

# **INQUIRY INTO INQUIRY INTO FINANCIAL REPORTING**

**Organisation:** Education and Training  
**Name:** Mr Michael Coutts-Trotter  
**Position:** Director-General  
**Telephone:** 02-9561 8000  
**Date Received:** 8/07/2010

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**Theme:**

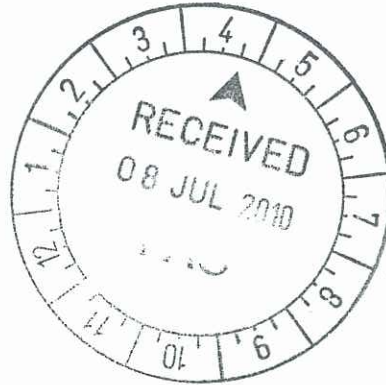
**Summary**



**FAXED**  
6/7/10

**DIRECTOR-GENERAL OF  
EDUCATION AND TRAINING  
MANAGING DIRECTOR OF TAFE NSW**

Mr Paul Gibson MP  
Chair  
Public Accounts Committee  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000



MT 10/942  
Your reference: PAC324

Dear Mr Gibson

I write in response to your letter of 2 June 2010, regarding the Public Accounts Committee inquiry into the quality and timeliness of financial reporting by NSW Government departments and agencies.

I am pleased to advise that neither the Department of Education and Training nor TAFE NSW were among the twelve agencies producing significant errors listed in Volume Four of the Auditor-General's Report to Parliament.

The department has willingly participated in discussions with Treasury regarding a proposed move to an early close and audit review based on March/April information.

However, it should be noted that neither the department nor TAFE NSW contributed to the significant errors quoted by Treasury and that the issue of errors within the department's financial reports would not appear to justify a move to an early close. The Corrected Quantitative Misstatements amounted to 0.15% of Net Cost of Services for the department and 0.26% at Net Cost of Services for TAFE NSW.

The department has an excellent working relationship with the NSW Audit Office and through client service plans and joint planning, there is already an early close regimen in many areas to facilitate financial statement and audit verification.

The majority of the issues raised by NSW Treasury were mostly not applicable to the department and TAFE NSW, due to our close working relationship with the Audit Office and a system of detailed year end packages which assign responsibility for the accuracy and timely production of financial data throughout the department.

The Department will continue to work with NSW Treasury and the NSW Audit Office in planning for early financial year end closure.

Yours sincerely

Michael Coutts-Trotter  
**DIRECTOR-GENERAL OF EDUCATION AND TRAINING  
MANAGING DIRECTOR OF TAFE NSW**

6 July 2010