

Report highlights

What this report is about

Results of the Health portfolio of agencies' financial statement audits for the year ended 30 June 2023.

The audit found

Unmodified audit opinions were issued for all Health portfolio agencies' financial statements.

The number of monetary misstatements increased in 2022–23, driven by key accounting issues, including the first-time recognition of paid parental leave and plant and equipment fair value adjustments.

The key audit issues were

NSW Health identified errors regarding the recognition and calculation of long service leave entitlements for employees with ten or more years of service that had periods of part time service in the first ten years,

resulting in prior period restatements.

Comprehensive revaluation of buildings at the Graythwaite Charitable Trust found errors in the previous year's valuation, resulting in prior period restatements.

New parental leave legislation increased employee liabilities for portfolio agencies. The Ministry of Health corrected the consolidated financial statements to record parental leave liabilities for all agencies within the Health portfolio.

A repeat high-risk issue relates to processing time records by administrators that have not been reviewed prior to running the pay cycle.

Thirty per cent of reported issues were repeat issues.

The audit recommended

Portfolio agencies should ensure any changes to employee entitlements are assessed for their potential financial statements impact under the relevant Australian Accounting Standards.

Portfolio agencies should address deficiencies that resulted in qualified reports on:

- the design and operation of shared service controls
- prudential non-compliance at residential aged care facilities.

Fast facts

The Health portfolio aims to provide a world-class, sustainable health system that delivers high-quality care and treatment.

The Ministry of Health is the principal department which has 26 controlled entities. There are two independent agencies in the portfolio.

\$28.4b

property, plant and equipment as at 30 June 2023

100%

unqualified audit opinions issued on agencies' 30 June 2023 financial statements

62

monetary misstatements reported in 2022–23

\$29.5b

total expenditure incurred in 2022–23

1

high-risk finding identified

30%

of reported issues were repeat issues