consolidated Revenue or the Loan Fund is a reference to the Consolidated Fund.

‘References to Department of the Auditor-General

‘113. A reference in an Act to the Department of the Auditor-General is a reference to the Audit Office.

‘Saving of any existing appointment of Auditor-General etc.

‘114.(1) If, immediately before the commencement of this section, there is a person appointed as Auditor-General, then, on the commencement, the person is taken to be appointed as Auditor-General for the remainder of the term for which the person was originally appointed.

‘(2) Without limiting subsection (1), section 53 applies to the person as if the person were appointed as Auditor-General on the commencement.

‘Pecuniary interest declaration of existing Deputy Auditor-General

‘115. If, immediately before the commencement of this section, there is a person appointed as Deputy Auditor-General, then, for the purposes of the application of sections 61 and 53 to the person, the person is taken to be appointed as Deputy Auditor-General on that commencement.

‘Audit of certain local authorities

‘116. Until the day prescribed by regulation for the purposes of this section, the Auditor-General may conduct an audit of a local authority as defined in section 3 of the *Local Government Act 1936*, or a controlled entity of such a local authority, only if the Auditor-General is authorised to conduct the audit under an appointment under that Act.

‘Existing Public Finance Standards

‘117. Public Finance Standards in force under this Act immediately before the commencement of this section have effect, and may be amended, after that commencement as if they had been made under section 46L on that commencement.

‘Existing regulations

‘118. Regulations in force under this Act immediately before the commencement of this section have effect, and may be amended, after that commencement as if they had been made under this Act on that commencement.’.

PART 3—AMENDMENT OF CITY OF BRISBANE ACT 1924

Amended Act

25. The *City of Brisbane Act 1924* is amended as set out in this Part.

Amendment of s.122 (Auditor-General to conduct audits)

26. Section 122—

omit ‘Council’s accounts and operations’, *insert* ‘Council’.

Omission of ss.123 and 124

27. Sections 123 and 124—

omit.

Amendment of s.126 (General reporting provisions)

28. At the end of section 126—

insert—

‘(5) This section is in addition to, and not in substitution for, Division 3 of Part 6 of the *Financial Administration and Audit Act 1977*.’.

PART 4—AMENDMENT OF LOCAL GOVERNMENT ACT 1936

Amended Act

29. The *Local Government Act 1936* is amended as set out in this Part.

Amendment of s.52I (Audit of accounting records of enterprise)

30. Section 52I(1) and (2)—

omit, insert—

‘52I.(1) If, in exercising power under section 52C, a local authority has—

- (a) formed or participated in forming a company, partnership or other association of persons; or
- (b) become the holder of shares in a company; or
- (c) become a partner in a partnership or a member of an association of persons;

the *Financial Administration and Audit Act 1977* applies to the local authority and the company, partnership or association as if the local authority were the parent entity (within the meaning of that Act) of the company, partnership or association.

‘(2) The local authority must ensure that the person appointed to audit the accounting records of the local authority is also appointed, and remains, the auditor of the company, partnership or association.’.

PART 5—AMENDMENT OF PUBLIC ACCOUNTS COMMITTEE ACT 1988

Amended Act

31. The *Public Accounts Committee Act 1988* is amended as set out in this Part.

Amendment of s.13 (Functions of the Committee)

32.(1) After section 13(1)(a)—

insert—

‘(aa) to review other reports laid before the Legislative Assembly under the *Financial Administration and Audit Act 1977*, and to examine and inquire into any matter relevant to the reports; and’.

(2) After section 13(1)—

insert—

‘**(1A)** The requirement in subsection (1)(a) for reports to have been laid before the Legislative Assembly does not apply to reports given to the Committee by the Auditor-General under the *Financial Administration and Audit Act 1977*.’.

**PART 6—AMENDMENT OF FINANCIAL
ADMINISTRATION AND AUDIT AMENDMENT ACT
1991**

Amended Act

33. The *Financial Administration and Audit Amendment Act 1991* is amended as set out in Schedule 2.

SCHEDULE 1**MINOR AMENDMENTS OF FINANCIAL
ADMINISTRATION AND AUDIT ACT 1977**

section 3

1. Section 4—*omit.***2. Section 7—***omit, insert—***‘Consolidated Fund****7.** The Consolidated Fund consists of—

- (a) the consolidated revenue fund that was established under the *Constitution Act 1867*; and
- (b) the Loan Fund that was established under this Act.’.

3. Section 17(1)—*omit.***4. Section 17(2), (3) and (4)—***renumber* as section 17(1), (2) and (3) respectively.**5. Section 18(5)—***omit.*

SCHEDULE 1 (continued)

6. Section 23(2) (1st sentence)—

omit ‘by Order in Council’.

7. Section 23(2) (2nd sentence)—

omit ‘Order in Council shall specify,’; *insert* ‘Governor in Council may determine.’.

8. Section 35(1) and (2)—

omit, insert—

‘**35.(1)** The chief executive of each department within the meaning of the *Public Service Management and Employment Act 1988* is the accountable officer of the department.

‘**(2)** The Treasurer may appoint a person to be the accountable officer for another department.’.

9. Section 46(5)—

omit.

10. Part 2A—

renumber as Part 3.

11. Part 2B—

renumber as Part 4.

12. Part 4—

renumber as Part 7.

SCHEDULE 1 (continued)

13. Section 78—

renumber as section 107.

14. Schedule—

omit.

SCHEDULE 2**MINOR AMENDMENTS OF FINANCIAL
ADMINISTRATION AND AUDIT AMENDMENT ACT
1991**

section 33

1. Section 55 (heading)—*omit 'new s.78A', insert 'new s.108'.***2. Section 55—***omit 'After section 78', insert 'After section 107'.***3. Section 55—***omit '78A.(1)', insert '108.(1)'.*