

# Report highlights

## What the report is about

Results of the Treasury cluster agencies' financial statement audits for the year ended 30 June 2022.

The results of the audit of the NSW Government's consolidated Total State Sector Accounts (TSSA), which is prepared by NSW Treasury, are reported separately in our report on 'State Finances 2022'.

## What we found

Unmodified audit opinions were issued on all 30 June 2022 general purpose financial statement audits.

Qualified audit opinions were issued on three of the 25 other engagements prepared by cluster agencies. These related to payments made from Special Deposit Accounts (SDAs) that did not comply with the relevant legislation.

## What the key issues were

Commercial agreements were signed between TAHE, the operators and Transport for NSW in June 2022, which reflected an expected rate of return of 2.5% on contributed equity. However, it remains critical that the government continue to provide sufficient funding to the operators so they can pay for access and use TAHE assets. These findings are reported in our report on 'State Finances 2022'.

Eight high-risk issues were raised in 2021–22, of which five relate to NSW Treasury.

A number of previously reported audit findings and recommendations with respect to icare continue to be ongoing issues. This includes the Workers Compensation Nominal Insurer continuing to hold less assets than the estimated present value of

its future payment obligations, when measured in accordance with the accounting framework

## What we recommended

Our report on 'State Finances 2022' made several recommendations to improve NSW Treasury's processes.

In this report, we recommended icare should ensure:

- it has sufficient controls in place over claim payments, including an effective quality assurance program, to minimise claim payment errors
- that documentation to support PIAWE calculations is appropriately maintained, and that the minimum documentation requirements are set out in a policy.

## Fast facts

NSW Treasury aims to support the NSW Government's achievement of a sustainable economic and financial position, and the transition to net zero and a clean energy future.

\$360b

total assets held as at 30 June 2022

100%

unqualified audit opinions issued on agencies' 30 June 2022 general purpose financial statements

21

monetary misstatements reported in 2021–22

\$14.6b

total expenditure incurred in 2021–22

8

high-risk findings identified

30%

of reported issues were repeat issues