

Independent Auditor's Report to the Victorian Auditor-General's Office

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Victorian Auditor-General's Office ("VAGO"), which comprises the balance sheet as at 30 June 2026, the comprehensive operating statement, cash flow statement, and statement of changes in equity for the year then ended, notes to the financial report, including material accounting policy information, and the declaration in the financial report.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Victorian Auditor-General's Office as at 30 June 2026 and of its financial performance and of its cash flows for the year then ended in accordance with Australian Accounting Standards including interpretations and other mandatory professional reporting requirements, and the *Financial Management Act 1994*.

Basis for opinion

We conducted our audit in compliance with the *Audit Act 1994*, and accordingly in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Victorian Auditor-General's Office in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The Auditor-General is responsible for the other information. The other information comprises the information included in the Victorian Auditor-General's Office's annual report for the year ended 30 June 2026 but does not include the financial report and our independent auditor's report thereon, nor the performance statement and our review report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. The Victorian Auditor-General's Office's annual report is expected to be made available to us after the date of this independent auditor's report.

The Auditor-General's Responsibility for the Financial Report

The Auditor-General is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards including Interpretations and other mandatory professional reporting requirements, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Auditor-General determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Auditor-General is responsible for assessing the Victorian Auditor-General's Office's ability to continue as a going concern, disclosing, as applicable, matters related to going

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concern and using the going concern basis of accounting unless the Auditor-General either intends to liquidate the Victorian Auditor-General's Office or to cease operations, or has no realistic alternative but to do so.

The Auditor-General is responsible for overseeing the Victorian Auditor-General's Office's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Victorian Auditor-General's Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Auditor-General.
- Conclude on the appropriateness of the Auditor-General's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Victorian Auditor-General's Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Victorian Auditor-General's Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Victorian Auditor-General's Office to express an opinion on the Victorian Auditor-General's Office financial report. We are responsible for the direction, supervision, and performance of the Victorian Auditor-General's Office audit. We remain solely responsible for our audit opinion.

We communicate with the Auditor-General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Nexia Melbourne Audit Pty Ltd**

Melbourne

Dated this 25th day of August 2026**Andrew S. Wehrens**

Director