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Annual financial audit summary of State government entities released

The Auditor General's report summarising the results of 143 State government entities' annual financial audits and containing insights into various impacts of the COVID-19 pandemic response on the Western Australian government sector has tabled in Parliament today.

Auditor General Ms Caroline Spencer said COVID-19 and responses to the pandemic late in the financial year presented an uncommon environment in which public sector entities were required to continue their normal service delivery and accountability.

'Many entities were adapting to service disruptions, incurring additional expenses, and administering stimulus initiatives announced by the State and Federal Governments. Many employees were working from home which presented additional risks for entities,' Ms Spencer said.

During 2019-20, entities were required to adopt new accounting standards for reporting leases and revenue, and implement new processes to address revisions to 2 key Treasurer's instructions.

The number of entities with serious deficiencies requiring a qualified opinion on financial statements, management controls or key performance indicators, increased from 3 last year to 7 this year.

In addition, the audits identified over 100 more financial management control weaknesses than last year, including an increase of almost 60 in those considered significant.

Ms Spencer said a good number of additional control deficiencies reported were identified earlier in the financial year or were ongoing from prior years and did not all result from COVID-19 pandemic measures implemented under pressure.

'This year we established a Forensic Audit business unit that provided valuable oversight of the very large financial datasets of Health entities and in-flight review of some discrete financial audit referrals.

Ms Spencer commended the Department of Treasury, entity finance and leadership teams, and audit staff and contractors working together to complete the 2019-20 reporting and audit program within an almost normal timeframe. This is a major achievement in a year like few others.

She also congratulated the entities that made the best practice lists for their financial reporting and controls.

Report resources

- [online version](#)
- [PDF version](#)