

New Zealand Gazette

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POWER COMPANIES

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

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COUNTIES POWER LIMITED

COUNTIES POWER LIMITED
ELECTRICITY (INFORMATION DISCLOSURE)
REGULATIONS 1994


Counties Power electricity business consists of line business activities and electricity retailing. To provide the best service to customers these activities are undertaken as a single operation. Accordingly statutory financial reporting and management reporting do not distinguish between line business and electricity retailing activities. For the purposes of these regulations a methodology has been adopted to provide an accounting separation.

CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS DISCLOSED BY LINE OWNERS OTHER THAN TRANS POWER

We, James McNaughton and Alan Douglas Eyes, principals of Counties Power Limited certify that, having made all reasonable enquiry, to the best of our knowledge,-

- a) The attached audited financial statements of Counties Power Limited prepared for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1994, give a true and fair view of the matters to which they relate and comply with the requirements of those regulations; and
- b) The attached information, being financial performance measures, efficiency performance measures, energy delivery efficiency performance measures, statistics, and reliability performance measures in relation to Counties Power Limited, and having been prepared for the purposes of regulations 13, 14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994, comply with the requirements of the Electricity (Information Disclosure) Regulations 1994.

The valuations on which those financial performance measures are based are as at 31 March 1995.


 Chief Executive Officer
 24 August 1995


 Company Secretary


DISCLOSURE OF FINANCIAL STATEMENTS PURSUANT TO REGULATION 6 OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

Note: The accompanying Statement of Accounting Policies and Notes form part of and are to be read in conjunction with these Financial Statements. The Financial Statements have been prepared solely for the purpose of complying with regulations 6(2) and 6(3) of the Electricity (Information Disclosure) Regulations 1994 and are not intended for any other purpose.

CERTIFICATION BY AUDITOR IN RELATION TO LINE AND OTHER BUSINESS FINANCIAL STATEMENTS

We have examined for the purposes of Regulation 6 of the Electricity (Information Disclosure) Regulations 1994, the Counties Power Limited Line and Other Business financial statements for the year ended 31 March 1995 as appearing on pages 1 to 4.

We hereby certify that, having made all reasonable enquiry, to the best of our knowledge, those financial statements give a true and fair view of the matters to which they relate and have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1994


 Coopers & Lybrand
 Chartered Accountants,
 Auckland
 28 August 1995

COUNTIES POWER LIMITED
Parent and Consolidated
STATEMENT OF PROFIT AND LOSS
AND RETAINED EARNINGS - LINE BUSINESS
For the Year Ended 31 March 1995

	Notes	31 March 1995
		\$000
SALES	(2)	18373
NET PROFIT/(LOSS) BEFORE TAXATION	(3)	1752
Taxation Expense	(4)	591
NET PROFIT/(LOSS) AFTER TAXATION		1161
Retained Earnings at Beginning of Year		1773
RETAINED EARNINGS AT END OF YEAR		2934

COUNTIES POWER LIMITED
Parent and Consolidated
BALANCE SHEET - LINE BUSINESS
As at 31 March 1995

	Notes	31 March 1995
		\$000
SHAREHOLDERS FUNDS		
Share Capital	(5)	13514
Share Premium Reserve	(6)	15797
Retained Earnings		2934
TOTAL SHAREHOLDERS FUNDS		32245
CURRENT ASSETS		
Cash		5423
Accounts Receivable	(7)	2814
Inventories	(8)	1223
TOTAL CURRENT ASSETS		9460
CURRENT LIABILITIES		
Accounts Payable	(9)	2268
Provision for Replacement of Uneconomic Lines	(11)	390
TOTAL CURRENT LIABILITIES		2658
Working Capital		6802
FIXED ASSETS		
Distribution System Less Provision for Depreciation		21379
Land		616
Buildings Less Provision for Depreciation		2299
Plant and Equipment Less Provision for Depreciation		1594
Motor Vehicles Less Provision for Depreciation		574
TOTAL FIXED ASSETS	(10)	26462
TOTAL ASSETS LESS CURRENT LIABILITIES		33264
LESS TERM LIABILITIES		
Provision for Replacement of Uneconomic Lines	(11)	581
Less Deferred Taxation	(4)	438
NET ASSETS		32245

**COUNTIES POWER LIMITED
STATEMENT OF PROFIT AND LOSS
AND RETAINED EARNINGS - OTHER BUSINESS
For the Year Ended 31 March 1995**

	Notes	31 March 1995
		\$000
SALES	(2)	20479
NET PROFIT/(LOSS) BEFORE TAXATION	(3)	389
Taxation Expense	(4)	128
NET PROFIT/(LOSS) AFTER TAXATION		261
Retained Earnings at Beginning of Year		-
RETAINED EARNINGS AT END OF YEAR		261

**COUNTIES POWER LIMITED
BALANCE SHEET - OTHER BUSINESS
As at 31 March 1995**

	Notes	31 March 1995
		\$000
SHAREHOLDERS FUNDS		
Share Capital	(5)	1486
Retained Earnings		261
TOTAL SHAREHOLDERS FUNDS		1747
CURRENT ASSETS		
Cash		-
Accounts Receivable	(7)	2756
Inventories	(8)	349
TOTAL CURRENT ASSETS		3105
CURRENT LIABILITIES		
Accounts Payable	(9)	1917
TOTAL CURRENT LIABILITIES		1917
Working Capital		1188
FIXED ASSETS	(10)	
Plant and Equipment Less Provision for Depreciation		185
Motor Vehicles Less Provision for Depreciation		374
TOTAL FIXED ASSETS		559
TOTAL ASSETS LESS CURRENT LIABILITIES		1747
NET ASSETS		1747

GENERAL ACCOUNTING POLICIES

The general accounting policies recognised as appropriate for the measurement and reporting of results, cash flows and the financial position based on historical cost, have been followed. Accrual accounting is used to match expenses and revenues.

Reliance is placed on the fact that the Group is a going concern.

PARTICULAR ACCOUNTING POLICIES

The following particular accounting policies which materially affect the measurement of profit and financial position are consistently applied:

Sales

Sales shown in the profit and loss account comprise the amounts received and receivable by the company for goods supplied to customers in the ordinary course of business. The sales are shown exclusive of Goods and Services Tax collected from customers.

Electricity Sales

Electricity meters are read on the basis of constant cycles each year. Interim assessed monthly bills are issued for most customers. Unbilled sales at the financial year end have been accrued.

Accounts Receivable

Accounts receivable are stated at expected net realisable value after providing against debts where collection is doubtful.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined at average in store prices. Allowance for obsolescence is made when necessary.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

The cost of fixed assets created or enhanced by the Company (self-constructed assets) is direct expenses incurred and an appropriate proportion of indirect expenses.

The cost of purchased fixed assets is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

Depreciation

Fixed assets have been depreciated, so as to write off cost less estimated residual value over their estimated useful lives, on the following basis:

Distribution System	4% straight line
	22% DV for system automation equipment
Buildings	2% straight line for majority of buildings (some at 1% straight line)
Plant & Equipment	20% and 25% DV for majority of items
	40% DV for computer hardware and software
Motor Vehicles	20% and 25% DV for majority of vehicles

Investments

Investment in subsidiary is shown at cost as described in Note 17.

Taxation

The statement of profit and loss and retained earnings includes taxation expense on operating results.

The income tax expense charged to the profit and loss and retained earnings includes both the current year expense and the income tax effects of timing differences calculated using the liability method.

Tax effect accounting is applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account, arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

Counties Power Limited and Subsidiary

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS**

For the Year Ended 31 March 1995

1. STATEMENT OF ACCOUNTING POLICIES

These financial statements are presented in accordance with the Companies Act 1955 and have been prepared in accordance with the Financial Reporting Act 1993.

The parent company's financial statements are for Counties Power Limited as a separate entity and the consolidated financial statements for the Counties Power Group, which include the dormant subsidiary as disclosed in Note 17.

**METHODOLOGY FOR REPORTING ON SEPERATE BUSINESS
ACTIVITIES**

The methodology adopted for preparing these financial statements does not follow that used in the guidelines issued by the Ministry of Commerce dated 23 June 1994 in all respects.

In terms of Regulation 19 of the Electricity (Information Disclosure) Regulations 1994 copies of the allocation methodology adopted are available from Counties Power Limited on request.

Principles of Consolidation

The consolidated financial statements are prepared from the financial statements of the parent and its subsidiary (as disclosed in Note 17) at 31 March 1995 using the purchase method.

CHANGES IN ACCOUNTING POLICY

During the period there have been no changes in accounting policies.

2. SALES

	Line Business	Other Business
For the Year Ended 31 March 1995		
	\$000	\$000

Electricity Sales	17,641	16,872
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Other sales including:

CP Construction)	
Retail Appliances sales)	3,607
Electrical Servicing)	
Mechanical Workshop)	

3. NET PROFIT BEFORE TAXATION

For Year Ended 31 March 1995

	Line Business	Other Business
	\$000	\$000

Resulting net profit before taxation is stated

	1,752	389
--	-------	-----

After charging:

Directors Fees & Expenses	87	5
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Audit Fees	20	2
------------	----	---

Depreciation	2,025	144
--------------	-------	-----

Rent	-	25
------	---	----

Customer Discounts	2,070	-
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After Crediting:

Interest and Sundries	493	-
-----------------------	-----	---

4. TAXATION

	Line Business	Other Business
For the Year Ended 31 March 1995		
	\$000	\$000

Accounting profit before taxation

	1,752	389
--	-------	-----

Prima facie taxation	579	128
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Plus/(less) taxation effect of permanent differences:		
---	--	--

Non deductible expenses	15	-
-------------------------	----	---

Depreciation	15	-
--------------	----	---

Non assessable income	(1)	-
-----------------------	-----	---

Tax effect of timing differences and overprovision in prior years	(17)	-
---	------	---

	591	128
--	-----	-----

The taxation charge is represented by:

Current Taxation	377	128
------------------	-----	-----

Deferred Taxation	214	-
-------------------	-----	---

	591	128
--	-----	-----

Deferred taxation is represented by:

Deferred taxation 1.4.94	224	-
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Current charge	214	-
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Deferred taxation 31.3.95	438	-
---------------------------	-----	---

Imputation credit account:

Balance as at 1.4.94	971	-
----------------------	-----	---

Imputation credits attached to dividends paid during the period	(246)	-
---	-------	---

Tax refunds received	(229)	-
----------------------	-------	---

Income tax payments made

during the period	966	-
-------------------	-----	---

Balance as at 31.3.95	1,462	-
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5. SHARE CAPITAL

	Line Business	Other Business
As at 31 March 1995		
	\$000	\$000

Authorised & Issued Capital

15,000,000 Ordinary Shares of

\$1 each fully paid	13,514	1,486
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6. SHARE PREMIUM RESERVE

As at 31 March 1995

	Line Business	Other Business
	\$000	\$000

Share Premium Reserve

	15,797	-
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The Establishment Plan for Counties Power Limited provided for the issue of ordinary shares at par value \$15,000,000. The balance of corporate ownership of Franklin Electric Power Board at the date of incorporation of the company (17 May 1993) was allocated to a Share Premium Reserve.

7. ACCOUNTS RECEIVABLE

As at 31 March 1995

	Line Business	Other Business
	\$000	\$000

Accounts Receivable from

normal trading	2,150	2,337
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Finance Agreements/HP	10	384
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Other Receivables	276	85
-------------------	-----	----

Tax Refund Due	428	-
----------------	-----	---

Provision for Bad Debts	(50)	(50)
-------------------------	------	------

	2,814	2,756
--	-------	-------

8. INVENTORIES

As at 31 March 1995

	Line Business	Other Business
	\$000	\$000

Inventories on hand comprise:

General Reticulation	1,215	-
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Retail Appliances	-	296
-------------------	---	-----

Electrical Servicing	-	53
----------------------	---	----

Other	8	-
-------	---	---

	1,223	349
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9. ACCOUNTS PAYABLE

As at 31 March 1995

	Line Business	Other Business
	\$000	\$000

Trade Creditors

	1,622	1,500
--	-------	-------

Non Trade Creditors	314	145
---------------------	-----	-----

Customer Deposits	319	272
-------------------	-----	-----

Unclaimed Monies	13	-
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	2,268	1,917
--	-------	-------

10. FIXED ASSETS

As at 31 March 1995

	Line Business	Other Business
	Cost	Accumulated Depreciation
	\$000	\$000

Distribution System

	32,849	11,470	21,379
--	--------	--------	--------

Land	616	-	616
------	-----	---	-----

Buildings	2,741	442	2,299
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Plant & Equipment	2,937	1,343	1,594
-------------------	-------	-------	-------

Vehicles	1,029	455	574
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	40,172	13,710	26,462
--	--------	--------	--------

	Line Business	Other Business
	Cost	Accumulated Depreciation
	\$000	\$000

Plant & Equipment

	521	336	185
--	-----	-----	-----

Vehicles	1,419	1,045	374
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	1,940	1,381	559
--	-------	-------	-----

Recent Landcorp valuations of major properties as at January 1994 were as follows:

	Line Business	Other Business
	\$000	\$000
Land & Buildings	Existing Use	2,710
	Vacant Possession	2,000

(Other properties with a total accounting net book value amounting to \$295,000 were not included in the valuation obtained.)

Depreciation charged for the year ended 31 March 1995 amounted to:

	Line Business	Other Business
	\$000	\$000
Distribution System	1,372	-
Buildings	51	-
Plant & Equipment	449	29
Motor Vehicles	153	115
	2,025	144

11. PROVISION FOR REPLACEMENT OF UNECONOMIC LINES

As at 31 March 1995

Section 62 of the Electricity Act 1992 requires Counties Power to maintain line services for the next 20 years. A provision of \$1,392,000 for the replacement of some uneconomic lines was created at the 31 March 1993 year end of which \$251,000 has been utilised during the current year. The basis of charging the provision is the cost of actual work carried out during the year.

	Line Business	Other Business
	\$000	\$000
Balance remaining - current	390	-
- term	581	-
TOTAL	971	-

12. OPERATING LEASE COMMITMENT

As at 31 March 1995

Obligations payable after balance date on a non-cancellable operating lease are as follows:

	Line Business	Other Business
	\$000	\$000
Within one year	-	21
One to two years	-	21
Three to five years	-	-
	-	42

There is a right of renewal on the lease for a further term of three years.

13. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There are no significant capital commitments or contingent liabilities as at 31 March 1995 (1994 : Nil).

14. FINANCIAL INSTRUMENTS

(A) Nature of activities and management policies with respect to financial instruments.

(i) In the normal course of its business the company incurs credit risk from trade debtors and financial institutions.

The company has a credit policy which is used to manage this exposure to credit risk. As part of this policy limits on exposures have been set, and are monitored on a regular basis.

The company does not have any significant concentrations of credit risk. The company does not require any collateral or security to support financial instruments due to the quality of the financial institutions dealt with.

(ii) Provision for uneconomic lines (note 12 refers).

(iii) The company does not generally undertake any transactions denominated in foreign currencies apart from the purchase of distribution system equipment and does not hold any long term borrowings.

(iv) The company is party to a contract with ECNZ for hedging in relation to ECNZ electricity spot market prices. The company is contracted to paying (or being credited with) the difference between the hedge price and spot price for nominated kilowatt hours of electricity in designated time bands. The quantity of electricity hedged falls within the amount of electricity expected to be purchased by the company.

There is currently a limited market for hedges. Fair value of the hedges cannot be reasonably determined.

(B) Fair Values

Cash and Liquid Deposits, Short Term Loans, Provision for Uneconomic Lines and Investments.

The carrying value of these items is equivalent to the fair value.

15. RELATED PARTY TRANSACTIONS

There have been no material transactions with related parties during the period.

16. COMPARATIVE FIGURES

Because the 1994/1995 year is the first period applicable to the new Disclosure Regulations requirements, no comparisons are given in relation to prior years.

17. SUBSIDIARY

Cambie Corporation Limited is a shell company controlled by Counties Power Limited. Cambie Corporation has no assets or liabilities and did not trade during the year ended 31 March 1995

COUNTIES POWER LIMITED

DISCLOSURE OF FINANCIAL PERFORMANCE MEASURES AND EFFICIENCY PERFORMANCE MEASURES PURSUANT TO REGULATION 13 AND PART II OF THE FIRST SCHEDULE OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

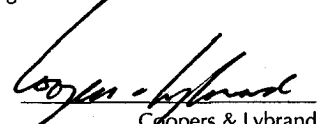
CERTIFICATION OF PERFORMANCE MEASURES BY AUDITORS

We have examined the information appearing on page 5 being

- Financial performance measures specified in clause 1 of Part II of the First Schedule to the Electricity (Information Disclosure) Regulations 1994; and
- Financial components of the efficiency performance measures specified in clause 2 of Part II of that Schedule, -

and having been prepared by Counties Power Limited for the year ended 31 March 1995 for the purposes of regulation 13 of those regulations.

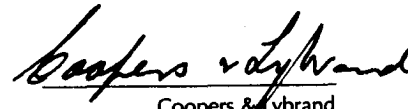
We certify that, having made all reasonable enquiry, to the best of our knowledge, that information has been prepared in accordance with the Electricity (Information Disclosure) Regulations 1994.


Coopers & Lybrand
Chartered Accountants
Auckland
28 August 1995

CERTIFICATION BY AUDITOR IN RELATION TO ODV VALUATION

We have examined the valuation report prepared by Counties Power Ltd and dated 23 August 1995 which report contains valuations as at 31 March 1995.

We certify that, having made all reasonable enquiry, to the best of our knowledge, the valuations contained in the report have been made in accordance with the ODV Handbook.


Coopers & Lybrand
Chartered Accountants
Auckland
28 August 1995

1 April 1994 to 31 March 1995

1. Financial Performance Measures

- a) Accounting Return on total assets, being earnings before interest and tax, divided by average total funds employed 3.0%
- b) Accounting return on equity, being net profit after tax, divided by average total shareholders' funds 2.1%
- c) Accounting rate of profit 1.5%

2. Efficiency Performance Measures

- a) Direct line cost per kilometre \$1067
- b) Indirect line cost per electricity customer \$87
(Includes line business allocation of billing and customer liaison costs).

COUNTIES POWER LIMITED**DISCLOSURE OF ENERGY EFFICIENCY PERFORMANCE MEASURES AND STATISTICS PURSUANT TO REGULATION 15 OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994**

Period 1/4/94 to 31/3/95

1. Energy delivery efficiency performance measures

- (a) Load factor 57.6%
- (b) Loss ratio 8.4%
- (c) Capacity utilisation 35.5%

2. Statistics

- (a) System length, broken down by voltage
- | | |
|-------|---------|
| 33 kV | 173 km |
| 22 kV | 22 km |
| 11 kV | 1445 km |
| 400V | 1257 km |
| Total | 2897 km |
- (b) Circuit length of overhead lines, broken down by voltage
- | | |
|-------|---------|
| 33 kV | 173 km |
| 22 kV | 22 km |
| 11 kV | 1423 km |
| 400V | 1104 km |
| Total | 2722 km |
- (c) Circuit length of underground cables, broken down by voltage
- | | |
|-------|--------|
| 11 kV | 22 km |
| 400V | 153 km |
| Total | 175 km |
- (d) Transformer capacity 197,246 kVA
- (e) Maximum demand 70,055 kW
- (f) Total electricity supplied from the system 324,626,697 kWh
- (g) Total electricity conveyed through the system NIL
- (h) Total customers 29049 average for period

DISCLOSURE OF RELIABILITY PERFORMANCE MEASURES PURSUANT TO REGULATION 16 OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

Period 1/4/94 to 31/3/95

1. Total number of interruptions 511
- (a) Planned interruptions by TransPower 0
- (b) Planned interruptions by Counties Power 312
- (c) Unplanned interruptions originating within Counties Power system 198
- (d) Unplanned interruptions originating with TransPower system 1

- (e) Unplanned interruptions originating with E.C.N.Z. NIL
- (f) Unplanned interruptions originating with generators other than E.C.N.Z. NIL
- (g) Interruptions not included in (a) to (f) NIL

The NIL interruption reported in categories (e), (f) and (g) mean that the SAIDI, SAIFI and CAIDI data reported below are also nil for each of these three categories of interruption.

2. Total number of faults per 100 circuit kilometres of prescribed voltage electric line 11.93
3. Total number of faults per 100 circuit kilometres of underground prescribed voltage line and per different nominal line voltages:-
- | | |
|-------------------|------|
| 11 kV underground | 4.55 |
| Total | 4.55 |
4. Total number of faults per 100 circuit kilometres of overhead prescribed voltage line and per different nominal line voltages:-
- | | |
|----------------|-------|
| 11 kV overhead | 13.28 |
| 22 kV overhead | 22.73 |
| 33 kV overhead | 2.31 |
| Total | 12.24 |
5. The SAIDI for the total of interruptions 464.42 minutes
6. The SAIDI for the total number of interruptions within each interruption class:-
- (a) Planned interruptions by TransPower 0 minutes
- (b) Planned interruptions by Counties Power 179.74 minutes
- (c) Unplanned interruptions originating within Counties Power system 283.40 minutes
- (d) Unplanned interruptions originating with TransPower system 1.28 minutes
7. The SAIFI for the total number of interruptions 5.19 interruptions
8. The SAIFI for the total number of interruptions within each interruption class:-
- (a) Planned interruptions by TransPower 0 interruptions
- (b) Planned interruptions by Counties Power 1.08 interruptions
- (c) Unplanned interruptions originating within Counties Power system 4.06 interruptions
- (d) Unplanned interruptions originating with TransPower system 0.05 interruptions
9. The CAIDI for the total of all interruptions 89.5 minutes
10. The CAIDI for the total number of interruptions within each interruption class:-
- (a) Planned interruptions by TransPower 0 minutes
- (b) Planned interruptions by Counties Power 166.6 minutes
- (c) Unplanned interruptions originating within Counties Power system 69.8 minutes
- (d) Unplanned interruptions originating with TransPower system 25 minutes

Detail of planned interruptions to Counties Power system were only kept for the last 6 months of the year. Extrapolation has been used to determine an annual figure.

Number of customers has been calculated as the average of opening and closing figures for the year.

WAIROA POWER LIMITED

Wairoa Power Limited - Other Businesses

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1995**

	Note	1995
SALES		<u>3,610,290</u>
Cost of Sales		3,349,579
Operating costs		<u>700,033</u>
Total Operating and Trading Costs		4,049,612
NET OPERATING PROFIT		<u>(439,322)</u>
Other Income		465,948
NET PROFIT BEFORE TAXATION	2	<u>26,626</u>
Provision for Taxation	3	(30,067)
NET PROFIT AFTER TAXATION		<u><u>56,693</u></u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Other Businesses

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1995**

	Note	1995	1994
SHAREHOLDERS FUNDS			
Share Capital	6	2,703,205	2,690,371
Reserves	7	230,058	230,058
Retained Earnings		(436,074)	(322,026)
		<u>2,497,189</u>	<u>2,598,403</u>
TERM LIABILITIES	8	600,000	1,077,000
CURRENT LIABILITIES			
Accounts Payable and Accruals	9	755,344	473,562
Current portion term liabilities	8	230,000	0
Provision for Dividend		170,741	66,345
		<u>1,156,085</u>	<u>539,907</u>
		<u>4,253,274</u>	<u>4,215,310</u>
FIXED ASSETS	10	1,747,506	1,807,730
OTHER NON CURRENT ASSETS			
Deferred Taxation	3	30,249	-
INVESTMENTS	11	62,082	83,238
CURRENT ASSETS			
Bank and cash		1,800,000	1,800,000
Receivables and prepayments	12	395,467	384,409
Provision for Income Tax		35,472	(16,387)
Inventories	13	182,498	156,320
		<u>2,413,437</u>	<u>2,324,342</u>
		<u>4,253,274</u>	<u>4,215,310</u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Other Businesses

**NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995**

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Financial Statements are those of the Other Businesses of Wairoa Power Limited. The period reported is 1 April 1994 to 31 March 1995.

These Financial Statements are prepared in accordance with Regulations 6(2) and 6(3) of the Electricity (Information Disclosure) Regulations 1994. The Financial Statements have not been prepared for the purpose of the Financial Reporting Act 1993, or the Energy Companies Act 1992.

Principal Activities

Included in Other Businesses are all the electricity activities (with the exception of Line Business activities defined by regulation 2 of the Electricity (Information Disclosure) Regulations 1994).

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Company, with the exception that certain assets have been revalued.

Methodology of Separation of Business

Wairoa Power Limited has complied with the methodology set out in the Electricity Disclosure Guidelines as issued by the Ministry of Commerce dated 23 June 1994, except for:

- * Costs and revenues associated with line contracting services have been excluded from the line business to comply with the Electricity (Information Disclosure) Regulations 1994 which conflict with the guidelines.
- * Disconnection fees are included as revenue to the line business.
- * Costs incurred for billing services are included as line business costs.
- * Meter reading costs have been split evenly between the line business and other businesses.

Wairoa Power Limited - Other Businesses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

a) Fixed Assets

The Company has five classes of fixed assets:

- Freehold Land
- Freehold Buildings
- Hydro Dam
- Generation Equipment
- Other Plant & Equipment

All fixed assets are recorded at cost.

b) Depreciation

Depreciation is provided on a straight line basis on all tangible assets other than freehold land, (except for motor vehicles, plant and equipment), at rates calculated to allocate the assets' cost or valuation less estimated residual value over their estimated useful lives. Motor vehicles, plant and equipment are depreciated on a diminishing basis over their expected economic lives.

Major depreciation periods are:

Freehold Buildings	50 years
Hydro Dam	100 years
Generation equipment	25 years
Other Plant & Equipment	8-10 years

d) Receivables

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

e) Income tax

The income tax expense charged to the statement of financial performance includes both the current year's provision and the income tax effects of timing differences calculated using the liability method.

Tax effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

Wairoa Power Limited - Other Businesses

**NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995**

STATEMENT OF ACCOUNTING POLICIES (continued)

f) Inventories

Inventories are stated at the lower of cost, determined on weighted average cost and net realisable value.

h) Comparative Figures

This is the first period that the Company has been required to report separately for line and other activities as a result of The Electricity (Information Disclosure) Regulations 1994 and therefore prior period figures are not available.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

Wairoa Power Limited - Other Businesses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995
2 NET PROFIT BEFORE TAXATION	
After Charging:	
Audit fees and expenses	14,739
Depreciation	99,430
Directors Fees	33,750
Interest - Local Authority loans	190,781
Interest - other	-
Loss on disposal of fixed assets	-
After crediting	
Interest received	164,070
	1995
3. TAXATION	
Profit before taxation	<u>26,626</u>
Prima facie taxation	8,787
Plus/(Less) taxation effect of permanent differences	
Non-deductible legal expenses	-
Other permanent differences	-
Recognition of Deferred Tax Asset	(38,854)
Taxation expense (benefit)	<u>(30,067)</u>
The taxation charge is represented by:	
Current taxation	182
Deferred taxation	(30,249)
	<u>(30,067)</u>

There are no income tax losses or unrecognised timing differences carried forward.

DEFERRED TAX ASSET

Balance as at 31 March 1994	-
Depreciation Movement for current year	30,249
Balance as at 31 March 1995	<u>30,249</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
5. DIVIDENDS AND BONUS ISSUES		
Proposed distributions:		
Proposed dividend	170,741	53,511
Proposed employee bonus issue		12,834
	<u>170,741</u>	<u>66,345</u>
6. SHARE CAPITAL	1995	1994
Balance as at 31 March 1994	2,690,371	2,690,371
Issue of shares to employees	12,834	-
Total issued and paid up capital	<u>2,703,205</u>	<u>2,690,371</u>
7. RESERVES	1995	1994
Share Premium	230,058	230,058
Balance as at 31 March 1995	<u>230,058</u>	<u>230,058</u>

Wairoa Power Limited - Other Businesses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
8. TERM LIABILITIES		
Local Authority Loans	830,000	1,077,000
Less Current portion	230,000	0
Total Term Liabilities	<u>600,000</u>	<u>1,077,000</u>
Repayable as follows		
Less than two years	230,000	230,000
Two to five years	-	247,000
Beyond five years	600,000	600,000
	<u>830,000</u>	<u>1,077,000</u>

Interest Rates:

Average interest rate

Local Authority Loans	15.3	15.9
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Security:

Whilst secured by pledge of future earnings the Local Authority loans are not specifically secured over any of the Company's assets.

Interest rate risk:

The interest rates on the local authority loans range from 9% to 17.75%. These rates are fixed throughout the life of the loans.

	1995	1994
9. ACCOUNTS PAYABLE AND ACCRUALS		
Accounts Payable Trade	0	0
Accounts Payable Other	701,480	380,119
Customer Deposits	0	0
Accrued Expenses	53,864	93,443
	<u>755,344</u>	<u>473,562</u>

Wairoa Power Limited - Other Businesses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
10. FIXED ASSETS		
Freehold Land (at cost)	<u>15,000</u>	<u>15,000</u>
Freehold Buildings (at valuation)	232,222	224,283
Accumulated Depreciation	<u>(46,111)</u>	<u>(38,600)</u>
	<u>186,111</u>	<u>185,683</u>
Waihi Dam (at cost)	1,043,348	1,043,348
Accumulated Depreciation	<u>(99,193)</u>	<u>(88,760)</u>
	<u>944,155</u>	<u>954,588</u>
Generation equipment (at cost)	784,956	784,956
Accumulated Depreciation	<u>(293,587)</u>	<u>(262,188)</u>
	<u>491,369</u>	<u>522,768</u>
Other Plant and Equipment (at cost)	226,601	218,867
Accumulated Depreciation	<u>(115,730)</u>	<u>(89,176)</u>
	<u>110,871</u>	<u>129,691</u>
Total Fixed Assets	<u><u>1,747,506</u></u>	<u><u>1,807,730</u></u>

	1995	1994
11. INVESTMENTS		
Investments are stated at cost and comprise:		
Investments in Companies (unquoted)	36,000	36,000
Sinking Fund Deposits	26,082	47,238
	<u>62,082</u>	<u>83,238</u>
Sinking Funds:		

Deposits are lodged with the Public Trust Office and National Provident Fund. Interest received on these funds range from 7.5% to 11.8%.

Wairoa Power Limited - Other Businesses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
12. RECEIVABLES AND PREPAYMENTS		
Trade debtors	0	0
Other receivables	395,467	384,409
	<u>395,467</u>	<u>384,409</u>
13. INVENTORIES		
Showroom Inventory	86,923	60,421
Appliance Servicing Inventory	95,575	95,899
	<u>182,498</u>	<u>156,320</u>
16. CONTINGENT LIABILITIES	1995	1994
Guarantee of bank overdraft facility for Energy Brokers New Zealand Limited to a limit of	<u>24,000</u>	<u>-</u>
At balance date the amount of the bank overdraft so guaranteed was	<u>987</u>	<u>-</u>
17. COMMITMENTS	1995	1994
Capital Commitments		
Estimated capital expenditure contracted for at balance date but not provided for	<u>-</u>	<u>-</u>
Operating Lease commitments		
The company has no non-cancellable operating leases.		

Wairoa Power Limited - Lines Business

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1995**

	Note	1995
SALES		<u>3,964,340</u>
Cost of Sales		1,177,629
Operating costs		<u>1,861,480</u>
Total Operating and Trading Costs		3,039,109
NET OPERATING PROFIT		<u>925,231</u>
Other Income		67,553
NET PROFIT BEFORE TAXATION	2	<u>992,784</u>
Provision for Taxation	3	284,715
NET PROFIT AFTER TAXATION		<u><u>708,069</u></u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Lines Business

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1995

	Note	1995	1994
SHAREHOLDERS FUNDS			
Share Capital	6	4,753,053	4,730,487
Reserves	7	53,204	-
Retained Earnings		631,187	348,878
		<u>5,437,444</u>	<u>5,079,365</u>
TERM LIABILITIES			
	8	-	79,000
CURRENT LIABILITIES			
Accounts Payable and Accruals	9	863,953	827,782
Current portion term liabilities	8	79,000	470,000
Provision for Dividend		425,760	116,655
Provision for Income Tax		83,190	(39,542)
		<u>1,451,903</u>	<u>1,374,895</u>
		<u>6,889,347</u>	<u>6,533,260</u>
FIXED ASSETS			
	10	0	0
OTHER NON CURRENT ASSETS			
Deferred Taxation	3	33,291	-
INVESTMENTS			
	11	24,158	20,825
CURRENT ASSETS			
Bank & Cash		992,812	903,485
Receivables and prepayments	12	1,241,364	1,013,980
Inventories	13	290,781	293,259
		<u>2,524,957</u>	<u>2,210,724</u>
		<u>2,582,406</u>	<u>2,231,549</u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Lines Business

**NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995**

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Financial Statements are those of the Line Business of Wairoa Power Limited. The period reported is 1 April 1994 to 31 March 1995.

These Financial Statements are prepared in accordance with Regulations 6(2) and 6(3) of the Electricity (Information Disclosure) Regulations 1994. The Financial Statements have not been prepared for the purpose of the Financial Reporting Act 1993, or the Energy Companies Act 1992.

Principal Activities

The Line Business operates a line business activity, as defined by regulation 2 of the Electricity (Information Disclosure) Regulations 1994, in the Wairoa District.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Company, with the exception that certain assets have been revalued.

Methodology of Separation of Business

Wairoa Power Limited has complied with the methodology set out in the Electricity Disclosure Guidelines as issued by the Ministry of Commerce dated 23 June 1994, except for:

- * Costs and revenues associated with line contracting services have been excluded from the line business to comply with the Electricity (Information Disclosure) Regulations 1994 which conflict with the guidelines.
- * Disconnection fees are included as revenue to the line business.
- * Costs incurred for billing services are included as line business costs.
- * Meter reading costs have been split evenly between the line business and other businesses.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

a) Fixed Assets

The Company has four classes of fixed assets:

Freehold Land
Freehold Buildings
Distribution Lines
Other Plant & Equipment

All fixed assets are initially recorded at cost.

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

a) **Fixed Assets (Continued)**

Freehold land and buildings are subsequently revalued on a cyclical basis with no individual asset being included at a valuation undertaken more than three years previously. Valuations are at net current value as determined by an independent valuer.

b) **Depreciation**

Depreciation is provided on a straight line basis on all tangible assets other than freehold land, (except for motor vehicles, plant and equipment), at rates calculated to allocate the assets' cost or valuation less estimated residual value over their estimated useful lives.

Motor vehicles, plant and equipment are depreciated on a diminishing basis over their expected economic lives.

Major depreciation periods are:

Freehold Buildings	50 years
Distribution Lines	25 years
Other Plant & Equipment	8-10 years

c) **Investments**

Investments are stated at the lower of cost or net realisable value.

d) **Receivables**

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

e) **Income tax**

The income tax expense charged to the statement of financial performance includes both the current year's provision and the income tax effects of timing differences calculated using the liability method.

Tax effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

f) **Inventories**

Inventories are stated at the lower of cost, determined on weighted average cost and net realisable value.

Wairoa Power Limited - Lines Business

**NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1995**

1. STATEMENT OF ACCOUNTING POLICIES (continued)

h) Comparative Figures

This is the first period that the Company has been required to report separately for line and other activities as a result of The Electricity (Information Disclosure) Regulations 1994 and therefore prior period figures are not available.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995
2	NET PROFIT BEFORE TAXATION
	After Charging:
	Audit fees and expenses 11,463
	Depreciation 337,409
	Directors Fees 26,250
	Interest - Local Authority loans 63,853
	Interest - other 103
	Loss on disposal of fixed assets 10,839
	After crediting
	Interest received 41,018
	1995
3.	TAXATION
	Profit before taxation <u>992,784</u>
	Prima facie taxation 327,619
	Plus/(Less) taxation effect of permanent differences
	Non-deductible legal expenses 555
	Other permanent differences (697)
	Recognition of Deferred Tax Asset (42,762)
	Taxation expense (benefit) <u>284,715</u>
	The taxation charge is represented by:
	Current taxation 318,006
	Deferred taxation (33,291)
	<u>284,715</u>

There are no income tax losses or unrecognised timing differences carried forward.

DEFERRED TAX ASSET

Balance as at 31 March 1994	-
Depreciation Movement for current year	33,291
Balance as at 31 March 1995	<u>33,291</u>

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
5. DIVIDENDS AND BONUS ISSUES		
Proposed distributions:		
Proposed dividend	425,760	94,489
Proposed employee bonus issue	-	22,166
	<u>425,760</u>	<u>116,655</u>
	1995	1994
6. SHARE CAPITAL		
Authorised Capital		
Balance as at 31 March 1994	4,730,487	4,730,487
Issue of shares to employees	22,166	-
Total issued and paid up capital	<u>4,752,653</u>	<u>4,730,487</u>
	1995	1994
7. RESERVES		
Asset revaluation		
Balance as at 31 March 1994	-	-
Revaluation of Freehold land	48,404	-
Revaluation of Buildings	4,800	-
Balance as at 31 March 1995	<u>53,204</u>	<u>-</u>

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
8. TERM LIABILITIES		
Local Authority Loans	79,000	549,000
Less Current portion	79,000	470,000
Total Term Liabilities	<u>-</u>	<u>79,000</u>
Repayable as follows		
Less than two years	79,000	549,000
Two to five years	-	-
Beyond five years	-	-
	<u>79,000</u>	<u>549,000</u>

Interest Rates:

Average interest rate

Local Authority Loans	10.0	12.5
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Security:

Whilst secured by pledge of future earnings the Local Authority loans are not specifically secured over any of the Company's assets.

Interest rate risk:

The interest rates on the local authority loans range from 10% to 13%. These rates are fixed throughout the life of the loans.

	1995	1994
9. ACCOUNTS PAYABLE AND ACCRUALS		
Accounts Payable Trade	482,543	425,750
Accounts Payable Other	103,417	231,159
Customer Deposits	23,314	26,268
Accrued Expenses	254,679	144,605
	<u>863,953</u>	<u>827,782</u>

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
10. FIXED ASSETS		
Freehold Land (at valuation)	<u>84,600</u>	<u>79,800</u>
Freehold Buildings (at valuation)	574,652	526,252
Accumulated Depreciation	<u>(115,752)</u>	<u>(98,360)</u>
	<u>458,900</u>	<u>427,892</u>
Distribution lines (at cost)	4,920,801	4,799,706
Accumulated Depreciation	<u>(1,687,309)</u>	<u>(1,489,355)</u>
	<u>3,233,492</u>	<u>3,310,351</u>
Other Plant and Equipment (at cost)	886,182	742,247
Accumulated Depreciation	<u>(356,233)</u>	<u>(258,579)</u>
	<u>529,949</u>	<u>483,668</u>
Total Fixed Assets	<u><u>4,306,941</u></u>	<u><u>4,301,711</u></u>

Valuation:

Revalued freehold land & buildings are stated at net current value as determined by an independent registered valuer C W Nyberg ANZIV, of the firm Darroch & Co Ltd, as at 31 August 1993.

	1995	1994
11. INVESTMENTS		
Investments are stated at cost and comprise:		
Sinking Fund Deposits	<u>24,158</u>	<u>20,825</u>

Sinking Funds:

Deposits are lodged with the Public Trust Office and National Provident Fund. Interest received on these funds range from 7.5% to 11.8%.

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

	1995	1994
12. RECEIVABLES AND PREPAYMENTS		
Trade Debtors	531,233	630,272
Other Receivables	701,481	380,939
Prepayments	8,650	2,769
	<u>1,241,364</u>	<u>1,013,980</u>

13. INVENTORIES		
Line & General Inventories	<u>290,781</u>	<u>293,259</u>

16. CONTINGENT LIABILITIES

The Company has no contingent liabilities.

17. COMMITMENTS

Capital Commitments

The Company has no capital commitments at balance date.

Operating lease commitments

The company has no non-cancellable operating leases.

18. TRANSACTIONS WITH RELATED PARTIES

Wairoa Power Limited paid rates to Wairoa District Council, a significant shareholder. The rates were charged on normal terms and conditions.

No related party debts have been written off or forgiven during the year.

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

19. FINANCIAL PERFORMANCE MEASURES	1995
Accounting return on total assets	10.00%
Accounting return on equity	7.39%
Accounting rate of profit	7.78%
20. EFFICIENCY PERFORMANCE MEASURES	1995
Direct Line costs per kilometre	\$ 1,442
Indirect Line costs per customer	\$ 86
21. ENERGY DELIVERY PERFORMANCE MEASURES	1995
Load Factor	55
Loss Ratio	4.62
Capacity Utilisation	21

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

22. STATISTICS

Nominal Line Voltage	System Length km	Overhead lines km	Underground lines km
110kV			
66kV/50kv	82.63	82.63	
33kV			
22kV			
11kv	787.20	773.70	13.50
6.6kV			
3.3kv			
< 3.3kV	82.42	29.80	52.62
Total	952.25	886.13	66.12

Transformer Capacity	57,274 kVa
Maximum Demand	12,047 kW
Total electricity supplied from system	55,184,304 kWh
Total electricity conveyed for other parties	Nil
Total Customers	5,486

23. RELIABILITY PERFORMANCE MEASURES

Total Number of faults per 100 kilometres of Prescribed Voltage Lines

Nominal Line Voltage	Overhead lines	Underground lines	Total
110kV			
66kV/50kv	2.42		2.42
33kV			
22kV			
11kv	5.17	7.41	5.21
6.6kV			
3.3kv			
Total	4.90	7.41	4.94

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1995 continued

23. RELIABILITY PERFORMANCE MEASURES (continued)

Interruption Class		Number	SAIDI	SAIFI	CAIDI
A	Planned Interruption by Trans Power	2,726	56.92	0.50	114.5
B	Planned Interruption by Other Line Owner	6,600	201.01	1.20	167.0
C	Unplanned Interruption by Other Line Owner	10,258	250.44	1.87	133.9
D	Unplanned Interruption by Trans Power	298	0.27	0.05	5.0
E	Unplanned Interruption by ECNZ				
F	Unplanned Interruption by any other generator				
G	Unplanned Interruption not resulting from above				
Total		19,882	508.64	3.62	140.5

SAIDI System Average Interruption Duration Index (minutes per customer per year)

SAIFI System Average Interruption Frequency Index (interruptions per customer per year)

CAIDI Customer Average interruption Duration Index (minutes per customer interrupted)

On Monday 7 November 1994 an abnormal wind storm was experienced which resulted in widespread disruption of the electricity supply. Restoration to all customers affected was achieved on Monday 14 November 1994. Due to the emergency nature of this situation and to the extent of the damage caused by the storm, priority was given to the restoration of supply and as a result records of interruption information could not be kept. The reliability figures shown above are thus applicable to the period 1 April 1994 to 31 March 1995, excluding the week 7 to 14 November 1994.

The figures shown below includes our best estimate for the week 7 to 14 November 1994.

Interruption Class		Number	SAIDI	SAIFI	CAIDI
A	Planned Interruption by Trans Power	2,726	56.92	0.50	114.5
B	Planned Interruption by Other Line Owner	6,600	201.01	1.20	167.0
C	Unplanned Interruption by Other Line Owner	12,648	1081.41	2.31	469.1
D	Unplanned Interruption by Trans Power	298	0.27	0.05	5.0
E	Unplanned Interruption by ECNZ				
F	Unplanned Interruption by any other generator				
G	Unplanned Interruption not resulting from above				
Total		22,272	1339.80	4.06	330.0

CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS DISCLOSED BY LINE OWNERS, OTHER THAN TRANSPower

WE, Paul L Thomas and Ian C Redshaw, directors of Wairoa Power Limited certify that, having made all reasonable enquiry, to the best of our knowledge -

- (a) The attached audited financial statements of Wairoa Power Limited, prepared for the purpose of regulation (6) of the Electricity (Information Disclosure) Regulations 1994, give a true and fair view of the matters to which they relate and comply with the requirements of those regulations; and
- (b) The attached information, being financial performance measures, efficiency performance measures, statistics, and reliability performance measures in relation to Wairoa Power Limited, and having been prepared for the purposes of regulations 13, 14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994; comply with the requirements of the Electricity (Information Disclosure) Regulations 1994.

The valuations on which those financial performance measures are based are as at 31 March 1995.

Paul L Thomas

.....

Ian C Redshaw

.....

Date *4 August 1995*



Audit New Zealand

REPORT OF THE AUDIT OFFICE

We have examined the attached financial statements prepared by Wairoa Power Limited - Lines Business dated 31 March 1995 for the purposes of Regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

We hereby certify that, having made all reasonable enquiry, to the best of our knowledge, those financial statements give a true and fair view of the matters to which they relate and have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1994.

A handwritten signature in black ink, appearing to read 'G. Reedy', written in a cursive style.

George H Reedy
Audit New Zealand
On behalf of the Controller and Auditor-General
7 August 1995
Napier, New Zealand



Audit New Zealand

REPORT OF THE AUDIT OFFICE

We have examined the attached information on page 21.

- a) Financial performance measures specified in clause 1 of Part II of the First Schedule to the Electricity (Information Disclosure) Regulations 1994; and
- b) Financial components of the efficiency performance measures specified in clause 2 of that Schedule,

and having been prepared by Wairoa Power Limited and dated 31 March 1995 for the purposes of Regulation 13 of those regulations.

We certify that, having made all reasonable enquiry, to the best of our knowledge, that information has been prepared in accordance with the Electricity (Information Disclosure) Regulations 1994.

A handwritten signature in black ink, appearing to read 'George H Reedy', written in a cursive style.

George H Reedy
Audit New Zealand
On behalf of the Controller and Auditor-General
7 August 1995
Napier, New Zealand



Audit New Zealand

REPORT OF THE AUDIT OFFICE

We have examined the attached financial statements prepared by Wairoa Power Limited - Other Businesses dated 31 March 1995 for the purposes of Regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

We hereby certify that, having made all reasonable enquiry, to the best of our knowledge, those financial statements give a true and fair view of the matters to which they relate and have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1994.

George H Reedy
Audit New Zealand
On behalf of the Controller and Auditor-General
7 August 1995
Napier, New Zealand

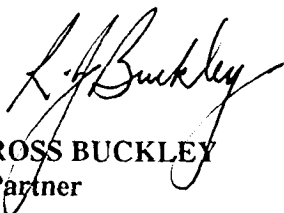


Chartered Accountants

CERTIFICATION BY AUDITOR IN RELATION TO ODV VALUATION**WAIROA POWER LIMITED**

I have examined the valuation report prepared by KPMG Peat Marwick and dated 8 June 1995, which report contains valuations as at 31 March 1995.

I hereby certify that, having made all reasonable enquiry, to the best of my knowledge, the ODV valuations contained in the report have been made in accordance with the ODV Handbook.



ROSS BUCKLEY
Partner

5 July 1995



