

# Independent Auditor's Report to the Directors of AGI Development Group

## Report on the 31 December 2020 Non-Scheme Pipeline Financial Report

### *Qualified Opinion*

We have audited the Non-Scheme Pipeline Financial Report including the Statement of Pipeline Revenue and Expenses and Statement of Pipeline Assets (the "Statement") of the AGI Development Group (the "Entity") for the year ended 31 December 2020, and management declaration. The Statement has been prepared by Management based on the requirements of the National Gas Access (WA) Act 2009, which implements the National Gas Law and the National Gas Rules (NGR) in Western Australia.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial information in the Statement of the AGI Development Group for the year ended 31 December 2020 is prepared, in all material respects, in accordance with the Basis of Preparation to the Statement.

### *Basis for Qualified Opinion*

As disclosed in the basis of preparation to the Statement, the Statement did not separately disclose the transactions with related parties as required by section 3.2 of the Financial Reporting Guideline for Non-Scheme Pipelines (the "Guideline") issued in May 2018 by the Economic Regulation Authority (the "ERA"). Management is interpreting the exemption received from the ERA to include related party disclosures. Accordingly, the Guideline requires to separately disclose items which relate to transactions with related parties, consequently the Statement of Pipeline Revenue and Expenses are not prepared in accordance with the Guideline.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional & 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 Statement in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### *Responsibility of the Directors for the Statement*

The directors of AGI Development Group are responsible for the preparation of the Statement in accordance with the requirements of the National Gas Access (WA) Act 2009. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

## *Auditor's Responsibility for the audit of the Statement*

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an 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 Statement, 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 Entity's internal control.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management and Those Charged with Governance 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.

## *Basis of Accounting and Restriction on Distribution and Use*

Without further modifying our opinion, we draw attention to Basis of Preparation to the Statement as of 31 December 2020, which describes the basis of accounting. The Statement has been prepared for distribution to the Directors and the Economic Regulation Authority for the purpose of providing information pursuant the National Gas Access (WA) Act 2009. We disclaim any assumption of responsibility for any reliance on this report or on the Statement to which it relates to any person other than the directors and the Economic Regulation Authority, or for any purpose other than that for which it was prepared.

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**Vincent Snijders**  
Partner  
Chartered Accountants  
Perth, 28 April 2021