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## **Financial audits find significant increase in financial and information system control weaknesses at universities and TAFEs**

The Auditor General today tabled in Parliament the [\*Financial Audit Results – Universities and TAFEs 2021\*](#) report.

Auditor General Ms Caroline Spencer said although all universities and TAFEs received clear (unqualified) opinions for 2021, there has been a significant increase in their control weaknesses over the last two COVID-19 years.

‘Financial control weaknesses have increased by over 100% and information system control weaknesses by 40% since 2019,’ Ms Spencer said.

‘Controls over assets, expenditure and payroll were the main areas of concern with nearly 80% of weaknesses rated as significant or moderate, and requiring prompt action.

‘Entities should address these identified weaknesses in a timely manner to ensure the ongoing integrity of their financial and system controls, and external reporting’.

The report also notes the COVID-19 pandemic has continued to have a significant impact with universities and TAFEs re-scoping their operations and developing other strategies to deliver educational programs for their students, both onshore and overseas.

Overall, revenue increased mainly due to Commonwealth and State funding support across the tertiary sector, and the four public universities reported a surplus while the five TAFEs reported deficits.

Ms Spencer congratulated ECU and the North and South Metropolitan TAFEs that were identified as the best practice for quality financial and statement preparation, and maintaining a sound control environment.

‘I encourage all entities in the tertiary sector to regain the ground lost in their control environments during the last two COVID years,’ Ms Spencer said.

### **Report resources**

- [PDF version](#)