



# Independent Auditor's Report

To the Directors of Jemena Electricity Networks (VIC) Ltd

## Report on the audit of the Financial Information in the Reporting Templates

### Opinion

We have audited the **Financial Information** of Jemena Electricity Networks (VIC) Ltd ("the Licensee") in the attached Reporting Templates.

The **Financial Information** comprises the Actual Historical Financial Information in the attached Reporting Templates.

In our opinion, the accompanying **Financial Information** of Jemena Electricity Networks (VIC) Ltd as at and for the Regulator years ended 31 December 2009 to 2018 is prepared, in all material respects, in accordance with the Regulatory Information Notice issued under Division 4 of Part 3 of the National Electricity (Victoria) Law by the Australian Energy Regulator ("AER") on 4 October 2019 ("the Notice") and the Basis of Preparation as prescribed by the Notice.

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Information* section of our report.

We are independent of the Licensee in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Information in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

### Emphasis of matter – basis of preparation and restriction on use and distribution

The Financial Information in the Reporting Templates has been prepared based on the Basis of Preparation as prescribed by the Notice.

Without qualifying our opinion, we draw attention to the Overview section of the Basis of Preparation which describes the methodologies, assumptions and judgements made by Management in interpreting the definition and presentation requirements for Actual and Estimated Information, in order to meet the requirements of the Notice.

This Auditor's Report and the Financial Information have been prepared to assist the Directors of the Licensee for the purpose of fulfilling their regulatory reporting obligations in accordance with the requirements of the Notice. As a result, the Financial Information and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Our report is intended solely for the Directors of the Licensee and the AER and should not be used by or distributed to parties other than the Directors of the Licensee and the AER. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Information to which it relates, to any person other than the Directors of the Licensee and the AER, or for any other purpose than that for which it was prepared.

### Responsibilities of the Directors and Management for the Financial Information

Management is responsible for:

- the preparation of the Financial Information in accordance with the requirements of the Notice and the Basis of Preparation; and
- such internal control as Management determines is necessary to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error; and
- the Statutory Declaration over the Financial Information included in order to comply with the requirements of the Notice.

The Directors of the Licensee are responsible for:

- overseeing the Licensee's regulatory reporting process; and
- determining that the Basis of Preparation is appropriate to meet the needs of the AER in order to fulfil the Licensee's regulatory reporting obligations.

### Auditor's responsibilities for the audit of the Financial Information

Our objective is:

- to obtain reasonable assurance about whether the Financial Information 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 Information.

A further description of our responsibilities for the audit of the Financial Information is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). This description forms part of our Auditor's Report.

KPMG

Vicky Carlson  
Partner  
Melbourne  
28 January 2020