

Disclaimer: This is guidance material only and does not replace reading the legislation. For further information refer to the legislation and please check [Treasury's website](#) for updates and other information.

Mapping New legislation to the previous legislation

The introduction of the *Government Sector Finance Act 2018* (GSF Act) establishes a modern and up to date financial management framework for the Government Sector of NSW. The previous framework was supported by four Acts;

- *Public Finance and Audit Act 1983 (PFAA)*
- *Public Authorities (Financial Arrangements) Act 1987 (PAFA)*
- *Annual Report (Departments) Act 1985 (ARD)*
- *Annual Reports (Statutory Bodies) Act 1984 (ARSB)*

The ARD, ARSB and the PAFA have been repealed and replaced entirely by the new GSF Act. Parts of the PFAA, those covering appropriations, expenditure, reporting, financial service and others, have been repealed and captured by the new Act. The parts of the PFAA that deal with the Auditor-General, Audit Office and Public Accounts Committee will remain and has been renamed the *Government Sector Audit Act 1983*.

This document is designed to be a quick reference guide to assist agencies with the transition, it does not replace reading the legislation. It identifies provisions in the current framework that, in general terms, deal with the same subject matter as the new provisions in the GSF Act. In many cases, the effect of the GSF provision is different to the current framework. The GSF Act also introduces new concepts and terminology that are, in many cases, not directly comparable to the current framework.

<i>Government Sector Finance Act 2018</i>
<i>Public Finance and Audit Act 1983</i>
<i>Annual Reports (Statutory Bodies) Act 1984</i>
<i>Annual Reports (Departments) Act 1985</i>
<i>Public Authorities (Financial Arrangements) Act 1985</i>
New provisions



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
Definitions	Sec 1.4 Division 2.1 Division 2.2 Division 2.3	Definitions: The new GSF Act introduces some new concepts that do not have direct analogues with the current legislation. These references indicate where the definitions provisions are in each of the Acts	Sec 4	Sec 3	Sec 3	Sec 3
Treasurer	Division 3.1	Sec 3.1 Giving of Treasurers directions Outlines the matters which the Treasurer may give directions for, or with respect to, including a provision for regulations to contain further matters.	Sec 9			
		Sec 3.2 Basic content of Treasurer's directions	Sec 9			
		Sec 3.3 Application of Treasurer's directions Do not apply to Ministers, a university or any of its controlled entities or others prescribed by the regulations.	Sec 9			
		Sec 3.4 Duty to comply with Treasurer's direction	Sec 62 (criminal sanction)			
		Sec 3.5 Consultation about certain proposed regulations, directions and determinations These are matters regarding which the Treasurer may issue directions but must be done in consultation with the relevant entity (e.g. Accountable Authority or Minister).	New provision			
Accountable Authority	Division 3.2	Sec 3.6 Policies and procedures for financial management of GSF agencies Accountable Authority is responsible for the financial management of their GSF Agency	Sec 11			
Government Officers	Division 3.3	Sec 3.7 Values and associated principles to guide government officers	New provision			
Budget	Division 4.1	Sec 4.1 Budget Papers	Sec 27A			
		Sec 4.2 Core content of Budget Papers	Sec 27A			
		Sec 4.3 Additional content of Budget Papers	Sec 27A			
		Sec 4.4 When the Budget is to be presented to Parliament	Sec 27A			
		Sec 4.5 Provisions of Budget information by GSF agencies	Sec 27A			
Appropriations	Division 4.2	Sec 4.6 Money to be paid out of Consolidated Fund or Special Deposit Account only if authorised	Sec 21			



Ref	GSF Act		PFAA	ARSB	ARD	PAFA	
	Sec 4.7	Deemed appropriations of certain money received by GSF agencies A Minister is taken to have received an appropriation of a GSF agency's own source revenue and/or receipts prescribed by regulations.	New provision				
	Sec 4.8	Unused appropriations for annual reporting period Appropriations that have not been applied by the end of the reporting period lapse except as otherwise specified by sec 4.8.	Sec 23				
	Sec 4.9	Appropriations affected by transfer of functions between GSF agencies Where responsibility for a service, function or program is transferred from one GSF agency to another, an appropriation may, in accordance with a determination by the Treasurer, be applied for, or towards, the transferred service, function or program.	Sec 24				
	Sec 4.10	Payments authorised on lapse of appropriations With certain limitations, the Treasurer may authorise payment out of the Consolidated Fund, if the relevant Annual Appropriation Act is not enacted before an annual reporting period commences.	Sec 25				
	Sec 4.11	Variations of annual appropriations for Commonwealth grants If the Commonwealth varies certain grants in an annual reporting period, the Treasurer may issue a certificate that has the effect of increasing or decreasing an appropriation for the purpose making relevant payments.	Sec 26				
	Sec 4.12	Details of payments made from State contingencies appropriation to Treasurer	New provision				
	Sec 4.13	Payments out of Consolidated Fund for exigencies of Government	Sec 22				
	Sec 4.14	Payment of certain unclaimed money into Consolidated Fund Certain unclaimed money (which excludes government money), is to be paid to the Treasurer, to the credit of the Consolidated Fund, if the account in which the money is held hasn't been operated on for at least three months. This money may be repaid by if the Treasurer is satisfied of certain conditions.	Sec 14				
Special Deposit Account	Division 4.3	Sec 4.15	Special Deposits Account Continues the Special Deposits Account, being all accounts of money that the Treasurer is required to hold otherwise than for, or on account of, the Consolidated Fund and all accounts of money directed or authorised to be paid into the Special Deposits Account by or under other legislation.	Sec 4, 5			



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
		Sec 4.16 Keeping of information regarding SDA accounts The responsible manager for such an account (nominated by the Minister or Treasurer) is required to keep records for an account held in the Special Deposits Account.	New provision			
		Sec 4.17 Working accounts A GSF agency may establish a working account as specified in the regulations in respect of working account money. Working Account Money is prescribed by the regulations but does not include appropriated money or deemed appropriations.	Sec 13A			
Expenditure	Division 5.1	sec 5.1 Budget Control authorities	Sec 10			
		sec 5.2 Delegation of Minister's appropriation expenditure functions may limit amount and purposes of expenditure	Sec 49 Interpretation Act 1987			
		Sec 5.3 Payment of tax equivalents to Treasurer	Sec 58A Sec 58B Sec 58C Sec 58D Sec 58E			
		Sec 5.4 Payment of Financial distributions to Treasurer	Sec 59B			
		Sec 5.5 Expenditure by Accountable Authorities and government officers must be authorised	Sec 12 Sec 12A Sec 13			
Gifts and Act of Grace Payments	Division 5.2	Sec 5.6 Gifts of government property Government property cannot be gifted unless permitted by this section.	New provision			
		Sec 5.7 Act of grace payments Payments may be authorised by the Minister under certain circumstances prescribed by the regulations.	New provision			
Introduction	Division 6.1	sec 6.1 Application of Part Each Minister (but not the Treasurer) is to be treated as a GSF agency for the purposes of this Part.				
		Sec 6.2 Exercise of functions for GSF agencies that are not persons				Sec 45
		Sec 6.3 Authorisation to invest in government issued investments				Sec 39



Ref	GSF Act		PFAA	ARSB	ARD	PAFA		
Key Concepts	Division 6.2	Sec 6.4	Concepts related to banking	Sec 4			Sec 4 Sec 5 Sec 5A	
		Sec 6.5	Arrangement					
		Sec 6.6	Financial services	Sec 15				
		Sec 6.7	Financial arrangements					
		Sec 6.8	Borrowings					
		Sec 6.9	Investments	Sec 20				
		Sec 6.10	Derivative arrangements					Sched2
		Sec 6.11	Joint financing arrangements					Sec 5A
		Sec 6.12	Joint venture arrangements and joint ventures.					Sec 22K Sec 22L
		Sec 6.13	<p>Appropriate Prudential protections This provision allows regulations to be made regarding what does or does not constitute appropriate prudential protections that apply in relation to an entity</p>	<p>New provision – Previously banking services could only be obtained from certain entities, which were regulated. Now, under the new framework a broader range of entities, who are not all regulated may be engaged for banking services provided that the entity is authorised deposit taking institution or the Treasurer is satisfied that the entity has appropriate prudential protections in place.</p>				
Financial services	Division 6.3	Sec 6.14	Treasurer May enter State Financial service agreements	Sec 15 Sec 19				
		Sec 6.15	Treasurer's directions may include directions concerning use of financial services	<p>New provision – specifically allows the Treasurer to make directions regarding the use by GSF agencies of banking services</p>				
		Sec 6.16	Treasurer may access certain information of GSF agencies about financial services	<p>New provision – specifically allows the Treasurer access to any information of a GSF agency concerning use of financial services</p>				
		Sec 6.17	Guarantees and indemnities concerning money in banking accounts under State financial service agreements					
		Sec 6.18	Treasurer may operate banking accounts					
		Sec 6.19	Accountable Authority may operate banking accounts	Sec 16				
		Sec 6.20	GSF Agencies to give written consent for access to banking accounts	<p>New provision</p>				



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
Financial Arrangements	Division 6.4	Sec 6.21	Treasurer may enter financial arrangements for State and GSF Agencies			
		Sec 6.22	Financial arrangements for GSF agencies			
		Sec 6.23	Financial arrangements approvals			
		Sec 6.24	Borrowings to be obtained from the NSW Treasury Corporation.			
		Sec 6.25	Derivative arrangements by the NSW Treasury Corporation.			
		Sec 6.26	Mandatory statutory Guarantee of certain borrowings repayments.			
Guarantees for financial arrangements	Division 6.5	Sec 6.27	Discretionary Guarantees			
		Sec 6.28	Statutory charge on income or revenue for payments under certain financial arrangements			
		Sec 6.29	Guarantee fees for certain guaranteed payments			
		Sec 6.30	Priorities of obligations under certain financial arrangements and guarantees			

Sec 8
 Sec 11
 Sec 12
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 Sec 37A

Sec 8
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 Sec 24
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Sec 10

Sec 22A

Sec 22AA
 Sec 22B
 Sec 22F

Sec 22C

Sec 22D

Sec 22G



Ref	GSF Act		PFAA	ARSB	ARD	PAFA	
		Sec 6.31	Payments by Government for certain financial arrangements if GSF Agency prevented			Sec 22E	
		Sec 6.32	Recovery of money paid under guarantee				Sec 22H
		Sec 6.33	Appropriations for liabilities under Division				
		Sec 6.34	NSW Treasury Corporation may act as and engage funds manager				Sec 25 Sec 26
Fund Managers	Division 6.6	Sec 6.35	Funds managers for GSF agencies			Sec 25 Sec 26	
		Sec 6.36	Functions of Funds managers				
		Sec 6.37	Effect of Division on New South Wales Treasury Corporation				
Interpretation	Division 7.1	sec 7.1	Application and objects of this Part		New concepts		
		Sec 7.2	Definitions: <ul style="list-style-type: none"> Accountable Authority for a former reporting GSF agency Former reporting GSF agency 				
		Sec 7.3	Reporting GSF and prescribed reporting exemption criteria: a reporting GSF agency is any GSF agency, but does not include any GSF agency of a kind prescribed by the regulations not to be a reporting GSF agency				
Financial reporting	Division 7.2	Sec 7.4	Application of Division; Extends to controlled entities as GSF agencies for the purpose of this division				



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
	Sec 7.5	<p>Accounts and records of GSF agencies: An Accountable Authority is responsible for keeping records properly recording and explaining financial information and financial performance information.</p> <p>Treasurer and responsible Minister for a GSF agency are entitled to full and free access to accounts and records kept under this section</p>	Sec 35 Sec 36 Sec 41 Sec 41A Sec 41B Sec 45C Sec 45D Sec 45E			
	Sec 7.6	<p>Annual GSF financial statements: Accountable Authority responsible for financial statements. Specifies how they are to be prepared.</p>	Sec 41A Sec 41B Sec 41BA Sec 45D Sec 45E			
	Sec 7.7	<p>Final annual GSF statements for former reporting GSF agencies: Accountable Authority must cause final annual GSF financial statement to be prepared, given, audited and published in the same way as if the former agency had not ceased to be a reporting GSF agency.</p>	Sec 43A			
	Sec 7.8	<p>Financial reports concerning SDA accounts: Responsible manager for each account must cause financial reports to be prepared in accordance with the Treasurer's directions. Treasurer's directions are to provide for form and content of these reports</p>	New provision			
	Sec 7.9	<p>Special Purpose Financial Reports: Treasurer may direct an Accountable Authority to prepare a special purpose financial report</p>	New provision			
Annual Reporting Information for reporting GSF Agencies	Division 7.3	Sec 7.10	<p>Application of the Division: specifies that this division applies to all reporting GSF agencies, including controlled entities, unless provided for in the regulations</p>	New provision		
		Sec 7.11	<p>Annual Reporting information: specifies what annual reporting information includes. The regulations and Treasurer's directions may make provision for or with respect to the content, form, manner of preparation of such information.</p>	Sec 5A Sec 5B Sec 7 Sec 9 Sec 15	Sec 6 Sec 7 Sec 9 Sec 11 Sec 18	



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
	Sec 7.12	Preparation of Annual reporting information: Outlined in TD and regulations.		Sec 7 Sec 8 Sec 10 Sec 11 Sec12 Sec 13	Sec 6 Sec 7 Sec 9 Sec 10 Sec 12 Sec 14	
	Sec 7.13	Responsible Minister to cause annual reporting information to be tabled		Sec 11	Sec 13	
	Sec 7.14	Final annual reporting information for former reporting GSF agencies: Accountable authority for a former reporting GSF agency is to ensure the annual reporting information for the agency is prepared as specified in this section.		Sec 43A	Sec 7	
Consolidated Government Sector reporting	Division 7.4	Sec 7.15	Monthly Statements: Treasurer is to publicly release a statement for the General Government Sector each month of an annual reporting period. This section outlines what a monthly report is to/may contain and when it is to be released	Sec 8		
		Sec 7.16	Half yearly reviews: to be released before 31 Dec each year. Contains revised projections from original budget and latest economic projections for the annual reporting period. The half yearly review must be presented in a way that is consistent with the last budget unless Treasurer determines differently.	Sec 8		
		Sec 7.17	Consolidated State Financial Statements: what they contain, how they are presented and when	Sec 6		
		Sec 7.18	Tabling of Consolidated State Financial Statements: Treasurer to cause tabling in the Legislative Assembly within 5 months after the end of the annual reporting period			
Performance information of GSF Agency	Part 8	Sec 8.1	Application of Part: Applies to GSF agencies unless otherwise exempt by regulations	Pt 3 Div 2A		



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
	Sec 8.2	Performance information of GSF agencies: Accountable Authority is to ensure that records are kept that accurately explain the agency's performance. The Treasurer must consult the responsible Minister for the GSF agency about proposed directions concerning record keeping.	New provision			
Information Sharing	Division 9.1	Sec 9.1	New provision			
		Sec 9.2				
		Sec 9.3				
		Sec 9.4				
		Sec 9.5				
		Sec 9.6				
Delegations	Division 9.2	Sec 9.7	New – definition provision to support substantive provisions enabling delegations.			
		Sec 9.8	Sec 63E	Sec 16A	Sec 19A	Sec 40
		Sec 9.9	Sec 12A			
		Sec 9.10	New provision			



Ref	GSF Act		PFAA	ARSB	ARD	PAFA
	Sec 9.11	Delegations by Accountable Authorities Specifies which AA functions may be delegated and to whom. It also specifies which of those functions can be sub-delegated and to whom.	New provision			
Documents	Division 9.3	Sec 9.12	Sec 63C			
		Sec 9.13				
		Sec 9.14				
Civil Recovery	Division 9.4	Sec 9.15	Sec 60 Sec 61			
		Sec 9.16	Sec 60 Sec 61			
		Sec 9.17	Sec 60			
		Sec 9.18	Sec 60			
		Sec 9.19				
Status of Workers Compensation Insurance Fund	Division 10.1	Status of Workers Compensation Insurance Fund - is not to be treated as a controlled entity of the Government of NSW	Sec 63F			
Exemption from duty under <i>Duties Act 1997</i>	Division 10.2	Exemption from duty under <i>Duties Act 1997</i> Unless the Treasurer directs differently, a GSF agency is not liable to pay tax under the <i>Duties Act 1997</i> in respect of anything done by the agency for the purposes of the Act.				Sec 38



Government Sector Finance Act 2018 Fact Sheet

Last updated; 16 November 2018

Ref	GSF Act		PFAA	ARSB	ARD	PAFA
Reference of matters to the Public Accounts Committee	Division 10.3	Reference of matters to Public Accounts Committee	Sec 63A	Sec 16	Sec 19	
Regulations	Division 10.4	Regulations: Enables the Governor to make regulations for the purpose of the Act	Sec 64	Sec 17	Sec 20	Sec 43
Part 1; General	Div 1	Sec 1	Regulations: Transitional provisions will be in the Regulations.			