



Audit Act – Singapore

July 2019



ASIA BRIEFING



DEZAN SHIRA & ASSOCIATES

Your Partner for Growth in Asia

This document is for research purposes only; it should not be used as an official document.

Source: Singapore Statutes Online, <https://sso.agc.gov.sg/Act/>

An Act to make provision for the audit of the accounts of Singapore and of other public authorities and bodies administering public funds and for matters connected therewith.

Part I Preliminary

Short title

1. This Act may be cited as the Audit Act.

Interpretation

2. — (1) In this Act, unless the context otherwise requires —

“*public authority*” means the President, the Government, any statutory authority exercising powers vested in it by any written law, any tribunal other than the Supreme Court and the subordinate courts, or any officer or authority appointed by or acting on behalf of any of the aforesaid;

“*public funds*” means any moneys, bonds, debentures or securities, received from individuals, corporations or bodies by way of loans, trusts or any other voluntary payments, which are intended to be disbursed or are in fact disbursed for the benefit of the citizens of Singapore or any part of them, and includes any public moneys.

(2) In this Act, the words and expressions used shall, unless the context otherwise requires, or it is herein otherwise expressly provided, have the meanings respectively assigned to them in the Financial Procedure Act (Cap. 109).

Part II Duties and powers of auditor-general

Duties of Auditor-General

3. — (1) The accounts of all departments and offices of the Government (including the office of the Public Service Commission) and the accounts of the Supreme Court, all subordinate courts

and Parliament shall be audited and reported on by the Auditor-General.

- (2) The Auditor-General, with subordinate staff, shall at all times be entitled to have access to all books, records, returns and reports relating to such accounts.
- (3) The Auditor-General shall submit his report made under subsection (1) to the President who shall cause it to be presented to Parliament.
- (4) The Auditor-General shall perform such other duties and exercise such other powers in relation to the accounts of the Government and the accounts of other public authorities and other bodies administering public funds as may be prescribed by or under any written law.

Audit of accounts of public authorities and bodies administering public funds

4. — (1) The Auditor-General shall —
 - (a) if it is so provided by any written law, audit the accounts of any public authority; and
 - (b) if it is not so provided by any written law, may with the consent of the Minister if so requested by a public authority or a body administering public funds, audit the accounts of such public authority or body.
- (2) The fee for any audit under subsection (1) shall be a charge upon the funds of the public authority or body concerned.
- (3) For the purposes of subsection (2), the fee shall, unless otherwise determined under the provisions of any other written law, be determined by the Minister.
- (4) Notwithstanding the provisions of any written law relating to the accounts and audit of any public authority, the Minister may, if he is satisfied that the public interest so requires, direct that the accounts of such authority shall be audited by the Auditor-General.
- (5) No fee shall be payable for an audit directed in accordance with subsection (4).

Follow-the-dollar audits

4A. — (1) Subject to subsections (2) and (3), the Auditor-General may audit and report on an individual or a person in relation to —

- (a) the giving by any public authority, the Supreme Court, any subordinate court or Parliament of —
 - (i) a grant, a subsidy, an advance of money or a loan, a guarantee for the performance of an obligation or an indemnity; or
 - (ii) financial assistance as a result of the taking of an interest in any property or person;
 - (b) a supply of any goods or services (or both) under an agreement to which any public authority, the Supreme Court, any subordinate court or Parliament is party, or under a relevant subcontract relating to the public authority, Supreme Court, subordinate court or Parliament; or
 - (c) the collection or disbursement of money for or on behalf of any public authority, the Supreme Court, any subordinate court or Parliament.
- (2) An audit under this section must be limited to whether the terms and conditions applicable in respect of any of the following have been complied with:
- (a) the receipt by an individual or person of a grant, a subsidy, an advance of money or a loan, a guarantee, an indemnity or financial assistance mentioned in subsection (1)(a);
 - (b) a supply by an individual or person of goods or services (or both) mentioned in subsection (1)(b);
 - (c) the collection or disbursement of money mentioned in subsection (1)(c) by an individual or person.
- (3) An audit under this section may be undertaken by the Auditor-General only if the Minister, where satisfied that it is in the public interest that an audit under this section ought to be undertaken, directs the Auditor-General to undertake the audit.
- (4) For the purpose of subsection (1)(b), a contract is a relevant subcontract in relation to a public authority, the Supreme Court, any subordinate court or Parliament if the performance of the contract fulfils, or contributes to the fulfilment of, an obligation to supply any

goods or services (or both) to the public authority, Supreme Court, subordinate court or Parliament (as the case may be) in another contract.

[Act 42 of 2017 wef 01/11/2017]

Nature of audit

5. — (1) The Auditor-General shall in his audit make such examination as he may consider necessary to ascertain whether all reasonable steps have been taken:
- (a) to safeguard the collection and custody of public moneys or other moneys subject to his audit;
 - (b) to ensure that issues and payments of moneys subject to his audit were made in accordance with proper authority and payments were properly chargeable and are supported by sufficient vouchers or proof of payment; and
 - (c) to ensure that the provisions of the Constitution and of the Financial Procedure Act (Cap. 109) and any other written law relating to moneys or stores subject to his audit have been in all respects complied with.

[Act 42 of 2017 wef 01/11/2017]

- (2) Without affecting subsection (1), in an audit under section 4A of an individual or a person, the Auditor-General must in his audit make such examination as he considers necessary to ascertain whether all reasonable steps have been taken to ensure that the terms and conditions applicable in respect of any of the following have been complied with:
- (a) the receipt by the individual or person of a grant, a subsidy, an advance of money or a loan, a guarantee, an indemnity or financial assistance, as mentioned in section 4A(1)(a);
 - (b) a supply by the individual or person of any goods or services (or both) under an agreement or a relevant subcontract mentioned in section 4A(1)(b);
 - (c) a collection or disbursement of money mentioned in section 4A(1)(c) by the individual or person.

[Act 42 of 2017 wef 01/11/2017]

Powers of Auditor-General

6.— (1) In the performance of his functions under the Constitution or this Act, the Auditor-General —

- (a) may call upon any person for any explanation and information which the Auditor-General may require in order to enable him to discharge his duties;
- (b) may enter and remain on, and search for and copy or take extracts from any book, document or record in, any premises —
 - (i) occupied by any public authority, the Supreme Court, any subordinate court or Parliament;
 - (ii) occupied by any individual or person subject to an audit under section 4A; or
 - (iii) occupied by the other person in subsection (1B) (b) with whom an individual or a person or body mentioned in sub-paragraph (i) or (ii) has an arrangement to have possession or custody of any record, information or document belonging to that individual, person or body, as the case may be;

[Act 42 of 2017 wef 01/11/2017]

(c) shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores or other property subject to his audit;

(ca) may seize any equipment, record, information, document or other thing in any premises mentioned in paragraph (b) if —

- (i) a notice under subsection (1A)(a) has been given in respect of the record, information or document and the period mentioned in that notice has expired; or
- (ii) the Auditor-General considers it necessary to do so for the purpose of obtaining evidence of the contravention of any written law;

[Act 42 of 2017 wef 01/11/2017]

(d) may examine upon oath or affirmation (which oath or affirmation the Auditor-General is empowered to administer) any person whom he may think fit to examine respecting all matters and things

whatever necessary for the due performance of such functions;

- (e) may authorize any public officer or any other person on his behalf to conduct any inquiry, examination or audit and to report thereon to him; and
- (f) may obtain the advice of the Attorney-General upon any question of law.

(1A) The power under subsection (1)(a) to call upon any person for any explanation and information includes the power —

- (a) to require a person by written notice to produce, within a reasonable time, specified records, information or documents, or records, information or documents of a specified kind, which are within the custody or under the control of that person;
- (b) to require that person to provide an explanation of the record, information or document mentioned in paragraph (a);
- (c) if the record, information or document is not provided, to require that person to state, to the best of the person's knowledge and belief, where it is; and
- (d) if the information is recorded otherwise than in legible form, to require the information to be made available to the Auditor-General in legible form.

[Act 42 of 2017 wef 01/11/2017]

(1B) For the purposes of subsection (1A), a person or body is taken to have “control” of any record, information or document if —

- (a) the person has possession of the record, information or document; or
- (b) the person has the record, information or document in the possession or custody of some other person.

[Act 42 of 2017 wef 01/11/2017]

(1C) Without prejudice to the generality of subsection (1)(b), the Auditor-General may, while in any premises mentioned in that provision —

- (a) inspect, examine, photograph or film anything in the premises mentioned in subsection (1)(b);

- (b) take into the premises any individual, equipment or material that the Auditor-General reasonably requires to discharge his duties; and
- (c) require any person in those premises to give to the Auditor-General reasonable assistance in relation to the exercise of any of his powers under this section.

[Act 42 of 2017 wef 01/11/2017]

(1D) The Auditor-General is entitled, without payment, to —

- (a) enter and remain on any premises mentioned in subsection (1)(b); and
- (b) search for any record, information or document, and keep any record, information or document, or any copy or extract of it, furnished to the Auditor-General under subsection (1) or (1A) or obtained under subsection (1) (ca).

[Act 42 of 2017 wef 01/11/2017]

- (2) Any of the powers conferred by this section upon the Auditor-General may be exercised by any public officer authorized in writing in this behalf by the Auditor-General or by any other person so authorized.
- (3) Any person who is required by the Auditor-General, or a person or public officer authorized under subsection (2), to provide any explanation or information, produce any record, information or document or answer any question must provide the explanation or information, produce the record, information or document or answer the question, as the case may be.

[Act 42 of 2017 wef 01/11/2017]

Self-incrimination

6A.— (1) An individual cannot rely on —

- (a) the common law privilege against self-incrimination or exposure to the imposition of a penalty; or
- (b) any rule of law relating to legal professional privilege or any other privilege, or the public interest,

to refuse to provide the explanation or information, produce the record or document or answer the question, required under section 6 by the Auditor-General or an authorized person or public officer, as the case may be.

(2) However —

- (a) any information, document or thing obtained, directly or indirectly, because of the giving of the explanation or information; or
- (b) the fact of the production of the record or document or the answer to a question,

is not admissible in evidence against the individual in any civil or criminal proceeding other than a proceeding for an offence under section 177 of the Penal Code (Cap. 224) or an offence relating to the falsity of the answer, if the explanation, information or answer, or the fact of the production of the record or document, might in fact tend to incriminate the individual.

- (3) Disclosure or production of, or access to, information or a record or document under section 6 does not otherwise affect the operation of a rule of law relating to legal professional privilege or other privilege or the public interest in relation to the disclosure of the information or the production of the record or document.

[Act 42 of 2017 wef 01/11/2017]

Secrecy

7. — (1) The operation of section 6 shall not be limited by any provision (including a provision relating to secrecy) contained in any other written law except to the extent to which any such other written law expressly excludes the operation of that section.

- (2) Notwithstanding anything in any other written law and notwithstanding the making of an oath or declaration of secrecy, a person shall not be guilty of an offence, or liable to a financial penalty, by reason of anything done by him for the purposes of section 6.

[Act 42 of 2017 wef 01/11/2017]

- (3) The Auditor-General or any other person shall not divulge or communicate, except, in the course of duty, to another person performing duties under this Act, any information which has come to his knowledge, directly or indirectly, in accordance with section 6 in any case in which the person from whom such information was obtained or from whose custody accounts, books, documents or papers from which such information was derived were produced, could not, but for the provisions of this Act, lawfully have divulged that information to the Auditor-General or such other person.
- (4) Subsection (3) shall not prevent the making, divulging or communicating in any report of the Auditor-General of conclusions, observations or recommendations which are based on information obtained in accordance with section 6.

Audit reports

8. — (1) The Minister shall, as soon as a statement required under section 18 of the Financial Procedure Act (Cap. 109) has been prepared, transmit the statement to the Auditor-General, who shall cause the statement to be examined and audited and prepare his report thereon.
- (2) In the event of any such statement not being received within a period of 7 months after the close of the financial year to which it relates, the Auditor-General shall submit a report to that effect to the President, who shall cause it to be presented to Parliament as soon as possible after its receipt by him.
- (3) Subject to subsection (4), every report relating to the statement prepared in accordance with subsection (1) shall be submitted by the Auditor-General to the President who shall present the report and statement to Parliament within 30 days of their receipt by him, or if Parliament is not in session, within 14 days after the commencement of its next sitting.
- (4) Nothing in subsection (3) shall require the presentation to Parliament of any report or statement containing any matter which the Prime Minister and the Minister responsible for defense, on the recommendations of the Permanent Secretary to the Ministry of Defense and the Chief of Defense Force, certify to be necessary for the defense and security of Singapore.
- (5) Any certificate under the hands of the Prime Minister and the Minister responsible for defense shall be conclusive evidence of the matters specified therein.
- (6) If at any time it appears to the Auditor-General that any serious irregularities have occurred in the accounting or custody of public moneys or public stores, he shall immediately bring the matter to the notice of the Permanent Secretary to the Ministry of Finance.
- (7) The Auditor-General may, in any report submitted in accordance with the provisions of this Act or otherwise, make recommendations and may generally comment upon all matters relating to public accounts, public moneys and public stores.
- (8) Unless it is otherwise required by law or by direction of the Minister, where the Auditor-General audits the accounts of any other authority or body he shall present his certificate and any report found necessary upon such accounts to the head of that authority or body.
- (9) Notwithstanding this section, the Auditor-General may, at any time, submit a report to the President upon any matter arising out of the performance of any of his duties or the exercise of any of his powers under this Act or under any other written law.

Regulations

9. — (1) The Minister may make regulations for the purpose of carrying out the provisions of this Act.
- (2) All such regulations shall be published in the Gazette and shall be presented to Parliament as soon as possible after publication.

Legislative History

This Legislative History is provided for the convenience of users of the Audit Act. It is not part of the Act.

1. Act 3 of 1966—Audit Act 1966

Date of First Reading	:	23 February 1966 (Bill No. 12/66 published on 1 March 1966)
Date of Second and Third Readings	:	21 April 1966
Date of commencement	:	9 August 1965

2. Act 30 of 1970—Audit (Amendment) Act 1970

Date of First Reading	:	26 June 1970 (Bill No. 24/70 published on 1 July 1970)
Date of Second and Third Readings	:	22 July 1970
Date of commencement	:	31 July 1970

3. 1970 Revised Edition—Audit Act (Chapter 60)

Date of operation	:	1 April 1971
-------------------	---	--------------

4. 1985 Revised Edition—Audit Act

Date of operation	:	30 March 1987
-------------------	---	---------------

5. Act 11 of 1991—Statutes (Miscellaneous Amendments) Act 1991

Date of First Reading	:	3 January 1991 (Bill No. 4/91 published on 4 January 1991)
Date of Second and Third Readings	:	14 January 1991
Date of commencement	:	30 November 1991

6. Act 18 of 1994—Statutes (Miscellaneous Amendments) Act 1994

Date of First Reading	:	25 July 1994 (Bill No. 25/94 published on 29 July 1994)
Date of Second and Third Readings	:	25 August 1994
Date of commencement	:	1 October 1994

7. 1999 Revised Edition—Audit Act

Date of operation	:	1 August 1999
-------------------	---	---------------

8. Act 42 of 2017—Audit (Amendment) Act 2017

Date of First Reading	:	11 September 2017 (Bill No. 33/2017 published on 11 September 2017)
Date of Second and Third Readings	:	2 October 2017
Date of commencement	:	1 November 2017