

# New Zealand Gazette

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OF THURSDAY, 14 AUGUST 1997

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## BULLER ELECTRICITY LIMITED

### INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION  
DISCLOSURE) REGULATIONS 1994

**BULLER ELECTRICITY LIMITED**

**“LINE OWNER”**

**INFORMATION FOR DISCLOSURE**

**Pursuant to the Electricity (Information Disclosure) Regulations 1994**

This publication sets out the information required to be publicly disclosed by Buller Electricity Limited as a "Line Owner" pursuant to Regulation 6, 13, 14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994.

The information herein describes the line owners:

- (a) Financial Statements
- (b) Performance Measures

The information in this publication is actual and was prepared by Buller Electricity Limited after making all reasonable enquiry and to the best of the knowledge of the company complies with the above sections of the Electricity (Information Disclosure) Regulations 1994.



**Audit New Zealand**

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

I have examined the attached financial statements prepared by Buller Electricity Limited and dated 30 July 1997 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.

A handwritten signature in black ink, appearing to read 'J L Palmer'. The signature is fluid and cursive, with a large loop at the end.

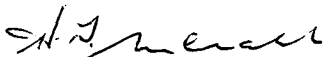
J L Palmer  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
30 July 1997

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

**WE, Harley Trevor McNabb and Peter Roselli**, directors of Buller Electricity Limited certify that, having made all reasonable enquiry, to the best of our knowledge,-

- (a) The attached audited financial statements of Buller Electricity 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 measures, energy delivery efficiency performance measures, statistics and reliability performance measures in relation to Buller Electricity 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 March 31 1997.



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**H T McNABB**



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**P ROSELLI**

## STATEMENT OF ACCOUNTING POLICIES

### 1. 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 Land and Buildings have been revalued.

The financial statements of Buller Electricity Limited have been prepared in accordance with the Electricity (Information Disclosure) Regulation 1994.

### 2. METHODOLOGY

The methodology used to determine line function services at March 31 1997 have been based on Electricity Disclosure Guidelines on business procedures issued by the Energy Policy Group Ministry of Commerce Wellington dated June 23 1994.

### 3. FIXED ASSETS

The Group has four classes of fixed assets:

Land and Buildings  
Distribution System  
Plant Motor Vehicles, Tools and Equipment  
Office Furniture and Equipment (including Computers)

All fixed assets excluding Land and Buildings are shown at historical cost less accumulated depreciation.

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

### 4. DEPRECIATION

Depreciation is provided on a straight line and diminishing value basis on all tangible fixed assets other than freehold land, at rates calculated to allocate the assets' cost or valuation less estimated residual value, over their estimated useful lives.

Major depreciation periods are:

Distribution Equipment	■ 25-40 years (DV & SL)
Freehold Buildings	■ 50 years (SL)
Motor Vehicles	■ 5 years (DV)
Plant and Equipment	■ 5 to 10 years (DV)
Office Furniture and Equipment	■ 5 to 10 years (DV)

Capital contributions towards the cost of reticulating new subdivisions and line extensions are recognised as revenue in the year received.

### 5. INCOME TAX

The income tax expense charged to the statement of financial performance includes both the current years 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. The debit balance in the deferred tax account, arising from timing differences are only recognised if there is virtual certainty of realisation.

**BULLER ELECTRICITY LIMITED****STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED MARCH 31 1997**

	Line Operator		Not e	Energy Trading	
	1997 \$	1996 \$		1997 \$	1996 \$
<b>Operating Revenues</b>					
Sales of Electricity	3,609,090	3,028,672		3,727,738	3,954,886
Other Income	67,399	75,681		1,233,185	1,293,693
	<u>3,676,489</u>	<u>3,104,353</u>		<u>4,960,923</u>	<u>5,248,579</u>
<b>Operating Expenses</b>					
Cost of Electricity	1,650,644	1,304,503		3,114,728	3,315,789
Depreciation	434,581	396,500	(4)	53,258	34,988
Other Expenses	1,229,774	1,264,256		1,548,865	1,623,487
	<u>3,314,999</u>	<u>2,965,259</u>		<u>4,716,851</u>	<u>4,974,264</u>
<b>Surplus Before Taxation</b>	<b>361,490</b>	<b>139,094</b>		<b>244,072</b>	<b>274,315</b>
Taxation	127,536	54,145	(5)	80,657	106,057
<b>Surplus After Taxation</b>	<b>233,954</b>	<b>84,949</b>		<b>163,415</b>	<b>168,258</b>
<b>Deduct</b>					
Share of Retained Losses of Associates	-			1,835	1,928
<b>Net Surplus</b>	<u><b>\$233,954</b></u>	<u><b>\$84,949</b></u>		<u><b>\$161,580</b></u>	<u><b>\$166,330</b></u>

**BULLER ELECTRICITY LIMITED****STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED MARCH 31 1997**

	Line Operator		Note	Energy Trading	
	1997	1996		1997	1996
	\$	\$		\$	\$
<b>Equity at Start of Year</b>	5,652,916	5,603,852		1,431,057	1,222,690
Net Surplus for the Year	233,954	84,949		161,580	166,330
Increases/(Decreases) in Revaluation Reserves	46,607	38,415		(6,366)	55,237
<b>Total Recognised Reserves and Expenses for the Year</b>	280,561	123,364		155,214	221,567
<b>Distribution to Owners during the Year (Dividends)</b>	66,014	74,300		44,236	13,200
<b>Equity at End of Year</b>	<b>5,867,463</b>	<b>5,652,916</b>		<b>1,542,035</b>	<b>1,431,057</b>



**BULLER ELECTRICITY LIMITED****STATEMENT OF FINANCIAL POSITION AS AT MARCH 31 1997**

	Line Operator		Note	Energy Trading	
	1997	1996		1997	1996
	\$	\$		\$	\$
<b>Shareholders Equity</b>					
Share Capital	5,067,798	5,067,798		1,182,202	1,182,202
Reserves	306,867	260,261		138,279	144,644
Retained Earnings	492,798	324,857		221,554	104,211
	<u>5,867,463</u>	<u>5,652,916</u>		<u>1,542,035</u>	<u>1,431,057</u>
<b>Assets</b>					
<b>Current Assets</b>					
Cash	(86,926)	35,783		125,056	36,007
Accounts Receivable	276,023	227,480	(1)	791,076	781,977
Inventories	352,101	327,988		229,958	270,239
Short Term Deposits	-	500,000		560,250	320,000
	<u>541,198</u>	<u>1,091,251</u>		<u>1,706,340</u>	<u>1,408,223</u>
<b>Non Current Assets</b>					
Long Term Investments	107,748	-		-	-
Fixed Assets	5,612,966	5,302,208	(4)	575,472	594,003
Investments in Associate Companies	-	-		746	1,581
Deferred Taxation	(60,166)	(37,549)	(3)	22,457	41,859
	<u>5,660,548</u>	<u>5,264,659</u>		<u>598,675</u>	<u>637,443</u>
<b>Total Assets</b>	<u>6,201,746</u>	<u>6,355,910</u>		<u>2,305,015</u>	<u>2,045,666</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	334,283	702,994	(2)	762,980	614,609
<b>Non Current Liabilities</b>					
Loan Finance	-	-		-	-
<b>Total Liabilities</b>	<u>334,283</u>	<u>702,994</u>		<u>762,980</u>	<u>614,609</u>
<b>Net Assets</b>	<u>5,867,463</u>	<u>5,652,916</u>		<u>1,542,035</u>	<u>1,431,057</u>

For and on Behalf of the Board

Directors:

  
 P. Roselli

  
 H T McNabb

 30.7.97  
 Dated

**BULLER ELECTRICITY LIMITED****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	Line Operator		Note	Energy Trading	
	1997	1996		1997	1996
	\$	\$		\$	\$
<b>1. Accounts Receivable</b>					
Electricity	285,744	223,028		322,222	320,940
Provision for Doubtful Debts	(18,811)	(18,202)		(28,377)	(43,713)
Taxation Refund Due	2,238	3,084		2,238	3,084
Work in Progress	0	83		12,649	-
Other	3,134	12,048		7,626	11,004
Sundry Debtors	3,718	7,439		474,718	490,662
	<u>276,023</u>	<u>227,480</u>		<u>791,076</u>	<u>781,977</u>
<b>2. Accounts Payable</b>					
Trade Creditors	115,758	430,592		484,576	383,773
Accrued Leave Liability	31,579	41,993		28,448	39,880
Other Accruals	87,054	147,338		138,535	114,268
Consumer Deposits	26,384	17,839		29,751	25,673
Provision for Dividend	66,014	61,500		44,236	-
Other	7,494	3,732		37,434	51,015
	<u>334,283</u>	<u>702,994</u>		<u>762,980</u>	<u>614,609</u>
<b>3. Deferred Taxation</b>					
Deferred Tax April 1	(37,549)	(20,328)		41,859	34,693
Less\Plus Deferred Tax	(22,617)	(17,221)		(19,402)	7,166
	<u>(60,166)</u>	<u>(37,549)</u>		<u>22,457</u>	<u>41,859</u>

**BULLER ELECTRICITY LIMITED****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****4. Fixed Assets ■ Energy Trading**

	<b>Total</b>	<b>Lands</b>	<b>Buildings</b>	<b>Other</b>
<b>Fixed Assets Comparative Figures</b>				
Opening Balance	801,328	77,900	335,904	387,524
Accumulated Depreciation	(266,789)	-	(11,410)	(255,379)
<b>As at April 01 1995</b>	<b>534,539</b>	<b>77,900</b>	<b>324,494</b>	<b>132,145</b>
Additions	45,562	-	1,123	44,439
Revaluations	55,237	11,500	43,737	-
Disposals	(6,347)	-	-	(6,347)
	628,991	89,400	369,354	170,237
Current Depreciation	(34,988)	-	(7,033)	(27,955)
<b>As at March 31 1996</b>	<b>594,003</b>	<b>89,400</b>	<b>362,321</b>	<b>142,282</b>
	<b>Total</b>	<b>Lands</b>	<b>Buildings</b>	<b>Other</b>
Opening Balance	895,780	89,400	380,764	425,616
Accumulated Depreciation	(301,777)	-	(18,443)	(283,334)
<b>As at April 01 1996</b>	<b>594,003</b>	<b>89,400</b>	<b>362,321</b>	<b>142,282</b>
Additions	55,104	-	1,990	53,114
Revaluations	(6,366)	7,600	(13,966)	-
Disposals	(14,011)	-	-	(14,011)
	628,730	97,000	350,345	181,385
Current Depreciation	(53,258)	-	(7,345)	(45,913)
<b>As at March 31 1997</b>	<b>575,472</b>	<b>97,000</b>	<b>343,000</b>	<b>135,472</b>

**BULLER ELECTRICITY LIMITED****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****4. Fixed Assets ■ Line Operator**

	<b>Total</b>	<b>Distribution System</b>	<b>Lands</b>	<b>Buildings</b>	<b>Other</b>
<b>Fixed Assets Comparative Figures</b>					
Opening Balance	8,262,827	7,057,649	55,522	337,281	812,375
Accumulated Depreciation	(3,224,418)	(2,734,830)	-	(12,593)	(476,995)
<b>As at April 01 1995</b>	<b>5,038,409</b>	<b>4,322,819</b>	<b>55,522</b>	<b>324,688</b>	<b>335,380</b>
Additions	648,400	557,363	-	18,335	72,702
Revaluations	38,415	-	16,900	21,515	-
Disposals	(26,516)	-	-	-	(26,516)
	<b>5,698,708</b>	<b>4,880,182</b>	<b>72,422</b>	<b>364,538</b>	<b>381,566</b>
Current Depreciation	(396,500)	(320,350)	-	(6,918)	(69,232)
<b>As at March 31 1996</b>	<b>5,302,208</b>	<b>4,559,832</b>	<b>72,422</b>	<b>357,620</b>	<b>312,334</b>

Included in the distribution is capital work in progress of \$15,990 as at March 31 1996.

	<b>Total</b>	<b>Distribution System</b>	<b>Lands</b>	<b>Buildings</b>	<b>Other</b>
Opening Balance	8,916,319	7,608,205	72,422	377,131	858,561
Accumulated Depreciation	(3,614,111)	(3,048,373)	-	(19,511)	(546,227)
<b>As at April 01 1996</b>	<b>5,302,208</b>	<b>4,559,832</b>	<b>72,422</b>	<b>357,620</b>	<b>312,334</b>
Additions	714,627	506,178	-	149,210	59,239
Revaluations	46,607	-	6,800	39,807	-
Disposals	(15,895)	-	-	-	(15,895)
	<b>6,047,547</b>	<b>5,066,010</b>	<b>79,222</b>	<b>546,637</b>	<b>355,678</b>
Current Depreciation	(434,581)	(356,116)	-	(8,551)	(69,914)
<b>As at March 31 1997</b>	<b>5,612,966</b>	<b>4,709,894</b>	<b>79,222</b>	<b>538,086</b>	<b>285,764</b>

**BULLER ELECTRICITY LIMITED****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	Line Operator		Note	Energy Trading	
	1997	1996		1997	1996
	\$	\$		\$	\$
<b>5. Taxation</b>					
<b>Surplus Before Taxation</b>	361,490	139,094		244,072	274,315
Income Tax at 33¢	119,292	45,901		80,543	90,524
Plus Permanent Differences Tax Effect	8,244	8,244		114	15,533
<b>Tax Expense as per Statement of Financial Performance</b>	<b>127,536</b>	<b>54,145</b>		<b>80,657</b>	<b>106,057</b>
Comprising					
Current Tax	104,919	36,924		61,255	113,223
Deferred Tax	22,617	17,221		19,402	(7,166)
	<b>127,536</b>	<b>54,145</b>		<b>80,657</b>	<b>106,057</b>



## 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 Buller Electricity Limited and dated 30 July 1997 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.

J L Palmer  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
30 July 1997

**BULLER ELECTRICITY LIMITED  
PERFORMANCE MEASURES  
YEAR ENDED MARCH 31 1997**

**Disclosure of Financial and Efficiency Performance Measures as required by Regulations 13, 14, 15 and 16 of the Electricity Information Disclosure Regulations 1994.**

	1997	1996	1995
<b>1. FINANCIAL MEASURES</b>			
(a) Accounting Return on Total Assets (pre-tax) (%)	2.27%	2.52%	2.54%
(b) Accounting Return on Equity (post-tax) (%)	1.37%	2.12%	1.58%
(c) Accounting Rate of Profit (post-tax) (%)	1.55%	2.32%	1.66%
<b>2. EFFICIENCY MEASURES</b>			
(a) Direct Line Costs per Kilometre (\$/Km)	\$1871.25	\$1108.05	\$1852.97
(b) Indirect Line Costs per Electricity Customer	\$188.64	\$175.28	\$167.13
<b>3. ENERGY DELIVERY PERFORMANCE MEASURES</b>			
(a) Load Factor	70.92%	67.16%	66.9%
(b) Loss Ratio	4.27%	4.41%	4.1%
(c) Capacity Utilisation	60.4%	63.0%	63.3%
<b>4. STATISTICS</b>			
(a) Total System Length Km			
(i) 33KV	111.30	111.30	111.30
11KV	330.35	330.06	330.00
230/400V	126.83	126.83	82.1
Total Length	568.46	568.19	523.40
(ii) 33KV	111.30	111.30	111.30
11KV	328.70	328.41	328.41
230/400V	116.33	116.33	71.76
Total Overhead Circuit Length Km	556.33	556.04	511.47
(iii) 11KV	1.65	1.65	1.59
230/400V	10.50	10.50	10.34
Total Underground Circuit Length Km	12.15	12.15	11.93
(b) Transformer Capacity	24,565 kVA	25,045 kVA	24,343 kVA
(c) Maximum Demand	14,844 kW	15,781 kW	15,400 kW
(d) Total Electricity Supplied	88,284,057kWH	88,788,774kWH	88,529,531kWH
(e) Total Amount of Electricity Conveyed on behalf of other persons	0 kWH	0 kWH	0 kWH
(f) Total Customers	4,238	4,238	4,238

P ROSELLI



DATE:

30.7.97

**BULLER ELECTRICITY LIMITED  
PERFORMANCE MEASURES  
YEAR ENDED MARCH 31 1997**

5. RELIABILITY PERFORMANCE MEASURES		1997	1996	1995
1.	Total Number of Interruptions	103	184	166
	Class A	0	0	0
	Class B	34	38	33
	Class C	64	144	131
	Class D	4	2	2
	Class E	0	0	0
	Class F	0	0	0
	Class G	1	0	0
2.	Total Number of Faults per 100 circuit KM of Electric Line	22.18	32.38	31.50
3.	Total Number of Faults per 100 circuit KM of Underground Line	0	0	16.81
	11KV	0	0	2
4.	Total Number of Faults per 100 circuit KM of Overhead Line	22.27	33.09	31.16
	33KV	8.08	0	0.39
	11KV	27.07	55.3	30.91
5.	The SAIDI for the total of Interruptions	597.10	649.91	575.8
6.	The SAIDI for the total number of Interruptions within each Interruption Class			
	Class A	0	0	0
	Class B	210.19	397.08	224.74
	Class C	265.89	211.0	331.94
	Class D	121.00	41.83	19.12
	Class E	0	0	0
	Class F	0	0	0
	Class G	0.02	0	0
7.	The SAIFI for the total number of Interruptions	7.41	3.81	4.74
8.	The SAIFI for the total number of Interruptions within each Interruption Class			
	Class A	0	0	0
	Class B	0.82	1.66	0.69
	Class C	2.59	1.15	3.04
	Class D	4.00	1.00	1.00
	Class E	0	0	0
	Class F	0	0	0
	Class G	0	0	0
9.	The CAIDI for the total of all Interruptions	80.63	170.41	148.88
10.	The CAIDI for the total number of Interruptions within each Interruption Class			
	Class A	0	0	0
	Class B	256.79	239.04	323.42
	Class C	102.83	183.05	109.04
	Class D	30.25	41.83	19.12
	Class E	0	0	0
	Class F	0	0	0
	Class G	10.0	0	0
11.	Disclosure of ODV Valuation - Line Business Asset Value	\$12.93 M	\$12.93 M	\$12.93 M

P ROSELLI



DATE:

30.7.97



Coopers  
& Lybrand

chartered accountants

telephone 0-9-358 4888  
facsimile 0-9-309 5828

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Hamilton Tauranga New Plymouth  
Napier Hastings Palmerston North  
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Christchurch Dunedin Invercargill

A Member Firm of  
Coopers & Lybrand International

The Directors  
Buller Electricity Limited  
P O Box 243  
WESTPORT 7615

**CERTIFICATION BY AUDITOR IN RELATION TO  
ODV VALUATION OF BULLER ELECTRICITY'S DISTRIBUTION SYSTEM**

I have examined the valuation report prepared by Coopers & Lybrand and dated 28 July 1995, which report contains valuations as at 1 April, 1995.

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.

*W. M. Cook*  
.....  
WILLIAM MURRAY COOK  
2 AUGUST 1995

ct/wmcvel2601

Auckland partners Auckland City office Richard D Agnew Kevin T Anderson Bruce A Baillie Nicholas H Barrett Kevin J Bearsley Barrie M Brown W Murray Cook  
Arun F D David John R Duncumb G Roger W France Tony D Gault Warwick E Hunt Barry G King P Denis Lane Brian W McCloy  
Douglas A Macdonald Patrick S McNamara Geoffrey J Palmer Graeme R Pinfold David H Randell Simon G Rutherford  
Peter M Salmon D Peter Scott William P Somerville Terry D Tidbury  
Manukau City office Paul H Clark Timothy W Downes Kevin R Lewis Ross G Pauling  
Consultant Manukau City office Douglas M Elliffe



