

APPENDIX C

Our audit approach

Our methodology

We conduct our financial audits of the TAFE sector in accordance with the *Audit Act 1994* and the Australian Auditing Standards. As part of an audit, we:

- identify and assess risks of material misstatement (whether due to error or fraud) in financial reports and performance statements
- design and perform audit procedures to respond to those risks
- obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion.

We also:

- investigate internal controls relevant to the audit so we can design appropriate audit procedures for the circumstances
 - evaluate whether the entity's accounting policies are appropriate
 - evaluate whether the accounting estimates and related disclosures included in the financial report are reasonable
 - decide if it is appropriate to use the going concern basis of accounting
 - evaluate the overall presentation, structure and content of the financial report and performance statement, including its disclosures
 - assess whether the financial report and performance statement represents the underlying transactions and events in a way that achieves fair presentation.
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Our independence

The Auditor-General is an independent officer of the Parliament of Victoria and is:

- appointed under legislation to examine, on behalf of Parliament and taxpayers, how the public sector manages resources
 - not subject to control or direction of either Parliament or the government.
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Our ethical obligations

The Auditor-General and staff of VAGO must meet the ethical requirements of the:

- Australian Auditing Standards
 - Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants*
 - *Code of Conduct for Victorian Public Sector Employees of Special Bodies*
 - *Public Administration Act 2004*.
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How we report

In this report, we summarise the outcomes of our audits on the financial reports and performance statements of the TAFE sector for the year ended 31 December 2021.

We also report on key matters arising from our audits and analyse the TAFE sector's financial performance.

Our costs

This report and its supporting dashboard cost \$130,000 and were funded by parliamentary appropriation.
