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Leader of the House

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17 APR 2026

Mr Jonathon Wassell
Acting Auditor General
Tasmanian Audit Office
Level 2, 144 Macquarie Street
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Issued by email only

Dear Acting Auditor-General

Thank you for your letter of 10 April 2026 regarding the submission of the Tasmanian Audit Office 2026-27 Budget Paper chapter.

The commitment made by the Premier and me on 3 December 2025 to support the delivery of at least six performance audits per annum is recognised. The Auditor-General's 2026-27 annual plan, developed in consultation with the Public Accounts Committee on that basis, has also been considered. Advice outlining two options for submission of the Office's 2026-27 Budget Paper chapter, including a preference for Option 2, being submission of a Budget chapter reflecting additional fee revenue and associated expenditure required to deliver the planned audit program across the Forward Estimates has also been reviewed.

Both options presented have been carefully considered.

In relation to Option 2, final Budget appropriation decisions have been taken by the Government and Specific Purpose Account (SPA) transactions are now settled for the purposes of preparing the Budget Papers and consolidated financial statements. The Budget Papers constitute an integrated and internally consistent suite of documents. Any deviation from approved SPA transactions in the presentation of revenue and expenditure would result in inconsistencies across the Budget Papers, including reporting of SPA and trust transactions and reconciliation to whole-of-Budget aggregates. For these reasons, Option 2 is not supported.

Concerns have been raised that Option 1 would result in the published Budget Papers not reflecting the full funding position known at the time of release. While this concern is understood, any requirement for additional audit fee revenue and associated expenditure during the 2026-27 financial year can be managed through established within-year Budget management processes. This approach preserves the integrity of the Budget process

while enabling agencies to respond to operational and funding requirements, as they arise during the financial year.

Importantly, Option 1 does not constrain the Auditor-General's independence nor preclude delivery of the planned audit program. Treasury will continue to work with the Tasmanian Audit Office to progress appropriate within-year SPA amendments in 2026-27 should this be required.

Accordingly, I endorse Option 1, being submission of the Office's Budget Chapter with no change to forecast revenue or expenditure.

My office has also reviewed the content of the Option 1 version of the Budget chapter and has proposed some minor updates to the narrative (attached) for inclusion prior to submission to Treasury as a ministerially endorsed document.

Thank you again for writing to me.

Yours sincerely



Hon Eric Abetz MP
Treasurer