

## MEDIA RELEASE - TUESDAY, 9 DECEMBER 2025

### **Auditor-General's report to Parliament highlights concerns stemming from audits of financial reports in the General Government Sector**

The Auditor-General, Martin Thompson, today tabled Volume 3 of his report to Parliament on the audit of financial statements of State entities and audited subsidiaries of State entities for the years ended 31 December 2024 and 30 June 2025.

This is third of four volumes that form part of the Auditor-General's reports to Parliament on the audit of State entities under section 29 of the *Audit Act (2008)*. The volumes that make up this report are:

- Volume 1: control framework and progress on outstanding findings for all state entities, tabled on 23 Sep 2025
- Volume 2: matters related to financial reports of PNFCs and PFCs, tabled on 10 Nov 2025
- Volume 3: matters relating to financial reports of the General Government Sector and the Treasurers Annual Financial Report (TAFR), this volume tabled today
- Volume 4: matters relating financial reports of the Local Government Sector, will be tabled in the new year.

This volume highlights a number of concerns in the General Government Sector (GGS) including lack of control of expenditure within budget, setting of unrealistic budgets, significant deficits over the past 4 years with more deficits planned in the budgeted forward estimates, net debt continuing to increase at a rapid rate over the forward estimate period to 2029 and capital expenditure progressively falling behind budget.

'Over just the last 3 years, Departments spent \$2.42 billion more than they had originally budgeted. The Department of Health made up the majority of the overspend in terms of dollars, overspending \$1.37 billion in the 3-year period' Mr Thompson noted.

Given the performance of Departments' management of expenditure, we conducted a limited review to determine if publicly available performance information provided an explanation for the budget overspends. 'We identified that current performance reporting is not providing a useful insight into the drivers of overspending at the Department of Health' Mr Thompson said.

Audit Tasmania found that the Department of Health's fraud control framework was inadequate. Two alleged frauds identified internally during 2024-25 had not been investigated and addressed in either a timely or adequate manner as at the date of drafting this report.

Click through to the report – [AGR 2024-25 Volume 3](#)

ENDS

Further information contact Jonathan Wassell, Deputy Auditor-General, on (03) 6173 0900