



New South Wales

Public Finance and Audit Amendment (State-funded Private Entities) Bill 2018

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Public Finance and Audit Act 1983* to authorise the Auditor-General to audit private entities that receive money from the State for a public purpose.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 amends the *Public Finance and Audit Act 1983* to provide for the auditing of private entities that are State-funded. A private entity is **State-funded** if the State provides money for a public purpose and the private entity receives some or all of the money (whether directly or indirectly) because the private entity has agreed to use the money to achieve that purpose or has entered into a contract that relates to that purpose. The performance audit may be conducted only to the extent that it assesses the activities of the private entity in relation to achieving the public purpose. The amendments also provide for the results of the audit to be reported by the Auditor-General to specified persons and to Parliament.