

## MEDIA RELEASE

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### Auditor-General's Report on the Financial Statements of State Entities

The Auditor-General, Mr Rod Whitehead, today tabled his report on the outcomes of the financial audits of State entities Volume 2 for 2017-18. This report summarises the results of audits, key findings and developments and analyses the financial position and performance of 17 Government businesses, including TasWater which is owned by councils.

Key matters highlighted in the report include:

- For 2017-18, the combined Underlying profit from Government businesses was \$540m, an improvement of \$115m from 2016-17.
- During 2017-18, Government businesses returned \$336m to the Tasmanian Government and TasWater returned \$30m to councils in the form of dividends, income tax equivalents and guarantee fees paid.
- A total amount of \$2.25bn has been invested in capital projects over the past four years, although this is 11.7% below the combined capital budgets for that period. The capital expenditure gap was significantly reduced in 2017-18 due to capital expenditure by TasWater exceeding its capital expenditure budget.
- A number of businesses continue to be reliant on Government funding or commercial support to maintain sustainability, and are not expected or are unlikely to generate profit sufficient enough to provide future returns to Government. The 'for-profit' corporate structures for these entities may not be appropriate unless a significant improvement in their financial performance is expected to occur.

The complete Report can be downloaded from [www.audit.tas.gov.au](http://www.audit.tas.gov.au).

**Ends**

**Further information contact:**

**Rod Whitehead  
AUDITOR-GENERAL**

**Phone (03) 6173 0900**