



THE AUDIT OFFICE
OF NEW SOUTH WALES

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MEDIA RELEASE

AUDITOR-GENERAL'S REPORT TO PARLIAMENT - VOLUME ONE 2009

The Auditor General, Mr Peter Achterstraat, today released his Volume One Report for 2009 to Parliament. This report includes comments on financial audits of a number of NSW Government agencies including Health, Forestry and the Primary Industries.

“The amount that is owed by the Department of Health to its creditors has almost doubled in one year. This is a real concern to those small businesses working with the Department and especially those working with hospitals.”, said Mr Achterstraat.

The amount owed to trade creditors was \$312 million at 30 June 2008, almost double the \$174 million owed on 30 June 2007. Money owed to creditors for longer than 45 days was over \$75.0 million.

There are also concerns about how trust funds are being managed.

“I am concerned about the \$320 million held in trusts and special purpose accounts. They need to make better use of these funds. In some cases these funds have been there for a long time and the Department is not clear what they can be used for. Some funds have been used to subsidise over-expenditure in other areas.”, Mr Achterstraat explained.

Three area health services have still not reviewed the condition of their assets that are fully depreciated and still in use, something I recommended 12 months ago.

Mr Achterstraat is recommending that creditors are paid on time and that the Department immediately review all trusts and other special accounts.

“The NSW Department of Health spends over \$13.0 billion annually, they must have sound financial processes to make best use of these funds”, Mr Achterstraat highlighted.

On a pleasing note, emergency admissions performance in NSW was equal to, or better than the national average in all five triage categories.

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For further information or to obtain a full copy of the report please contact:
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