

Appendix D:

VAGO budget information

Victorian Auditor-General's Office

The purpose of the Victorian Auditor-General's Office is to help Parliament hold government to account and help the public sector to improve its performance. Under the *Audit Act 1994*, the Auditor-General audits financial statements prepared by Victorian public sector agencies and issues audit reports.

In addition, the Auditor-General carries out performance audits and assurance reviews to determine if authorities, operations or activities are operating effectively, economically and efficiently in compliance with all relevant Acts.

Figure D1: Audit opinions on financial and performance statements

Performance measures	Unit of measure	2026–27 target ⁽ⁱ⁾	2025–26 expected actual ⁽ⁱⁱ⁾	2025–26 target	2024–25 actual
Quantity					
Average fee of audit opinions issued on performance statements	\$ thousand	6.3	5.9	6.1	5.6
<i>The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					
Average fee of audit opinions issued on the financial statements of agencies	\$ thousand	66.4	66.7	64.5	62.0
<i>The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					
Quality					
Proportion of agencies disclosing prior period material errors in financial statements	per cent	≤5	0.7	≤5	2.2
Timeliness					
Audit opinions issued within statutory deadlines	per cent	98	100	98	98.5
Management letters to agencies issued within established timeframes	per cent	90	96	90	96.5
<i>The 2025–26 expected outcome is higher than the 2025–26 target, this reflects the efficiency of process to issue management letters.</i>					
Cost					
Total output cost	\$ million	42.1	42.9	40.9	40.5
<i>The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					

Note:

(i) The 2026–27 targets were endorsed by the Minister for Finance on 17 March 2026.

(ii) The 2025–26 expected actual are based on mid-year results and forecasted to full year expected outcomes where appropriate, and subject to change. These estimates were prepared in the context of the 2026–27 state Budget. The 2025–26 actual outcomes will be published in the 2025–26 VAGO Annual Report.

Figure D2: Parliamentary reports and services

Performance measures	Unit of measure	2026–27 target ⁽ⁱ⁾	2025–26 expected actual ⁽ⁱⁱ⁾	2025–26 target	2024–25 actual
Quantity					
Average appropriation applied for performance audit engagement parliamentary reports	\$ thousand	668.9	818	650	N/A
					New measure
<i>The 2025–26 expected outcome is higher than the 2025–26 target due to the broad scope and complexity of Parliamentary reports. The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					
Average appropriation applied for performance assurance review parliamentary reports	\$ thousand	308.7	439	300	N/A
					New measure
<i>The 2025–26 expected outcome is higher than the 2025–26 target, this reflects the responsiveness of auditees, and additional time spent addressing auditee feedback to ensure fair and accurate reporting. The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					
Average appropriation applied for financial audit parliamentary reports	\$ thousand	283.0	345	275	N/A
					New measure
<i>The 2025–26 expected outcome is higher than the 2025–26 target due to the additional complexity and breadth of analysis required for the independent audit of the Annual Financial Report. The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					
Quality					
Percentage of performance audit engagement recommendations accepted which are reported as implemented by audited agencies	per cent	80	80	80	N/A
					New measure
Percentage of performance assurance review recommendations accepted which are reported as implemented by audited agencies	per cent	80	80	80	N/A
					New measure
Percentage of financial audit recommendations accepted which are reported as implemented by audited agencies	per cent	80	80	80	N/A
					New measure
Overall level of external satisfaction with parliamentary reports – parliamentarians	per cent	85	85	85	78.8
Timeliness					
Average duration taken to finalise responses to inquiries from Members of Parliament	days	≤20	14.8	≤20	11.7
<i>The 2025–26 expected outcome is lower than the 2025–26 target due to increased capacity to process responses.</i>					
Average duration taken to produce performance audit engagement parliamentary reports	months	≤10	11.6	≤10	12.0
<i>The 2025–26 expected outcome is higher than the 2025–26 target due to the broad scope of some reports.</i>					
Average duration taken to produce performance assurance review parliamentary reports	months	≤7	6.7	≤7	N/A
					New measure
Average duration taken to produce financial audit parliamentary reports after balance date	months	≤5	6.1	≤5	6.6
<i>The 2025–26 expected outcome exceeds the 2025–26 target due to reporting process delays.</i>					
Cost					
Total output cost	\$ million	21.4	20.6	20.8	19.6
<i>The higher 2026–27 target reflects indexation of the 2025–26 target, based on the Wage Price Index, Victoria, Public Sector.</i>					

Note:

(i) The 2026–27 targets were endorsed by the Minister for Finance on 17 March 2026.

(ii) The 2025–26 expected actual are based on mid-year results and forecasted to full year expected outcomes where appropriate, and subject to change. These estimates were prepared in the context of the 2026–27 state Budget. The 2025–26 actual outcomes will be published in the 2025–26 VAGO Annual Report.