Queensland state government entities: 2018–19 results of financial audits

(Report 8: 2019–20).
Tabled 27 November 2019.

Welcome

Welcome to our presentation on the results of our 2018–19 financial audits of Queensland state government entities, including the 21 government departments.

Audit results

The financial statements of all departments, government owned corporations, and most statutory bodies and controlled entities are reliable and comply with relevant laws and standards.

Most departments have robust financial reporting processes and systems that ensure financial statements are produced in a timely manner. However, quality assurance processes need improvement, with six departments making changes to their final draft financial statements.

New accounting standards for revenue and leases took effect on 1 July 2019. We found that departments have prepared well for implementing these new standards.

Internal controls

We raised several matters with entities relating to:

- controls over information systems
- financial delegations
- conflicts of interest for procurement processes, asset valuations and payroll monitoring.

Information systems continues to be the area in which we identify most issues. In particular, these relate to user access to systems and governance over the transfer of information to new systems. We commonly find that employees are given system access beyond that required to perform their role, and that entities are not regularly monitoring employee access and activities to ensure it is consistent with their job responsibilities and is appropriately approved.

There was an increase in fraud attempts this year, mostly relating to requests to change employee and supplier bank account details. Entities must ensure they check all change requests with an independent source. Where frauds occurred, the requests had not been checked effectively.

For more information

For more information on the results, and identified issues in this summary presentation, please see the full report on our website.

Thank you.

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