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### **Auditor General calls for accuracy in annual reports**

In his latest report tabled today, Auditor General Colin Murphy found the reporting of financial and performance information is not reliable in the annual reports of some agencies.

The Auditor General is responsible for auditing, and providing an audit opinion on the financial statements of all public sector agencies.

Mr Murphy said an agency is responsible for ensuring the financial statements and KPIs published in its annual report are the audited version and that the annual report clearly identifies what is audited information and what is not.

'Our audits of financial statements and KPIs often result in significant amendments and if the audited version is not included in annual reports, readers could be misled or confused about the performance and financial position of the agency,' Mr Murphy said.

The audit looked at the 2014-15 annual reports of 50 agencies and found errors, omissions or non-compliance in 18.

The main concerns related to agencies failing to include the correct audited version of the financial statements and KPIs, or not including the ministerially approved financial estimates for the coming year.

Mr Murphy said a significant issue was that only 2 of the 10 agencies in the sample required to report ministerially approved estimates did so.

'This is a concern as the annual report is the only place the estimates of these agencies are published as they are not included in the State budget papers.'

'But, agencies did better in ensuring the information in the non-financial section of the annual report was consistent with the audited financial statements and KPIs.'

'This was an important consistency and integrity test and we were pleased to see that agencies met our expectations.'

'I encourage agencies to take note of the audit as preparations start for this year's annual reports,' Mr Murphy said.

The Auditor General's report, *Financial and Performance Information in Annual Reports* (Report 17 – July 2016), is available on the Office of the Auditor General website at [www.audit.wa.gov.au](http://www.audit.wa.gov.au)

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