

# New Zealand Gazette

OF THURSDAY, 19 SEPTEMBER 1996

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WELLINGTON: FRIDAY, 20 SEPTEMBER 1996 — ISSUE NO. 123

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## WAITAKI POWER LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION  
DISCLOSURE) REGULATIONS 1994

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**WAITAKI POWER LIMITED****STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 31 MARCH 1996**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
<b>INCOME</b>						
Sales Revenue	6,536,708	10,749,748	17,286,456	6,257,701	10,255,187	16,512,888
Investments		292,142	292,142		281,965	281,965
Other	175,331	193,733	369,064	294,568	120,552	415,120
	6,712,039	11,235,623	17,947,662	6,552,269	10,657,704	17,209,973
<b>EXPENSES</b>						
Expenses	5,613,040	11,098,209	16,711,249	5,715,599	10,094,434	15,810,033
<b>SURPLUS/DEFICIT BEFORE TAX</b>	1,098,999	137,414	1,236,413	836,670	563,270	1,399,940
Tax	402,344	50,305	452,649	251,169	169,093	420,262
<b>SURPLUS/DEFICIT BEFORE DISCOUNT</b>	696,655	87,109	783,764	585,501	394,177	979,678
<b>DISCOUNT</b>	1,033,798	129,264	1,163,062	720,636	485,152	1,205,788
Tax on Discount	341,153	42,657	383,810	237,810	160,100	397,910
<b>NET SURPLUS/DEFICIT FOR THE YEAR</b>	\$4,010	\$502	\$4,512	\$102,675	\$69,125	\$171,800

**STATEMENT OF MOVEMENT IN EQUITY FOR YEAR ENDED 31 MARCH 1996**

Equity at 1 April 1995	7,856,747	7,027,999	14,884,746	7,754,072	6,958,874	14,712,946
Net Surplus/Deficit for period	4,010	502	4,512	102,675	69,125	171,800
Equity at 31 March 1996	\$ 7,860,757	\$ 7,028,501	\$ 14,889,258	\$ 7,856,747	\$ 7,027,999	\$ 14,884,746

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 1996**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
<b>SHAREHOLDER FUNDS</b>						
Issued Capital (Fully Paid)	7,368,870	6,631,130	14,000,000	7,368,870	6,631,130	14,000,000
Share Premium	300,608	270,511	571,119	300,608	270,511	571,119
Retained Earnings	191,279	126,860	318,139	187,269	126,358	313,627
<b>TOTAL SHAREHOLDERS EQUITY</b>	\$7,860,757	\$7,028,501	\$14,889,258	\$7,856,747	\$7,027,999	\$14,884,746
<b>CURRENT ASSETS</b>						
Cash on Hand		730	730		740	740
Cash at Bank	195,300	3,204,700	3,400,000	489,586	3,185,414	3,675,000
Accounts Receivable	533,354	756,940	1,290,294	267,766	957,411	1,225,177
Work in Progress		281,615	281,615		82,112	82,112
GST		54,582	54,582		38,796	38,796
Stock			0			0
_ Appliance Sales & Servicing		321,343	321,343		433,334	433,334
_ General		772,795	772,795		786,627	786,627
Prepayments		34,867	34,867		43,072	43,072
Taxation Refund		90,043	90,043		63,326	63,326
<b>TOTAL CURRENT ASSETS</b>	\$728,654	\$5,517,615	\$6,246,269	\$757,352	\$5,590,832	\$6,348,184
<b>CURRENT LIABILITIES</b>						
Bank Overdraft		66,165	66,165		61,291	61,291
Accounts Payable	258,779	999,722	1,258,501	222,414	1,189,163	1,411,577
Holiday Pay	26,912	256,338	283,250	0	255,906	255,906
GST	38,220	48,020	86,240	28,095	36,529	64,624
Unearned Income _ Hire Purchase		3,808	3,808	0	1,022	1,022
Consumer Deposits	4,453	5,279	9,732	4,217	4,633	8,850
<b>TOTAL CURRENT LIABILITIES</b>	\$328,364	\$1,379,332	\$1,707,696	\$254,726	\$1,548,544	\$1,803,270
<b>WORKING CAPITAL</b>	400,290	4,138,283	4,538,573	502,626	4,042,288	4,544,914
<b>NON CURRENT ASSETS</b>						
Investments (Staff Loans)		49,133	49,133		143,289	143,289
Fixed Assets	7,460,467	3,504,020	10,964,487	7,354,121	3,476,142	10,830,263
<b>TOTAL ASSETS</b>	\$ 7,860,757	\$ 7,691,436	\$ 15,552,193	\$ 7,856,747	\$ 7,661,719	\$ 15,518,466
<b>NON CURRENT LIABILITIES</b>						
Deferred Tax		162,935	162,935		133,720	133,720
Term Liabilities		500,000	500,000		500,000	500,000
<b>NET ASSETS</b>	\$7,860,757	\$7,028,501	\$14,889,258	\$7,856,747	\$7,027,999	\$14,884,746

**NOTE 1 : SALES - FOR THE YEAR ENDED 31 MARCH 1996**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
Energy		7,408,722	7,408,722		7,502,090	7,502,090
Network	6,536,708	(27,407)	6,509,301	6,257,701		6,257,701
Contracts		1,923,133	1,923,133		1,365,402	1,365,402
Retail		1,445,300	1,445,300		1,387,695	1,387,695
	<b>\$6,536,708</b>	<b>\$10,749,748</b>	<b>\$17,286,456</b>	<b>\$6,257,701</b>	<b>\$10,255,187</b>	<b>\$16,512,888</b>

**NOTE 2 : INVESTMENT INCOME - FOR THE YEAR ENDED 31 MARCH 1996**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
Short term Investments		282,852	282,852		265,804	265,804
Staff Mortgages		9,290	9,290		12,439	12,439
Use of Money Interest			0		3,722	3,722
		<b>\$292,142</b>	<b>\$292,142</b>		<b>\$281,965</b>	<b>\$281,965</b>

**NOTE 3 : OTHER INCOME - FOR THE YEAR ENDED 31 MARCH 1996**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
Bad Debts Recovered		3,968	3,968		4,223	4,223
Prompt Payment Discounts Disallowed	48,169	65,481	113,650	47,978	60,920	108,898
Transfer Fees		35,442	35,442		38,416	38,416
Scrap		68,739	68,739		6,650	6,650
Capital Contributions	126,906		126,906	246,159		246,159
Other	256	20,103	20,359	431	10,343	10,774
	<b>\$175,331</b>	<b>\$193,733</b>	<b>\$369,064</b>	<b>\$294,568</b>	<b>\$120,552</b>	<b>\$415,120</b>

**NOTE 4 : EXPENSES - FOR THE YEAR ENDED 31 MARCH 1996**

Included within expenses are :						
Electricity Purchases		6,937,218	6,937,218		6,906,720	6,906,720
Trans Power Charges	2,434,068		2,434,068	2,349,400		2,349,400
Directors Fees		79,238	79,238		74,726	74,726
Bad Debts	4,468	8,649	13,117	6,078	14,870	20,948
Audit		29,000	29,000		25,000	25,000
Interest		45,208	45,208		45,156	45,156
Depreciation	581,133	316,924	898,057	531,982	269,568	801,550
Loss on sales of assets	15	296	311	1,288	4,755	6,043
Donations		19,048	19,048		2,848	2,848

**NOTE 5 : FIXED ASSETS**

	1995-96			1994-95		
	NETWORK	OTHER	TOTAL	NETWORK	OTHER	TOTAL
<b>DISTRIBUTION</b>	11,328,304		11,328,304	10,765,388		10,765,388
Less Accumulated Depreciation	4,100,827		4,100,827	3,565,508		3,565,508
	<b>\$ 7,227,477</b>	<b>\$ -</b>	<b>\$ 7,227,477</b>	<b>\$ 7,199,880</b>	<b>\$ -</b>	<b>\$ 7,199,880</b>
<b>LAND</b>	16,559	73,310	89,869	16,041	73,310	89,351
<b>BUILDINGS</b>	77,354	2,587,517	2,664,871	88,881	2,575,990	2,664,871
Less Accumulated Depreciation	17,804	535,270	553,074	17,115	489,603	506,718
	<b>\$ 76,109</b>	<b>\$ 2,125,557</b>	<b>\$ 2,201,666</b>	<b>\$ 87,807</b>	<b>\$ 2,159,697</b>	<b>\$ 2,247,504</b>
<b>PLANT &amp; EQUIPMENT</b>	220,581	1,486,197	1,706,778	123,249	1,338,586	1,461,835
Less Accumulated Depreciation	118,386	682,445	800,831	56,815	576,293	633,108
	<b>\$ 102,195</b>	<b>\$ 803,752</b>	<b>\$ 905,947</b>	<b>\$ 66,434</b>	<b>\$ 762,293</b>	<b>\$ 828,727</b>
<b>MOTOR VEHICLES</b>	87,850	1,174,230	1,262,080	0	1,141,113	1,141,113
Less Accumulated Depreciation	33,164	599,519	632,683	0	586,961	586,961
	<b>\$ 54,686</b>	<b>\$ 574,711</b>	<b>\$ 629,397</b>	<b>\$ -</b>	<b>\$ 554,152</b>	<b>\$ 554,152</b>
<b>TOTAL</b>	<b>\$ 7,460,467</b>	<b>\$ 3,504,020</b>	<b>\$ 10,964,487</b>	<b>\$ 7,354,121</b>	<b>\$ 3,476,142</b>	<b>\$ 10,830,263</b>

**NOTE 6 : OPTIMISED DEPRECIATED VALUE**

The Optimised depreciated value as April 1, 1994 was \$41,647,589, additions \$1,261,694, value March 31, 1996 is \$42,909,283

**STATEMENT OF ACCOUNTING POLICIES****1. REPORTING ENTITY**

- 1.1 Waitaki Power Limited is an unlisted Company registered under the Companies Act 1955. Waitaki Power Limited is a reporting entity for the purpose of the Financial Reporting Act 1993.

**2. SPECIAL PURPOSE FINANCIAL STATEMENTS**

- 2.1 These financial statements have been prepared for the purpose of complying with the requirements of the Electricity (Information Disclosure) Regulations 1994.

**3. GENERAL ACCOUNTING POLICIES**

- 3.1 The measurement base adopted is that of historical cost.
- 3.2 Accrual accounting is used to match expenses and revenues.
- 3.3 Reliance is placed on the fact that the Company is a going concern.

**4. PARTICULAR ACCOUNTING POLICIES**

- 4.1 Accounts Receivable are shown at expected realisable value after providing for doubtful debts.
- 4.2 Inventories are valued at the lower of cost and net realisable value. Serial numbered stock is recorded at their individual cost while other stock is recorded at weighted average cost.
- 4.3 Distribution and Substation assets in place prior to 1 April 1987 and Motor Vehicles, Plant and Equipment purchases prior to 1 April 1987 have been valued as follows:
- a) Distribution - current written down book value as at 31 March 1987 less 20%.
- b) Substation Equipment - depreciated replacement cost certified internally by a registered engineer.

All other assets are valued at cost less accumulated depreciation:

Globo Distribution System	5.0 % SL
Globo Substation Transformers	7.5 % DV
Globo Substation Load Control Equipment	10.0 % DV
Distribution System	5.0 % - 9.5 % DV
Substation Transformers etc	7.5 % DV
Substation Load Control Equipment	10.0 % DV
Distribution Transformers	7.5 % DV
Meter	10.0 % DV - 12.0 % DV
Buildings	1.0 % SL - 2.5 % SL
Office Equipment & Furniture	12.0 % DV - 50% DV
Plant/Machinery	10.0 % DV - 50% DV
Motor Vehicles	15.0 % DV - 26.0 % DV

- 4.4 These accounts are exclusive of GST except for Debtors & Creditors.
- 4.5 Income tax expense has been 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.
- 4.6 Investments are stated at cost.
- 4.7 Financial Instruments

The Company is party to Financial Instrument arrangements as part of its everyday operations. Revenue and expenses including gains or losses in relation to all Financial Instruments are recognised in the Statement of Financial Performance.

The Company has no off-balance sheet exposure and values all Financial Instruments in the Statement of Financial position as disclosed within the Statement of Accounting Policies.

**5. CHANGES IN ACCOUNTING POLICIES**

- 5.1 There were no changes to Accounting Policies for year ended 31 March 1996.

**6. METHODOLOGY OF SEPARATION OF BUSINESS**

- 6.1 Waitaki Power Limited has followed the Electricity Disclosure Guideline as issued by the Ministry of Commerce dated 23 June 1994.

**FINANCIAL PERFORMANCE MEASURES**

	1995-96		1994-95	
	Before Discount	After Discount	Before Discount	After Discount
(a) Accounting return on total assets	3.88%	1.49%	3.21%	1.52%
(b) Accounting return on equity	2.51%	0.91%	2.21%	1.08%
(c) Accounting rate of profit	3.74%	1.35%	3.42%	1.72%

**EFFICIENCY PERFORMANCE MEASURES**

	1995-96	1994-95
(a) Direct lines costs per kilometer	\$834.88	\$960.18
(b) Indirect line costs per customer	\$88.68	\$89.71

**ENERGY DELIVERY EFFICIENCY PERFORMANCE MEASURES**

(a) Load Factor	58%	65%
(b) Loss Ratio	6.40%	5.82%
(c) Capacity Utilisation	30.00%	27.51%

**STATISTICS**

(a) System length	1862.379 km	1858.841 km
Total length of		
33kV	136.163 km	138.004 km
11kV	1508.409 km	1505.282 km
230/400v	215.807 km	215.555 km
(b) Total circuit length overhead	1816.353 km	1814.153 km
Total overhead length		
33kV	137.885 km	137.856 km
11kV	1491.022 km	1488.443 km
230/400v	187.446 km	187.854 km
(c) Total circuit length underground	46.026 km	44.681 km
Total cable length of		
33kV	0.278 km	0.146 km
11kV	17.387 km	16.839 km
230/400v	28.361 km	27.701 km
(d) Transformer capacity	110492 kVA	108672 kVA
Transformer capacity		
11kV/415V	110467 kVA	108647 kVA
33kV/415V	25 kVA	25 kVA
(e) Maximum demand	33141 kilowatts	29895 kilowatts
(f) Total electricity supplied from the system	158500435 kilowatt hours	160291503 kilowatt hours
(g) Total amount of energy conveyed through the system during the financial year on behalf of other persons	383200 kilowatt hours	Nil
(h) Total customers	11782	11727

**RELIABILITY PERFORMANCE MEASURES****1995 - 1996 1994 - 1995**

CATEGORY OF CAUSE OF INTERRUPTION	NO. OF INT.	NO. OF INT.
A Planned Transpower	0	0
B Planned Distributor	21	57
C Unplanned Distributor	68	117
D Unplanned Transpower	1	0
E Unplanned ECNZ	0	0
F Unplanned Generator	0	0
G Unplanned Other	0	0
<b>Total</b>	<b>90</b>	<b>174</b>

**1995 - 1996****1994 - 1995**

	11kV Network Length ( km )			11kV Network Length ( km )		
	Overhead Line	Underground Cable	Total	Overhead Line	Underground Cable	Total
	1491.022	17.387	1508.409	1488.443	16.839	1505.282
<b>Number of Faults</b>	86	2	88	167	6	173
<b>Faults / 100km</b>	5.768	11.503	5.834	11.220	35.632	11.493
	33kV Network Length ( km )			33kV Network Length ( km )		
	Overhead Line	Underground Cable	Total	Overhead Line	Underground Cable	Total
	137.885	0.278	138.163	137.856	0.148	138.004
<b>Number of Faults</b>	2	0	2	1	0	1
<b>Faults / 100km</b>	1.450	0.000	1.448	0.725	0.000	0.725
	Total Network Length ( km )			Total Network Length ( km )		
	Overhead Line	Underground Cable	Total	Overhead Line	Underground Cable	Total
	1628.907	17.665	1646.572	1626.299	16.987	1643.286
<b>Number of Faults</b>	88	2	90	168	6	174
<b>Faults / 100km</b>	5.402	11.322	5.466	10.330	35.321	10.589

1995 - 1996

1994 - 1995

Interruption Class	Interruption Duration (cust mins)	SAIDI (mins/cust)	Interruption Duration (cust mins)	SAIDI (mins/cust)
A	0	0.000	0	0.000
B	327,987	27.938	860,500	73.566
C	717,513	61.117	630,953	53.941
D	19,836	1.690	0	0.000
E	0	0.000	0	0.000
F	0	0.000	0	0.000
G	0	0.000	0	0.000
Total Duration		1,065,336		1,491,453
Total Customers		11,740		11,697
Total SAIDI		90.744		127.507
Interruption Class	Affected Consumers	SAIFI (int/conn cust)	Affected Consumers	SAIFI (int/conn cust)
A	0	0.000	0	0.000
B	2,375	0.202	6,098	0.521
C	9,979	0.850	4,705	0.402
D	1,653	0.141	0	0.000
E	0	0.000	0	0.000
F	0	0.000	0	0.000
G	0	0.000	0	0.000
Customers Affected		14,007		10,803
Total Customers		11,740		11,697
Total SAIFI		1.193		0.924
Interruption Class		CAIDI (mins/cust)		CAIDI (mins/cust)
A		0.000		0.000
B		138.100		141.112
C		71.902		134.103
D		12.000		0.000
E		0.000		0.000
F		0.000		0.000
G		0.000		0.000
Total Duration		1,065,336		1,491,453
Cust. Affected		14,007		10,803
Total Customers		11,740		11,697
Total CAIDI		76.057		138.059

Coopers  
& Lybrand

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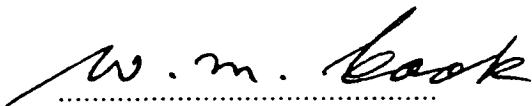
A Member Firm of  
Coopers & Lybrand International

The Directors  
Waitaki Power Limited  
P O Box 345  
WAITAKI 8915

**CERTIFICATION BY AUDITOR IN RELATION TO  
ODV VALUATION OF WAITAKI POWER'S DISTRIBUTION SYSTEM**

I have examined the valuation report prepared by Coopers & Lybrand and dated 31 July 1995, which report contains valuations as at 1 April, 1994.

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



.....  
WILLIAM MURRAY COOK  
2 AUGUST 1995



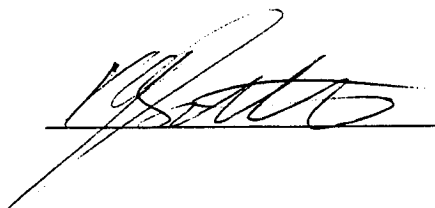
CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES  
AND STATISTICS DISCLOSED BY LINE OWNERS OTHER THAN TRANS  
POWER

We, Ken Scott and Tony Brady, Directors of Waitaki Power Ltd certify that, having made all reasonable enquiry, to the best of our knowledge:-

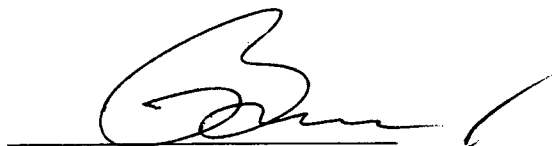
- a) The attached audited financial statements of Waitaki Power Ltd, prepared for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1994, give a true and fair view of the matters to which they relate and comply with the requirements of those regulations; and
- b) The attached information, being financial performance measures, efficiency performance measures, energy delivery efficiency performance measures, statistics and reliability performance measures in relation to Waitaki Power Ltd, and having been prepared for the purpose 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 31/03/96.

K J Scott



A J Brady



19 August 1996



Audit New Zealand

**CERTIFICATION OF PERFORMANCE MEASURES BY AUDITORS**

I have examined the attached information, being -

- (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 Part II of that Schedule, -

and having been prepared by Waitaki Power Limited and dated 19 August 1996 for the purposes of regulation 13 of those regulations.

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

K. I. Boddy  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
28 August 1996



Audit New Zealand

**CERTIFICATION BY AUDITOR IN RELATION TO FINANCIAL STATEMENTS**

I have examined the attached financial statements prepared by Waitaki Power Limited and dated 19 August 1996 for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

I hereby certify that, having made all reasonable enquiry, to the best of my 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.

K J Boddy  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
28 August 1996



