

# HEALTH ACT 2006

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### PART 4 CHAPTER 4

##### Audit

##### *Section 56: Accounts and audit*

268. [Section 56](#) amends section 98 of the National Health Service Act 1977 to add a new Schedule 12B to the 1977 Act. New Schedule 12B in effect re-enacts section 98 with amendments. The provisions of the new Schedule 12B are set out in Schedule 3 to the Act.
269. Paragraph 7 of the Schedule makes new provisions to make the Comptroller and Auditor General the auditor of the annual accounts (other than those relating to charitable funds) of English and cross-border Special Health Authorities (SpHAs). This is a new provision in primary legislation, although the same substantive effect is currently in place for all existing SpHAs through orders made under section 25 of the Government Resources and Accounts Act 2000. The effect of paragraph 8 is to remove the legislative requirement for the Secretary of State to prepare summarised accounts for English and cross border SpHAs.
270. A new provision in paragraph 10 removes the requirement for English and cross border SpHAs to submit accounts to the Secretary of State in relation to funds held on charitable trust - this makes the position consistent with that for other NHS bodies.
271. [Paragraph 11](#) provides for the accounts of any non-charitable trust fund managed by an NHS body to be excluded from summarised accounts prepared under paragraphs 8 and 9. There is no equivalent exclusion from the requirement in paragraph 4 to prepare annual accounts. Such accounts prepared by English NHS bodies which are not Special Health Authorities are to be audited under paragraph 5 by auditors appointed by the Audit Commission.