



FINANCIAL AUDIT

19 DECEMBER 2022

Enterprise, Investment and Trade 2022

NEW SOUTH WALES AUDITOR-GENERAL'S REPORT

THE ROLE OF THE AUDITOR-GENERAL

The roles and responsibilities of the Auditor-General, and hence the Audit Office, are set out in the *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

We conduct financial or 'attest' audits of state public sector and local government entities' financial statements. We also audit the Consolidated State Financial Statements, a consolidation of all state public sector agencies' financial statements.

Financial audits are designed to add credibility to financial statements, enhancing their value to end-users. Also, the existence of such audits provides a constant stimulus to entities to ensure sound financial management.

Following a financial audit the Audit Office issues a variety of reports to entities and reports periodically to Parliament. In combination, these reports give opinions on the truth and fairness of financial statements, and comment on entity internal controls and governance, and compliance with certain laws, regulations and government directives. They may comment on financial prudence, probity and waste, and recommend operational improvements.

We also conduct performance audits. These examine whether an entity is carrying out its activities effectively and doing so economically and efficiently and in compliance with relevant laws. Audits may cover all or parts of an entity's operations, or consider particular issues across a number of entities.

As well as financial and performance audits, the Auditor-General carries out special reviews, compliance engagements and audits requested under section 27B(3) of the *Government Sector Audit Act 1983*, and section 421E of the *Local Government Act 1993*.



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In accordance with section 52B of the *Government Sector Audit Act 1983*, I present a report titled '**Enterprise, Investment and Trade 2022**'.

A handwritten signature in black ink, appearing to read 'Margaret Crawford'.

Margaret Crawford

Auditor-General for New South Wales
19 December 2022

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RECONCILIATION COMMITMENT STATEMENT

The Audit Office of New South Wales pay our respect and recognise Aboriginal people as the traditional custodians of the land in NSW.

We recognise that Aboriginal people, as custodians, have a spiritual, social and cultural connection with their lands and waters, and have made and continue to make a rich, unique and lasting contribution to the State. We are committed to continue learning about Aboriginal and Torres Strait Islander peoples' history and culture.

We honour and thank the traditional owners of the land on which our office is located, the Gadigal people of the Eora nation, and the traditional owners of the lands on which our staff live and work. We pay our respects to their Elders past and present, and to the next generation of leaders.

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Section one

Enterprise, Investment and Trade 2022

This report analyses the results of our audits of the Enterprise, Investment and Trade cluster agencies for the year ended 30 June 2022.

1. Introduction

This report provides Parliament and other users of the Enterprise, Investment and Trade cluster's financial statements with the results of our audits, analysis, conclusions and recommendations in the following areas:

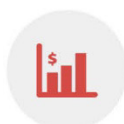
- financial reporting
- audit observations.

1.1 Snapshot of the cluster

Enterprise, Investment and Trade

Supporting New South Wales businesses find new markets, helping drive collaborative partnerships between government and non-government organisations, and promoting New South Wales as an attractive place to do business for domestic and global companies.

State outcomes



Increased economic development and investment attraction

Facilitating investment to support high-value job creation for future-focused industries, boost exports, lift productivity and activate precinct development opportunities.



Excellence in arts, sport and tourism

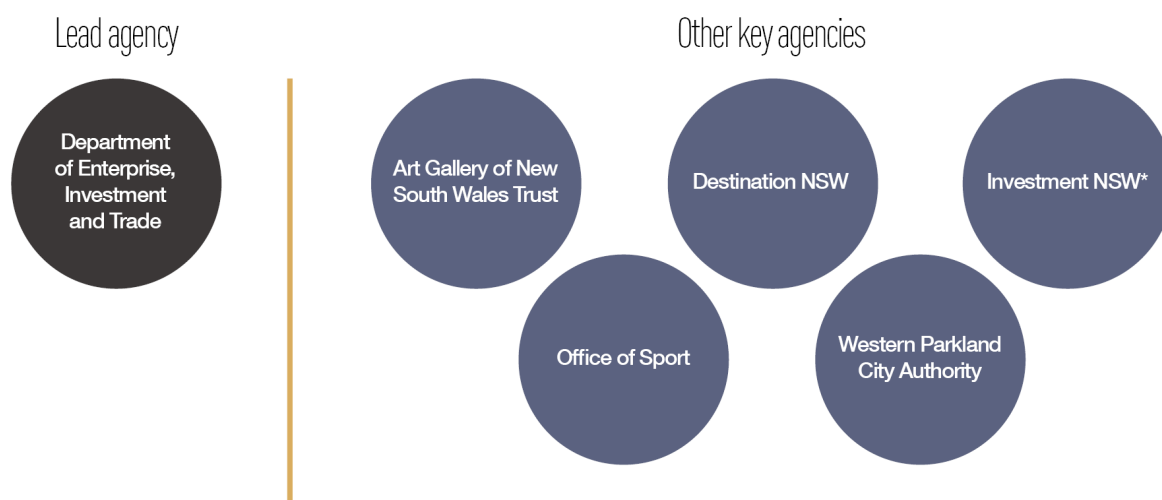
Leveraging our capabilities to position the State as a world-class centre for performances, events, exhibitions and visitation.



Vibrant, safe and responsible hospitality and racing

Allowing the operation of a diverse and vibrant liquor and gaming industry while ensuring public safety and minimising the risk of harm.

Key agencies



*Investment NSW is to be abolished from 1 July 2022 and employees transferred to the Department of Enterprise, Investment and Trade per the *Administrative Arrangements (Administrative Changes – Miscellaneous) Order (No 6) 2022*.

Source: NSW Budget Papers 2022–23.

1.2 Changes to the cluster

Machinery of Government (MoG) refers to how the government organises the structures and functions of the public service. MoG changes occur when the government reorganises these structures and functions and those changes are usually given effect by Administrative Orders.

On 21 December 2021, the Administrative Arrangements (Second Perrottet Ministry–Transitional) Order 2021 created the Department of Enterprise, Investment and Trade. These changes had a significant administrative impact on the cluster agencies. The MoG change resulted in the transfer of \$1.01 billion and \$4.3 million net assets from Department of Premier and Cabinet (DPC) and Department of Customer Service (DCS) respectively to the newly created Department of Enterprise, Investment and Trade on 1 April 2022. The Department of Enterprise, Investment and Trade is the principal agency of the cluster.

The department is transitioning its governance arrangements

During 2021–22, the department set up a governance branch, which oversees a number of areas including ethics, audit and risk management. The department had financial delegation instruments in place and its own code of ethics and conduct, conflict of interest, and fraud and corruption policies.

The department advised they were in the process of establishing:

- an internal audit function
- risk management framework
- legislative compliance framework including a centralised legislative compliance register
- business continuity and disaster recovery plans.

In the absence of the above, the department continued to operate under the relevant pre-MoG entities' frameworks and policies during 2021–22. The department did not have an Audit and Risk Committee (ARC) arrangement in place until after 30 June 2022. Therefore, for 2021–22, cluster agencies that rely on a shared ARC arrangement continued to rely on the pre-MoG arrangements with its previous cluster lead agency for financial reporting purposes only. For the department, it did not have an ARC to endorse its financial statements prior to submission to NSW Treasury and the Audit Office of New South Wales on 22 August 2022. The ARC was established in September 2022 which allowed for the endorsement of the financial statements prior to signing by the secretary.

The department is heavily reliant on other agencies for systems and corporate services support

The department has been heavily reliant on other agencies for systems and corporate services support:

- DCS' systems and corporate services to record all financial transactions relating to the hospitality and racing group (previously known as liquor, gaming and racing group)
- Create NSW was transferred from DPC however it relies on the Department and Planning and Environment's (DPE) systems and corporate services to record its financial transactions
- Investment NSW to provide all other corporate services other than those noted above.

Due to the timing of the MoG changes, the department shared the same general ledger company codes and bank accounts with DCS for the hospitality and racing group for the period 1 April 2022 to 30 June 2022. This required significant manual workarounds to reconstruct the department's financial statements. The department also undertook extensive investigative work to reconcile the transaction listings to the financial statements. The additional manual intervention to extract, allocate and compile information from the DCS system may increase the risk of data corruption and errors. The department advised for the financial year 2022–23, the department will transition onto its own financial reporting system and will no longer rely on DCS' corporate services support.

In respect to Create NSW, the department will continue to receive corporate services support from DPE until February/March 2023 when it is expected to onboard Create NSW onto the department's financial reporting system.

The department did not have a Chief Financial Officer until 20 June 2022

The department was established in December 2021, and an interim Chief Financial Officer (CFO) was appointed on 20 June 2022.

In the absence of a CFO, the department engaged a professional service firm to assist with setting up the cluster finance function, initially for three months (February to May 2022) which was then extended until August 2022.

2. Financial reporting





Financial reporting is an important element of good governance. Confidence and transparency in public sector decision-making are enhanced when financial reporting is accurate and timely.

This chapter outlines our audit observations related to the financial reporting of agencies in the Enterprise, Investment and Trade cluster (the cluster) for 2022.

Section highlights

- Unqualified audit opinions were issued for all completed cluster agencies 2021–22 financial statements audits. The Jobs for NSW Fund and Responsible Gambling Fund audits are ongoing.
- An 'Emphasis of Matter' paragraph was included in the Australian Institute of Asian Culture and Visual Arts Limited's 30 June 2022 financial statements to draw attention to management's disclosures that the entity's financial statements for the year ended 30 June 2022 were prepared on a non-going concern basis following cessation of its operations and resolution by the directors in October 2021 to deregister the entity.
- An 'Other Matter' paragraph was included in the Jobs for NSW Fund's 30 June 2021 financial report to reflect the non-compliance with the *Jobs for NSW Act 2015* and *Government Sector Finance Act 2018*.
The Act requires the board to consist of seven members that include the Secretary of the Treasury, the Secretary of the Department of Premier and Cabinet (or their nominees) and five ministerial appointments, one of whom is to be appointed as Chair of the board. The board has consisted of the two secretaries since 24 May 2019 when the independent members resigned. The remaining five members have not been appointed by the ministers as required by section 5(2) of the Act.
- An 'Emphasis of Matter' paragraph was included in the Jobs for NSW Fund's 30 June 2021 financial report to draw attention to the financial report being prepared for the purpose of fulfilling the Jobs for NSW Fund's financial reporting responsibilities as requested by the Treasurer's delegate.

2.1 Cluster financial information 2022

Agency	Total assets \$m 	Total liabilities \$m 	Total income* \$m 	Total expenses** \$m 
Principal department				
Department of Enterprise, Investment and Trade	1,167.3	126.9	515	513.4
Other cluster agencies listed in Appendix A of Treasury Direction TD21-02				
Art Gallery of New South Wales Trust	2,524.7	14.2	176.9	76.9
Australian Museum Trust	1,291.7	18.2	76.1	56.9
Destination NSW	110.7	46.9	296.4	233.5
Historic Houses Trust of New South Wales	385.2	9.1	42.1	29
Independent Liquor and Gaming Authority	1.9	0.4	10.3	9.9
Investment NSW	250.7	59.6	391.7	213.9
Library Council of New South Wales	1,733.1	12.6	110.8	337.4
Office of Sport	296.6	31.9	425.8	453.1
State Archives and Records Authority of NSW	1,149.3	12.4	51.1	34.5
Sydney Opera House Trust	3,054.1	52.9	148.9	140.9
Trustees of the Museum of Applied Arts and Sciences	550.7	9.7	74.5	73.2
Venues NSW	2,607.6	677.9	250.2	304.9
Western Parkland City Authority	355.3	14.6	360.4	62.4

* Include other gains.

** Include other losses.

Source: Agencies audited 2021–22 financial statements.

2.2 Quality of financial reporting

Audit opinions

Unqualified audit opinions were issued on agencies' financial statements

Unqualified audit opinions were issued on all completed cluster agencies' 30 June 2022 financial statements. Sufficient and appropriate audit evidence was obtained to conclude the financial statements were free of material misstatement.

Two audits are ongoing:

- Responsible Gambling Fund
- Jobs for NSW Fund.

In our 'Premier and Cabinet 2021' report, we reported that the 2020–21 Jobs for NSW Fund (Jobs Fund) audit was ongoing with draft financial statements provided on 25 October 2021. Following delays in finalising the 2020–21 financial report, and further issues identified during the audit, the 2020–21 audit was finalised on 16 December 2022.

Jobs for NSW Fund's 30 June 2021 Independent Auditor's Report includes an 'Other Matter' and 'Emphasis of Matter' paragraph

While not modifying the audit opinion, we included:

- an 'Other Matter' paragraph to reflect the non-compliance with the *Jobs for NSW Act 2015* and *Government Sector Finance Act 2018*. Refer to 'audit observations' below
- an 'Emphasis of Matter' paragraph to draw attention to Note 2 of the financial report which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Jobs Fund's financial reporting responsibilities requested by the Treasurer's delegate.

The Australian Institute of Asian Culture and Visual Arts Limited's Independent Auditor's Report includes an 'Emphasis of Matter'

We included an 'Emphasis of Matter' paragraph in the Independent Auditor's Report for the Australian Institute of Asian Culture and Visual Arts Limited's 30 June 2022 financial statements. This was to draw users' attention to management's disclosures that the entity's financial statements for the year ended 30 June 2022 were prepared on a non-going concern basis following cessation of its operations and resolution by the directors in October 2021 to deregister the entity.

The number of identified monetary misstatements decreased in 2021–22

The number of monetary misstatements identified during the audits of cluster agencies' financial statements decreased from 46 in 2020–21 to 40 in 2021–22. A monetary misstatement is an error in amount recognised in the financial statements initially submitted for audit.

Reported corrected misstatements decreased from 39 in 2020–21 to 31 with a gross value of \$186.2 million in 2021–22. Reported uncorrected misstatements increased from seven to nine, from 2020–21 to 2021–22, with a gross value of \$19.4 million in 2021–22.

The table below shows the number and quantum of monetary misstatements for the past two years.

Year ended 30 June	2022		2021	
	✓	!	✓	!
Less than \$50,000	--	1	7	2
\$50,000 to \$249,999	9	3	11	1
\$250,000 to \$999,999	8	2	12	2
\$1 million to \$4,999,999	7	2	7	2
\$5 million and greater	7	1	2	--
Total number of misstatements	31	9	39	7
Key	✓	!		
	Corrected misstatements	Uncorrected misstatements		

Source: Engagement Closing Reports issued by the Audit Office of New South Wales.

Refer to Appendix one for details of corrected and uncorrected monetary misstatements by agency.

Of the 31 corrected monetary misstatements, seven had a gross value of greater than \$5 million and related to the following:

Agency	Description of corrected misstatements > \$5 million
Art Gallery of New South Wales Trust	The Art Gallery of New South Wales Trust incorrectly recognised \$27.6 million of prepaid construction costs relating to the Sydney Modern Project (asset) as accrued payables (liability). As a result, prepayment and accrued payables were overstated by \$27.6 million.
Department of Enterprise, Investment and Trade	The Department of Enterprise, Investment and Trade incorrectly recognised a \$38.4 million loss on disposal for its lease of the Theatre Royal. The loss should have been reflected in the financial statements of the Department of Premier and Cabinet prior to the MoG transfer.
Department of Enterprise, Investment and Trade	The Department of Enterprise, Investment and Trade's accounts receivable was overstated due to the double counting of \$10.7 million of ClubGrants funding.
Venues NSW	Venues NSW understated its property, plant and equipment by \$11 million due to the non-application of indices to reflect the fair value of land and building assets.
Venues NSW	Land and buildings associated with CommBank Stadium and the Sydney Cricket Ground were understated by \$7.4 million as the revaluation of these assets was not correctly reflected in the financial statements.
Venues NSW	Venues NSW did not recognise \$55.7 million of project revenue and expenses for the Accor Stadium upgrade works.
Venues NSW	Venues NSW incorrectly recognised \$15.8 million worth of works in progress (WIP) assets for Accor Stadium upgrade works when it did not have accounting control over the WIP assets during asset construction.

Of the nine uncorrected monetary misstatements, one had a gross value of greater than \$5 million:

Agency	Description of uncorrected misstatements > \$5 million
Department of Enterprise, Investment and Trade	The Department of Enterprise, Investment and Trade did not reclassify certain completed capital WIP assets relating to Walsh Bay Arts Precinct from WIP to completed assets. The potential estimated range of the impact to depreciation and net book value was estimated to be between \$4.6 million and \$9.7 million. The uncorrected judgemental misstatement was not considered material to the financial statements.

Eight agencies were exempted from financial reporting in 2021–22

Part 3A Division 2 of the Government Sector Finance Regulation 2018 (GSF Regulation) prescribes certain kinds of GSF agencies not to be a reporting GSF agency. For 2021–22, the following cluster agencies have assessed and determined they met the reporting exemption criteria under the GSF Regulation, and therefore were not required to prepare annual financial statements:

Exempted agencies	GSF Regulation reference	Basis for reporting exemption
Special purpose staff agencies		
Art Gallery of New South Wales Trust (Staff Agency)	Part 3A, Division 2, Section 9F of the GSF Regulation	GSF Regulation prescribes that a GSF agency that comprises solely of persons who are employed to enable another particular GSF agency to exercise its function not to be a reporting GSF agency. All eight staff agencies satisfied this requirement and therefore were exempt from preparing financial statements in 2021–22.
Australian Museum Trust (Staff Agency)		
Destination NSW (Staff Agency) – the staff agency commenced operations as at 1 April 2022		
NSW Institute of Sport (Staff Agency)		
Sydney Opera House Trust (Staff Agency)		
Trustees of the Museum of Applied Arts and Sciences (Staff Agency)		
Venues NSW (Staff Agency)		
Western Parkland City Authority (Staff Agency)		

In 2020–21, the above staff agencies were exempted from financial reporting under Part 3A Division 2 of the GSF Regulation.

2.3 Timeliness of financial reporting

Early close procedures




Early close mandatory procedures were submitted on time with one exception

NSW Treasury introduced early close procedures to improve the quality and timeliness of year-end financial statements. In April 2022, NSW Treasury reissued Treasurer's Direction TD19-02 'Mandatory Early Close as at 31 March each year' (TD19-02) and released Treasury Policy and Guidelines TPG22-11 'Agency Direction for the 2021–22 Mandatory Early Close'. These pronouncements require the GSF agencies listed in Appendix A of TD19-02 to perform the mandatory early close procedures and provide the outcomes to the audit team by 27 April 2022. The 17 mandatory procedures are listed in Appendix two.

There were 13 cluster agencies required by NSW Treasury to perform early close procedures. All but one cluster agency met the statutory deadline for submitting their 2021–22 early close financial statements and other mandatory procedures.

Australian Museum Trust submitted their 2021–22 early close financial statements and other mandatory procedures to NSW Treasury on time however its submission to the Audit Office of New South Wales was two days past the due date.

The table below summarises the 13 agencies' completion of the 17 mandatory early close procedures noting that some procedures are not relevant to all agencies. The mandatory early close procedures and the details of the non-applicable procedures are listed in Appendix two.

Agency	Completed 	Not completed 	Not applicable** 
Cluster agencies listed in Appendix A of Treasury Direction TD19-02			
Art Gallery of New South Wales Trust	14	--	3
Australian Museum Trust	8	4	5
Destination NSW	14	--	3
Historic Houses Trust of New South Wales	13	--	4
Investment NSW	12	1	4
Independent Liquor and Gaming Authority*	--	--	--
Library Council of New South Wales	12	2	3
State Archives and Records Authority of NSW	14	--	3
Sydney Opera House Trust	16	--	1
Office of Sport	4	8	5
Trustees of the Museum of Applied Arts and Sciences	11	1	5
Venues NSW	11	3	3
Western Parkland City Authority	12	2	3


* Due to the size and nature of the agency, the audit team performed limited early close procedures and provided feedback informally to the agency.

** Some mandatory early close procedures were not applicable to the agency. For example, cluster agencies did not complete 'Changes in Accounting Policy' early close procedure as there were no changes to accounting policy at early close.

Source: Reports on early close procedures 2022 issued by the Audit Office of New South Wales.


Agencies need to improve their completion of early close procedures

Seven cluster agencies did not complete all mandatory early close procedures. Some procedures were not performed adequately to address the requirements of the Treasurer's Directions.

Cluster agencies	Not completed 	Description of incomplete early close procedures
Cluster agencies listed in Appendix A of TD19-02		
Australian Museum Trust	4	<p>Fair value assessment of property, plant and equipment</p> <p>Management had not documented a fair value assessment of its land, buildings and collection assets for 2021–22.</p> <p>Significant management judgements and assumptions</p> <p>Management did not provide sufficient documentation to support its significant judgements and assumptions relating to the accounting treatment for Collection Enhancement Project related costs, and capitalisation of payroll expenses.</p> <p>Prior year management letter and engagement closing report issues</p> <p>Management provided a verbal update on the progress of the action plans to address prior year's recommendations, however audit was unable to verify whether any issues have been resolved.</p>

Cluster agencies	Not completed	Description of incomplete early close procedures
Investment NSW	1	<p>Complete Commonwealth Funding Agreement – Revenue Assessment Form for Commonwealth Funding Agreements</p> <p>Management was unable to provide evidence to demonstrate that they had completed and returned the Commonwealth Funding Agreement – Revenue Assessment Form for Commonwealth Funding Agreements to NSW Treasury.</p>
		<p>Significant management judgements and assumptions</p> <p>Investment NSW's stocktake of its property, plant and equipment assets and its calculation of expected credit loss (in particular for Sydney start-up hubs receivables) were either incomplete or outstanding at 31 March 2022.</p>
Library Council of New South Wales	2	<p>Revaluation of property, plant and equipment</p> <p>Management engaged an external expert to provide a report on:</p> <ul style="list-style-type: none"> the appropriateness of the statistical sampling methodology used in the recent Pictorial Class, Sub-class 'Works on Paper' whether the change in valuation attributable to this change in methodology should be treated as a prior year error in the statutory accounts review management's paper on the remaining collection items for reasonableness their view, based on the information given, as to whether any entries should be made in the current year in relation to the \$14.2 million variances identified.
		<p>The expert's report was not available at early close therefore the council was unable to complete two of the early close procedures ('revaluation of property, plant and equipment' and 'correction of material prior period errors').</p> <p>Correction of material prior period errors</p> <p>Refer to above.</p>
Office of Sport	8	<p>Fair value assessment of property, plant and equipment</p> <ul style="list-style-type: none"> Interim land and buildings valuation adjustments were booked directly into the financial statements therefore the underlying financial records did not support the early close financial statements. Management did not document its fair value assessment and the interim valuation was not provided within the agreed timeframe.
		<p>Update employee annual leave provisions</p> <p>Management did not reconcile and calculate its annual leave provisions at 31 March 2022.</p> <p>Inter and intra (cluster) agency transactions and balances</p> <p>Management did not agree and confirm all inter and intra (cluster) agency balances and transactions with the counterparty agencies.</p>

Cluster agencies	Not completed	Description of incomplete early close procedures
Trustees of the Museum of Applied Arts and Sciences	1	<p>Significant management judgements and assumptions</p> <p>Management did not provide accounting papers on transactions and balances that involve significant management judgements and assumptions such as:</p> <ul style="list-style-type: none"> • fair value assessment • estimated useful lives of assets • asset impairment • accounting for the replacement centre for Myuna Bay • the emerging issues reported to NSW Treasury. <p>Reconciliation of key account balances</p> <p>Management did not reconcile its annual leave provision accounts, and there were long outstanding reconciling items in two of its clearing accounts.</p> <p>Finalise right-of-use assets and lease liability balances</p> <p>Management did not include disclosures in their early close financial statements detailing the accounting policies and impact of the derecognition of the right-of-use asset and lease liability balances as required by NSW Treasury.</p> <p>Monthly management reports</p> <p>Management performed the variance analysis for the income statement balances but not for balance sheet items.</p> <p>Prior year Management Letter and Engagement Closing Report issues</p> <p>The prior year management letter had two recommendations which management agreed to complete by 31 March 2022. At early close, those matters were outstanding.</p>
		<p>Prior year Management Letter and Engagement Closing Report issues</p> <p>Management was in the process of addressing prior year recommendations however it was not completed for audit to assess and confirm whether any issues have been resolved.</p>
Venues NSW	3	<p>Inter and intra (cluster) agency transactions and balances</p> <p>Management did not agree all its inter and intra (cluster) agency transactions.</p> <p>Significant management judgements and assumptions</p> <p>Management did not perform an assessment to support the following significant judgements and assumptions:</p> <ul style="list-style-type: none"> • onerous contracts assessment on Venues NSW's contracts including leases and revenue • impairment assessments for property, plant and equipment and right-of-use assets. <p>Accounting treatment for restructures and discontinued/abolished agencies</p> <p>Management did not document their assessment of the impact of the MoG changes announced in December 2021 which resulted in Venues NSW transferring to the Enterprise, Investment and Trade cluster.</p>

Cluster agencies	Not completed 	Description of incomplete early close procedures
Western Parkland City Authority	2	<p>Revaluation of property, plant and equipment</p> <p>As part of early close, management did not perform a review of the agreements entered into with Sydney Metro to ensure financial reporting implications are identified, assessed and actioned as appropriate.</p> <p>Significant management judgements and assumptions</p> <p>Management engaged an external expert to perform a review of the contamination present on land from the Commonwealth however the final report from the expert was outstanding at early close.</p>

Source: Reports on early close procedures 2022 issued by the Audit Office of New South Wales.

The review of agencies' early close procedures found more work needs to be done to:

- address prior year Management Letter and Engagement Closing Report issues in a timely manner
- appropriately document or perform a significant judgements and assumptions assessment
- ensure the outcomes of comprehensive revaluation and fair value assessment of the property, plant and equipment are properly recorded in the fixed asset register and financial statements.

Year-end financial reporting

NSW Treasury required all agencies to submit their financial statements by 1 August 2022

In June 2022, NSW Treasury issued a suite of Treasurer's Directions and Treasury Policy and Guidelines for 2021–22 financial reporting requirements and timetables:

- Treasurer's Direction TD21-02 'Mandatory Annual Returns to Treasury' (TD21-02) and Treasury Policy and Guidelines TPG22-16 'Agency Direction for the 2021–22 Mandatory Annual Returns to Treasury' require agencies listed in the Appendix A of TD21-02 to submit their 2021–22 financial statements to both NSW Treasury and the Audit Office by 1 August 2022
- Treasury Policy and Guidelines TPG22-17 'Agency guidelines for the 2021–22 Mandatory Annual Returns to Treasury for NSW public sector agencies that are not included in TD21-02' requires NSW public sector agencies not listed in Appendix A of TD21-02 to submit their draft 2021–22 financial statements to NSW Treasury by 1 August 2022
- Treasurer's Direction TD21-03 'Submission of Annual GSF Financial Statements to the Auditor-General' requires reporting GSF agencies that are not listed in Appendix A of TD21-02 to submit their annual financial statements for audit within six weeks after the year-end.

The following agency obtained NSW Treasury's approval to extend submission of their 30 June 2022 financial statements:

Cluster agencies	Revised deadline	Reason
Department of Enterprise, Investment and Trade	22 August 2022	Extension granted as newly created entity.

Financial statements were submitted on time for all cluster agencies

Cluster agencies met the reporting deadlines for submitting their 2021–22 year-end financial statements.

The table in Appendix three shows the timeliness of the year-end financial reporting for cluster agencies.

2.4 Key accounting issues

Prior period error corrected retrospectively

Jobs for NSW Fund did not record guarantee fee revenue in accordance with its accounting policy

In prior financial years, the Jobs Fund did not record guarantee fee revenue in accordance with the requirements of its accounting policy, which is based on accounting standards requirements.

In 2020–21 the Jobs Fund reassessed the guarantee fee revenue across its portfolio, and have restated prior periods to reflect the guarantee fee revenue and corresponding receivables impairment included in expected credit losses.

As the prior period error occurred before the earliest prior period presented (2019–20), the Jobs Fund have restated the opening balances of assets, liabilities and equity for the earliest prior period presented (1 July 2019). The amounts are as follows:

- as at 1 July 2019, increase trade receivables and the expected credit loss (ECL) provision by \$136,000 and \$141,000 respectively. The increase to the provision is greater than trade receivables (debtors) to reflect the impairment of guarantee fee revenue which was recognised by the Jobs Fund
- as at 30 June 2020, increase trade receivables (debtors) and the ECL provision by \$180,000 and \$105,000 respectively.

The Jobs Fund transferred from the Treasury into the then newly created agency, Investment NSW, from 29 March 2021 through Administrative Arrangements (Administrative Changes–Public Service Agencies) Order 2021. The Treasury had previously managed the Jobs Fund from 1 July 2019, after it had transferred from the Department of Industry through Administrative Arrangements (Administrative Changes–Public Service Agencies) Order 2019.

Intra-government property leases managed by Property NSW

The changes in office accommodation arrangement with Property NSW resulted in derecognition of right-of-use assets and lease liabilities

Property NSW (PNSW) is responsible for managing most of the state government agencies leased real estate property portfolio. During 2021–22, PNSW made some changes to its intra-government lease arrangements, including rewriting the standard Client Acceptance Letter (CAL) to include a 'Relocation and substitution right' clause. This clause allows PNSW to relocate agencies to other locations and remove their right to control the use of the identified accommodations. As a result, the new CALs no longer constitute a lease under AASB 16 'Leases'. The changes became effective from 30 June 2022.

Three cluster agencies accepted the changes to their office accommodation arrangements with PNSW. This has resulted in:

- the derecognition of \$24.8 million of right-of-use (ROU) assets
- the derecognition of \$26.7 million of lease liabilities
- \$1.9 million of other gains.

Going forward, these agencies will recognise the office accommodation payments as expenses in the Statement of Comprehensive Income. Agencies will continue to recognise the fit-outs and makegood provisions.

There was one cluster agency that did not accept the changes to the office accommodation arrangement with PNSW as the agency determined it would be difficult to find a suitable, fit-for-purpose substitute due to the specialised nature of its accommodation.


Agencies have included appropriate disclosures in their year-end financial statements, detailing the accounting policies, significant judgments made and impact of the derecognition of the ROU assets and lease liabilities at 30 June 2022.

2.5 Key financial statement risks

The table below details our specific audit coverage and response over key areas of financial statements risks that had the potential to impact the financial statements of significant cluster agencies.


Department of Enterprise, Investment and Trade

The new Department of Enterprise, Investment and Trade (the department) was established in December 2021 to drive the NSW Government's commitment to economic transformation and thriving communities.

	Key financial statement risk	Audit response
 <p>Completeness of general ledger</p>	<p>On 1 April 2022, functions and activities were transferred into the department from the DPC and DCS. The transferred functions and activities continued to operate within each 'transferor' agency's financial environment through to 30 June 2022. The department is still transitioning to a mature stand-alone entity.</p> <p>Our audit risk rating is higher because the department relied on financial records and information provided by the respective transferor agencies.</p>	<p>Our audit procedures reviewed management processes to help ensure transactions are complete and accurate including confirming balances with respective transferor agencies.</p>


Art Gallery of New South Wales Trust

The Art Gallery of New South Wales Trust (the trust) is one of Australia's flagship art museums and the state's leading visual arts institution. The trust serves as a centre of excellence for the collection, preservation, documentation, interpretation and display of Australian and international art, and a forum of scholarship, art education and the exchange of ideas.

	Key financial statement risk	Audit response
 <p>Sydney Modern Project</p>	<p>The Sydney Modern Project is the trust's \$344 million expansion project which completes in 2022.</p> <p>Our audit risk rating is higher because:</p> <ul style="list-style-type: none"> the financial and operational risks of this project are significant the funding is sourced from the NSW Government and philanthropic support. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> reviewing significant contracts related to the project assessing accounting of project costs and funding reviewing costs incurred and capitalised in the current year ensuring the adequacy of financial statement disclosures are in accordance with the Australian Accounting Standards.

Investment NSW

Investment NSW is an agency created on 29 March 2021 by bringing together all of the NSW Government's economic development and attraction activities into the one place, allowing the entity to leverage the State's successful COVID-19 response to drive local and international investment and create jobs for New South Wales.

	Key financial statement risk	Audit response
 <p>Valuation of shares in Silicon Quantum Computing</p>	<p>Investment NSW holds 10.5% share ownership in Silicon Quantum Computing (SQC), a company that was set up to commercialise research on quantum computing with the private sector. Our audit risk is higher because the shares are valued using a shortcut valuation method.</p>	<p>Our audit procedures included reviewing and assessing the appropriateness of management's basis of valuation and the determined fair value, and ensuring the adequacy of financial statement disclosures are in accordance with the Australian Accounting Standards.</p>


Sydney Opera House Trust

Sydney Opera House Trust operates as one of the State's cultural institutions. It provides a broad range of cultural, tourism, community and commercial experiences to people from Sydney, New South Wales, Australia and around the world.

	Key financial statement risk	Audit response
 <p>Fair value assessment of property, plant and equipment</p>	<p>Sydney Opera House Trust recorded \$3 billion in property, plant and equipment at fair value representing approximately 98.7% of its total assets.</p> <p>Our audit risk rating is higher because:</p> <ul style="list-style-type: none"> the assets are financially significant to the Sydney Opera House Trust the valuation of non-current physical assets is highly complex, involves management judgement, relies on a valuation expert and various assumptions underpin the methodology to determine fair value there is a risk that the carrying values of assets may not reflect fair value as required by Australian Accounting Standards. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> testing the completeness and accuracy of the asset register assessing the competence and objectivity of management's valuation experts reviewing the appropriateness of the valuation methodologies, key assumptions and judgements applied reviewing the disclosures on the fair value of the property, plant and equipment assets in the financial statements in accordance with Australian Accounting Standards. <p>For assets not subject to a comprehensive revaluation, management's annual fair value assessment was reviewed.</p>


Venues NSW

Venues NSW is a statutory authority established under the *Sporting Venues Authorities Amendment (Venues NSW) Act 2020*. It owns, coordinates and promotes a portfolio of publicly owned sports and entertainment venues in New South Wales. It raises revenue through commercial activities such as hiring venues to sports and entertainment organisations, event ticketing, hospitality and catering sales and through advertising, leasing, membership naming rights and sponsorship arrangements.

	Key financial statement risk	Audit response
 <p>Fair value assessment of property, plant and equipment</p>	<p>Buildings such as the Sydney Cricket Ground, CommBank Stadium, McDonald Jones Stadium, Newcastle Entertainment Centre and Showground, and WIN Sports and Entertainment Centre make up most of Venue NSW's property, plant and equipment. They are mostly specialised buildings and are measured at fair value.</p> <p>Our audit risk rating for property, plant and equipment is higher because the assets are specialised and unique in nature, significant to Venue NSW's financial statements and subject to management judgements and estimates when determining their fair values. These judgements and estimates often require the assistance of a qualified valuer.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • testing the completeness and accuracy of the asset register • assessing the competence and objectivity of management's valuation experts • reviewing the appropriateness of the valuation methodologies, key assumptions and judgements applied • reviewing the disclosures on the fair value of the property, plant and equipment assets in the financial statements in accordance with Australian Accounting Standards. <p>For assets not subject to a comprehensive revaluation, management's annual fair value assessment was reviewed.</p>

Western Parkland City Authority

Western Parkland City Authority is the NSW Government agency responsible for delivering, coordinating and attracting investment to the Western Parkland City.

	Key financial statement risk	Audit response
 <p>Contamination of land, provision for remediation and impact to the fair value of land</p>	<p>Western Parkland City Authority recognised a parcel of land, purchased from the Commonwealth for \$293 million, for the Aerotropolis Core Project during the 2021–22 financial year.</p> <p>Our audit risk is higher because:</p> <ul style="list-style-type: none"> • the valuation of land involves management judgement, relies on a valuation expert and various assumptions underpin the methodology to determine fair value • management have advised the parcel of land may require remediation from contamination. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • reviewing management's valuation experts' reports on the land valuation and contamination assessment • assessing the competence and objectivity of management's valuation experts • reviewing the appropriateness of the valuation methodologies, key assumptions and judgements applied • ensuring the disclosures in the financial statements are in accordance with Australian Accounting Standards.

3. Audit observations

Appropriate financial controls help ensure the efficient and effective use of resources and administration of agency policies. They are essential for quality and timely decision-making.

This chapter outlines our observations and insights from our financial statement audits of agencies in the Enterprise, Investment and Trade cluster.

Section highlights

- In 2021–22, there were 103 findings raised across the cluster, a decrease from 2020–21.
- In total, six high-risk findings were identified during 2021–22. Two related to 2021–22 whilst four were related to the audit of Jobs for NSW Fund's 30 June 2021 financial report.
- Thirty per cent of all findings during 2021–22 were repeat issues. The most common repeat issues related to information technology controls and accounting for property plant and equipment notably fair value assessment and valuation.

3.1 Information technology (IT) shared services

Control deficiencies were identified in the department's IT shared service providers

At 30 June 2022, the department used SAP DPE and GovConnect systems which are maintained by DPE and DCS respectively. Both systems had control deficiencies which were reported in the Audit Office's reports to Parliament as follows:

- the '[Planning and Environment 2022](#)' report highlights high-risk findings in SAP DPE relating to:
 - user access to HR and payroll management
 - comprehensive SAP user access review
- the '[Customer Service 2022](#)' report highlights high-risk findings, in particular, a qualification over DCS' Information Technology General Controls (ITGC) internal control assurance report due to ineffective controls to ensure all access to systems, application and data is authorised and appropriate to the user's job responsibilities.

3.2 Findings reported to management

The number of findings reported to management has decreased, and 30% were repeat issues

Breakdowns and weaknesses in internal controls increase the risk of fraud and error. Deficiencies in internal controls, matters of governance interest and unresolved issues were reported to management and those charged with governance of agencies. The Audit Office does this through management letters, which include observations, related implications, recommendations and risk ratings.

In 2021–22, there were 103 findings raised across the cluster (108 in 2020–21). Thirty per cent of all issues were repeat issues (26% in 2020–21).

The most common repeat issues related to IT notably weaknesses in user access and privileged user activity, and outdated policies and procedures. There were also common repeat issues related to payroll process controls, accounting for property, plant and equipment notably fair value assessment and valuation, and collection assets.

A delay in implementing audit recommendations increases the risk of intentional and accidental errors in processing information, producing management reports and generating financial statements. This can impair decision-making, affect service delivery and expose agencies to fraud, financial loss and reputational damage. Poor controls may also mean agency staff are less likely to follow internal policies, inadvertently causing the agency not to comply with legislation, regulation and central agency policies.







In total, six high-risk findings were identified. Two high-risk finding was reported in 2021–22 whilst four high-risk findings were related to the audit of Jobs for NSW Fund's 30 June 2021 financial report.













Agency	Description
2021–22 findings	
Office of Sport (New finding)	<p>The quality and timeliness of financial reporting was significantly impacted, largely due to:</p> <ul style="list-style-type: none"> management not accounting for the Jindabyne deals in the 30 June 2022 financial statements submitted for audit contamination of a site even though the asset valuation provided to audit was prepared on the basis that the site was not contaminated there being no separate general ledgers for Office of Sport, the State Sporting Venues Authority and the Combat Sports Authority of New South Wales, therefore transaction downloads did not agree to the financial statements.
Office of Sport (New finding)	<p>On 28 July 2021, the Office of Sport (the office) paid a \$17.5 million grant to Venues NSW to meet additional costs relating to the Sydney Football Stadium redevelopment. The office could not provide evidence that the payment was approved by the minister prior to a delegate authorising the expenditure as required by the office's delegation instrument. Documented approval from the minister was obtained on 5 May 2022, subsequent to when the funds were paid.</p>
Jobs for NSW Fund 2021 (Repeat finding)	<p>The composition of the Jobs for NSW Board (the board) did not comply with the <i>Jobs for NSW Act 2015</i> (the Act).</p> <p>The Act requires the board to consist of seven members that include the Secretary of the Treasury, the Secretary of the Department of Premier and Cabinet (or their nominees) and five ministerial appointments, one of whom is to be appointed as Chair of the board. When appointing a member, section 5(4) of the Act requires the minister to have regard to ensuring that the members of Jobs for NSW as a whole have demonstrated commercial acumen and knowledge of, and senior business experience in, growing jobs and improving industry competitiveness.</p> <p>The board has consisted of the two secretaries since 24 May 2019 when the independent members resigned. The remaining five members have not been appointed by the ministers as required by section 5(2) of the Act.</p>
Jobs for NSW Fund 2021 (Repeat finding)	<p>The finalisation of the audit for 2020–21 financial year was significantly impacted by:</p> <ul style="list-style-type: none"> multiple revisions of the financial report with the first draft received on 25 October 2021 and the last revised draft on 16 August 2022 lengthy delays in the provision of supporting working papers and response to audit queries insufficient quality review over the preparation of the financial report and supporting working papers provided to audit identification of material errors impacting current and prior period.

Agency	Description
Jobs for NSW Fund 2021 (New finding)	<p>As part of the Job Incentive program, the Jobs Fund agreed to guarantee the loans of approved businesses who were aiming to scale their businesses and create new jobs within New South Wales. To qualify for a loan guarantee, the loan was required to have a duration of two to four years and to be sourced from an approved financial institution. As of 30 June 2021, there were three loan guarantee facilities on issue totalling \$3.1 million.</p> <p>As part of review of the financial guarantee arrangements the loan guarantee fee revenue had not been invoiced (or recorded), with unrecorded amounts dating back to 2016–17. Given the significant lapse in time and accessibility of information, there were challenges in determining a reliable calculation of the unrecorded guaranteed fee revenue.</p> <p>The total amount of unrecorded revenue as of 30 June 2021 was approximately \$440,000. As a material prior period error this required retrospective restatement of the opening asset, liability and retained earnings balances for the earliest comparative period reported (1 July 2019).</p>
Jobs for NSW Fund 2021 (New finding)	<p>Deficiencies were noted in the administration of loans for year ended 30 June 2021 whereby loans were issued at lower interest rates than would normally be commercially available to these businesses. Individual loan schedules did not reflect the 30 June 2021 working papers provided to the audit team. For example, inconsistencies between the loan balances stated in the summary breakdown and individual loan workings tab, noting these were subsequently corrected by management.</p>

Note: Management letter findings are based either on final management letters issued to agencies, or draft letters where findings have been agreed with management.

The table below describes the 2021–22 common issues identified across the cluster by category and risk rating.

Risk rating	Issue
Information technology	
 High: 0 new, 0 repeat	<p>The financial audits identified deficiencies in IT processes and controls that support the integrity of financial data used to prepare agencies' financial statements. Of particular concern are issues associated with:</p> <ul style="list-style-type: none">agencies' user access and privileged user activity notably a lack of periodic reviewoutdated IT policies and procedureslack of testing of disaster recovery plans.
 Moderate: 5 new, 11 repeat	
 Low: 3 new, 0 repeat	
Internal control deficiencies or improvements	
 High: 0 new, 0 repeat	<p>The financial audits identified internal control deficiencies across key business processes, including:</p> <ul style="list-style-type: none">lack of exception reporting over payroll and supplier masterfile changescontract registers are not up to date or does not contain sufficient information to inform decision-makingpurchase orders are being raised after invoices.
 Moderate: 9 new, 4 repeat	
 Low: 7 new, 3 repeat	

Risk rating	Issue
Financial reporting	
<div>  High: 1 new, 0 repeat  Moderate: 16 new, 3 repeat  Low: 12 new, 1 repeat </div>	<p>The financial audits identified significant deficiencies in financial reporting, including:</p> <ul style="list-style-type: none"> appropriateness of assumptions and methodology applied by management to property, plant and equipment fair value assessments and valuations (including useful lives assessment) capitalisation of property plant and equipment, and intangible assets compliance with Australian Accounting Standards in particular for accounting for payables, accrued expenses and cash flow statements.
Governance and oversight	
<div>  High: 0 new, 0 repeat  Moderate: 5 new, 4 repeat  Low: 4 new, 3 repeat </div>	<p>The financial audits identified deficiencies in governance and oversight processes, including:</p> <ul style="list-style-type: none"> agencies to ensure enterprise risk registers are complete agencies to ensure policies and procedures are up to date the need for an IT governance committee.
Non-compliance with key legislation and/or central agency policies	
<div>  High: 1 new, 0 repeat  Moderate: 2 new, 0 repeat  Low: 7 new, 2 repeat </div>	<p>The financial audits identified deficiencies in agencies' compliance with key legislation and central agency policies, such as:</p> <ul style="list-style-type: none"> adhering to NSW Treasury's asset valuation policy assessing deemed appropriation complying with government procurement framework relating to disclosure of certain contracts on the NSW e-tendering website.
<div>  High risk from the consequence and/or likelihood of an event that has had, or may have a negative impact on the entity.  Moderate risk from the consequence and/or likelihood of an event that has had, or may have a negative impact on the entity.  Low risk from the consequence and/or likelihood of an event that has had, or may have a negative impact on the entity. </div>	

Note: Management letter findings are based either on final management letters issued to agencies, or draft letters where findings have been agreed with management.

Section two

Appendices

Appendix one – Misstatements in financial statements submitted for audit

	2021–22			2020–21		
	Uncorrected	Corrected	Total	Uncorrected	Corrected	Total
Art Gallery of New South Wales Trust	--	1	1	--	1	1
Australian Museum Trust	2	1	3	--	--	--
Department of Enterprise, Investment and Trade - cluster lead*	1	6	7	--	--	--
Destination NSW	--	--	--	--	1	1
Foundation for the Historic Houses Trust of New South Wales	--	--	--	--	--	--
Foundation for the Historic Houses Trust of New South Wales Limited	--	--	--	--	--	--
Greyhound Welfare and Integrity Commission	1	--	1	--	--	--
Historic Houses Trust of New South Wales	--	1	1	--	--	--
Independent Liquor and Gaming Authority	--	1	1	1	2	3
Investment NSW	--	3	3	2	7	9
Jobs for NSW Fund (SDA)***	--	--	--	--	9	9
Library Council of New South Wales	--	--	--	--	--	--
Library Council of New South Wales (Staff Agency)	--	--	--	--	--	--
National Art School**	--	3	3	2	--	2
NSW Institute of Sport	1	--	1	--	2	2
Office of Sport	2	3	5	1	2	3
Responsible Gambling Fund (SDA)***	--	--	--	--	1	1

	2021–22			2020–21		
	Uncorrected	Corrected	Total	Uncorrected	Corrected	Total
State Archives and Records Authority of NSW	1	--	1	--	1	1
State Archives and Records Authority of NSW (Staff Agency)*	--	--	--	--	--	--
State Library of New South Wales Foundation	--	--	--	--	--	--
Sydney Opera House Trust	--	--	--	--	--	--
The Art Gallery of New South Wales Foundation	--	--	--	--	--	--
The Australian Institute of Asian Culture and Visual Arts Limited	--	--	--	--	--	--
The Brett Whitely Foundation	--	--	--	--	--	--
Trustees of the Museum of Applied Arts and Sciences	1	1	2	--	--	--
Venues NSW	--	11	11	1	11	12
Western Parkland City Authority	--	--	--	--	2	2

* Agency was established in 2021–22 therefore no comparative data available.

** Agency has a 31 December year-end. Data presented are for financial years ended 31 December 2020 and 31 December 2021.

*** 2021–22 audit is ongoing therefore data is not yet available.

Source: Engagement Closing Reports issued to cluster agencies.

Appendix two – Early close procedures




No.	Procedure	Description
1	Proforma financial statements	Complete proforma financial statements and ensure management has reviewed the statements and the supporting working papers.
2	Fair value assessment of property, plant and equipment	Perform and document an annual assessment of the fair value of property, plant and equipment, their useful lives and residual values, and the reasons why the carrying value was not materially different to the fair value. This assessment is performed between comprehensive revaluations.
3	Revaluation of property, plant and equipment	Complete the comprehensive revaluation of property, plant and equipment by early close.
4	Update employee annual leave provisions	Reconcile and calculate annual leave provisions. The balances calculated for the early close 31 March financial statements must be rolled forward with adjustments for monthly accruals and actual payments as part of the 30 June financial statements.
5	Inter and intra (cluster) agency transactions and balances	Agree and confirm all inter and intra (cluster) agency balances and transactions with the counterparty agency.
6	Significant management judgements and assumptions	Document all significant management judgements and assumptions made when estimating transactions and balances.
7	Reconciliation of key account balances	Reconcile all key account balances (including annual leave provisions) and clear reconciling items.
8	Reconcile March 2022 month-end Prime submission to the proforma financial statements	Reconcile the March 2022 month-end Prime submission to the proforma financial statements and provide explanations for variances above \$5 million.
9	Changes in accounting policy	Review and agree changes in accounting policy with the principal cluster agency.
10	Finalise right-of-use assets and lease liability balances	Ensure that all lease arrangements are accurate and complete.
11	Finalise assessment of all revenue contracts	Ensure revenue is accurate and complete and has been correctly accounted for under AASB 15 'Revenue from Contracts with Customers' or AASB 1058 'Income of Not-for-Profit Entities'.
12	Correction of material prior period errors	Confirm there are no changes to the 2020–21 closing balances. Proposed changes are accompanied by journals, explanations and proposed disclosures.
13	Monthly management reports	Perform variance analysis with meaningful explanations for actuals versus budget, and year-to-date actuals for the previous year.
14	Accounting treatment for restructures and discontinued /abolished agencies	Identify and document the accounting treatment for changes to agency structures resulting from legislative or other changes.
15	Delegations	Ensure all material transactions are supported by appropriate delegations.

No.	Procedure	Description
16	Prior year Management Letter and Engagement Closing Report issues	Agreed action plans are in place to address prior year Management Letter and Engagement Closing Report issues. Explanations are provided for any unresolved issues(s).
17	Complete Commonwealth Funding Agreement – Revenue Assessment Form for Commonwealth Funding Agreements	Complete and return the Commonwealth Funding Agreement – Revenue Assessment Form for Commonwealth Funding Agreements for all new and amended Commonwealth Funding Agreements entered or amended during the 2021–22 financial year.

Appendix three – Timeliness of financial reporting

Cluster agencies	2021–22 Financial statements submission	Date audit report was issued
Art Gallery of New South Wales Trust	✓	25 October 2022
Australian Museum Trust	✓	30 September 2022
Department of Enterprise, Investment and Trade - cluster lead	—	30 November 2022
Destination NSW	✓	04 October 2022
Foundation for the Historic Houses Trust of New South Wales	✓	27 October 2022
Foundation for the Historic Houses Trust of New South Wales Limited	✓	27 October 2022
Greyhound Welfare and Integrity Commission	✓	28 September 2022
Historic Houses Trust of New South Wales	✓	27 October 2022
Independent Liquor and Gaming Authority	✓	23 November 2022
Investment NSW	✓	19 October 2022
Jobs for NSW Fund (SDA)	**	**
Library Council of New South Wales	✓	04 October 2022
Library Council of New South Wales (Staff Agency)	✓	04 October 2022
National Art School	*	*
NSW Institute of Sport	✓	27 September 2022
Office of Sport	✓	28 October 2022
Responsible Gambling Fund (SDA)	**	**
State Archives and Records Authority of NSW	✓	27 October 2022
State Archives and Records Authority of NSW (Staff Agency)	✓	28 October 2022
State Library of New South Wales Foundation	✓	30 September 2022
Sydney Opera House Trust	✓	04 October 2022
The Art Gallery of New South Wales Foundation	✓	27 October 2022
The Australian Institute of Asian Culture and Visual Arts Limited	✓	26 October 2022
The Brett Whitely Foundation	✓	27 October 2022

Cluster agencies	2021–22 Financial statements submission	Date audit report was issued
Trustees of the Museum of Applied Arts and Sciences		27 October 2022
Venues NSW		31 October 2022
Western Parkland City Authority		21 November 2022

-  Treasury's reporting deadline was met.
-  Treasury's approved extension timeframe was met.
-  Treasury's reporting deadline was not met.

Notes:

- * Agency has a 31 December year-end.
- ** Audit is ongoing.

Appendix four – Financial data

	Total assets		Total liabilities		Total revenue*		Total expense**	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Enterprise, Investment and Trade cluster								
Art Gallery of New South Wales Trust	2,524.7	2,415.7	14.2	30.8	176.9	206.4	76.9	51.5
Australian Museum Trust	1,291.7	1,115.7	18.2	12.1	76.1	70.8	56.9	55.2
Department of Enterprise, Investment and Trade - cluster lead****	1,167.3	--	126.9	--	515	--	513.4	--
Destination NSW	110.7	27.5	46.9	26.7	296.4	197.6	233.5	190.2
Foundation for the Historic Houses Trust of New South Wales	2.3	2.3	--	--	0.1	0.2	0.1	0.6
Foundation for the Historic Houses Trust of New South Wales Limited	--	--	--	--	--	--	--	--
Greyhound Welfare and Integrity Commission	5.4	4.1	3.7	3.5	20.1	16.5	19.1	16.9
Historic Houses Trust of New South Wales	385.2	357.6	9.1	6.8	42.1	31.4	29	27.5
Independent Liquor and Gaming Authority	1.9	13.8	0.4	12.6	10.3	28.6	9.9	28.2
Investment NSW	250.7	91.6	59.6	78.3	391.7	63.3	213.9	57.0
Jobs for NSW Fund (SDA)***	--	69.1	--	5.2	--	20.5	--	8.4
Library Council of New South Wales	1,733.1	1,954.9	12.6	12.2	110.8	109.7	337.4	95.9
Library Council of New South Wales (Staff Agency)	6.4	6.3	6.4	6.3	35.4	37.0	35.4	37.0
National Art School^	28.9	26.7	20.5	20.6	18.7	15.7	16.9	16.1
NSW Institute of Sport	15.5	14.6	10.9	11.6	21	20.8	19.4	20.4
Office of Sport	296.6	312.2	31.9	31.1	425.8	381.3	453.1	362.9
Responsible Gambling Fund (SDA)***	30.7	26.6	12.3	6	24.2	24.2	26.3	34.4
State Archives and Records Authority of NSW	1,149.3	1,134.6	12.4	11.2	51.1	50.4	34.5	31.6
State Archives and Records Authority of NSW (Staff Agency)****	5	--	5	--	8.7	--	8.7	--
State Library of New South Wales Foundation	20.8	20.3	0.3	0.3	1.8	4.3	1.2	4.5

	Total assets		Total liabilities		Total revenue*		Total expense**	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Sydney Opera House Trust	3,054.1	3,041.4	52.9	55.5	148.9	230.8	140.9	120.4
The Art Gallery of New South Wales Foundation	59.7	68	--	--	--	--	--	--
The Australian Institute of Asian Culture and Visual Arts Limited	--	1.5	--	0.2	--	0.3	1.4	0.2
The Brett Whitely Foundation	6.8	7	--	--	0.6	2.2	0.8	0.4
Trustees of the Museum of Applied Arts and Sciences	550.7	543.4	9.7	8.8	74.5	63.4	73.2	63.0
Venues NSW	2,607.6	1,554.3	677.9	572.2	250.2	132.2	304.9	197.4
Western Parkland City Authority	355.3	47.1	14.6	4.3	360.4	93	62.4	52.8

* Include other gains.

** Include other losses and taxes, if applicable.

*** 2022 audit is ongoing. Data unaudited or unavailable.

**** Agency was established in 2021–22 therefore no comparative data available.

^ Agency has a 31 December year-end. Financial data presented are for financial years ended 31 December 2020 and 31 December 2021.

Source: Agencies audited 2021–22 financial statements.

OUR VISION

Our insights inform and challenge government to improve outcomes for citizens.

OUR PURPOSE

To help Parliament hold government accountable for its use of public resources.

OUR VALUES

Pride in purpose
Curious and open-minded
Valuing people
Contagious integrity
Courage (even when it's uncomfortable)

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