

New Zealand Gazette

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ELECTRICITY ASHBURTON LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

ELECTRICITY ASHBURTON LIMITED
ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

Statutory Base

Electricity Ashburton Limited is a Co-operative company registered under the Co-operative Companies Act 1996.

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

LINE AND ENERGY AND OTHER BUSINESS ACTIVITIES - STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 1997

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on an historical cost basis have been followed.

Accounting Policies Common To All Activities

a) Depreciation

Depreciation has been provided on all tangible fixed assets other than freehold land on the following basis and at the following rates which amortise the cost of the asset over their economic lives.

Fixed Assets:

Buildings

- concrete	1% straight line
- brick	2% straight line
- wooden	2.5% straight line

Motor Vehicles 18% to 31.2 %
diminishing value

Plant & Equipment 10% to 60.0% diminishing value

Depreciation has been charged on a monthly basis on assets acquired and which became operational during the month.

b) Income Tax

The income taxation expense charged against the operating surplus for the year is the estimated liability in respect of that operating surplus and is calculated after allowance for permanent differences. . Deferred Taxation is calculated on the comprehensive basis using the liability method (see Note 3). Future tax benefits attributable to tax losses or timing differences are only realised when there is virtual certainty of realisation.

c) Valuation of Assets

Land is stated at cost, all other fixed assets at cost less accumulated depreciation.

d) Accounts Receivable

Receivables are shown at book value. All known bad debts have been written off during the year and an estimate for doubtful debts has been made.

e) Inventories

Inventories are valued at the lower of average cost and net realisable value.

f) Goods and Services Tax (GST)

These financial statements have been prepared exclusive of GST with the exception of debtors and creditors which are shown inclusive of GST.

g) Allocation Methodologies

Allocation of costs, revenues, assets and liabilities have been based on the following methods:-

Direct Allocation

All costs, revenues, assets and liabilities that are identifiable to the line business have been allocated. This allocation method is consistent with the Electricity Disclosure Guidelines.

Indirect Allocation

All costs, revenues, assets and liabilities that are not separately identifiable to the line business have been allocated on the following basis:-

% of Staff Employed.

- Components allocated on this basis are personnel costs.

% of Total Assets Employed

- Components allocated on this basis include indirect administration costs, assets and liabilities and corporate management costs.

% of Net Income Before Taxation

- Components allocated on this basis are interest revenue, sundry revenue, and interest expense.

% of Gross Income

- Components allocated on this basis are bank charges.

% of Actual Resource Provided

- Components allocated on this basis include administration costs and information system resources.

These indirect allocation methods depart from the methodologies detailed in the Electricity Disclosure Guidelines.

LINE AND ENERGY AND OTHERS BUSINESS ACTIVITIES*Accounting Policies Specific To The Line Business Activity***a) Revenue**

Line revenue is recognised as actual amounts invoiced during the period.
Capital contributions are recognised as revenue in the year of receipt.

b) Depreciation

Depreciation has been provided on the Distribution Network at 2.5% straight line which amortises the cost of the asset over its economic life.

c) Transmission Charges

Transmission charges are recognised as a direct cost to the line business activity.

*Accounting Policies Specific To The Energy and Other Business Activities***a) Revenue**

Electricity sales are recognised as actual amounts invoiced during the period together with an accrual for the estimated value of unread consumption.

b) Depreciation

Depreciation has been provided on all tangible fixed assets other than freehold land on the following basis and at the following rates which amortise the cost of the asset over their economic lives.

Generation Assets:

Dams, headworks, roads etc	1.5% straight line
Buildings	1.5% straight line
Generating plant and equipment	3% straight line

c) Investments

Investments are shown at cost plus accumulated interest.

d) Transmission Charges

Transmission charges are not recognised as a cost to the energy business activity.

Changes in Accounting Policies

The accounting policies have been applied on a consistent basis throughout the period.

ELECTRICITY ASHBURTON LIMITED - ENERGY AND OTHER BUSINESS ACTIVITIES
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1997

		1997	1996
		\$	\$
REVENUE	Notes 1	17,797,556	16,127,822
OPERATING EXPENDITURE	2	16,816,150	15,045,793
DEPRECIATION		123,668	137,702
		<u>16,939,818</u>	<u>15,183,495</u>
OPERATING SURPLUS before Rebate		857,738	944,327
Customer Rebates	10	392,748	430,515
OPERATING SURPLUS before Taxation		464,990	513,812
Taxation	3	224,231	226,155
OPERATING SURPLUS after Taxation		<u>\$240,759</u>	<u>\$287,657</u>

STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 1997

	1997	1996
	\$	\$
EQUITY AT THE START OF THE YEAR	671,923	384,266
Operating Surplus after taxation	240,759	287,657
Total Recognised Revenue and Expenses for the Period	240,759	287,657
EQUITY AT THE END OF THE YEAR	<u>\$912,682</u>	<u>\$671,923</u>

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1997

	Notes	1997	1996
		\$	\$
EQUITY :			
Authorised Capital :			
31,000,000 shares of \$1		<u>31,000,000</u>	<u>31,000,000</u>
Issued Capital :			
5,800,000 shares of \$1 fully paid			
Deferred Shares	9	5,558,330	5,558,330
Rebate Shares		241,670	241,670
Share Premium Reserve		775,813	775,813
Retained Earnings		912,682	671,923
TOTAL SHAREHOLDERS' EQUITY		<u>\$7,488,495</u>	<u>\$7,247,736</u>
REPRESENTED BY :			
CURRENT ASSETS :			
Bank and Short Term Deposits		2,498,647	1,079,925
Taxation Refund		7,845	0
Inventories		844,102	867,755
Accounts Receivable	5	2,457,416	3,178,067
Total Current Assets:		<u>5,808,010</u>	<u>5,125,747</u>
CURRENT LIABILITIES :			
Provision for Taxation		0	8,186
Customer Rebate Payable	10	0	484,330
Accounts Payable	6	2,160,643	1,768,818
Bank Loan		289,506	0
Total Current Liabilities		<u>2,450,149</u>	<u>2,261,334</u>
NET CURRENT ASSETS		<u>3,357,861</u>	<u>2,864,413</u>
NON CURRENT ASSETS :			
Investments		226,466	241,023
Fixed Assets	4	4,289,829	4,474,309
Total Non Current Assets		<u>4,516,295</u>	<u>4,715,332</u>
NON CURRENT LIABILITIES :			
Deferred Taxation		326,901	256,051
Industry Loan		58,760	75,958
Total Non Current Liabilities		<u>385,661</u>	<u>332,009</u>
TOTAL NET ASSETS		<u>\$7,488,495</u>	<u>\$7,247,736</u>

For and on behalf of the Board

CHAIRMAN  DIRECTOR 

DATE 13 JUL 1997

The accompanying notes form part of these financial statements

ENERGY AND OTHER BUSINESS ACTIVITIES - NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

Note 1 Revenue

	1997 \$	1996 \$
Energy Sales	13,392,305	11,818,985
Appliance Sales, Servicing & Wholesale Trading	3,990,590	3,892,661
Sundry Income	98,274	14,646
Line Contracting	316,387	401,530
	<u>\$17,797,556</u>	<u>\$16,127,822</u>

Note 2 Operating Expenditure

Directors Fees & Expenses	31,851	34,498
Shareholder Committee Fees & Expenses	8,000	6,268
Grant Electricity Ashburton Trust	0	8,241
Audit Fees -Annual	14,250	16,717
Audit Fees - Other	1,250	1,047
Interest Paid	21,887	4,524
Other	16,738,912	14,974,498
	<u>\$16,816,150</u>	<u>\$15,045,793</u>

Note 3 Taxation

Taxation Reconciliation:

Accounting Operating Surplus before Taxation	447,545	513,812
Prima Facie Taxation @ 33%	147,690	169,557
Plus Tax Effect of:-		
Permanent Differences	1,377	4,662
Prior Year Adjustment	75,164	51,936
Taxation Charge for Year	<u>\$224,231</u>	<u>\$226,155</u>

	1997 \$	1996 \$
Comprising:		
Current Taxation	153,380	218,388
Prior Year Adjustment	0	6
Deferred Taxation	70,851	7,761
	<u>\$224,231</u>	<u>\$226,155</u>

Imputation Credits:

Opening Balance	493,135	256,130
Taxation Paid During the Year	102,280	237,005
Credits Attached to Dividends Paid	0	0
Closing Balance	<u>\$595,415</u>	<u>\$493,135</u>

Note 4 Fixed Assets

	Cost	Accumulated Depreciation	1997 Book Value	1996 Book Value
Generation	4,829,212	1,619,220	3,209,992	3,312,732
Land & Buildings	784,357	98,525	685,832	741,876
Motor Vehicles	385,781	200,022	185,759	153,342
Plant & Equipment	633,121	424,875	208,246	266,359
	<u>\$6,632,471</u>	<u>\$2,342,642</u>	<u>\$4,289,829</u>	<u>\$4,474,309</u>

Note 5 Accounts Receivable

	1997 \$	1996 \$
Trade Debtors	2,131,844	2,768,242
Prepayments	16,155	9,096
Accrued Income	309,417	400,729
	<u>\$2,457,416</u>	<u>\$3,178,067</u>

Note 6 Accounts Payable

	1997 \$	1996 \$
Trade Creditors	1,838,117	1,466,065
Accruals	57,717	53,968
Employee Provisions	264,809	248,785
	<u>\$2,160,643</u>	<u>\$1,768,818</u>

Note 7 Financial Commitments

Estimated capital expenditure contracted for at balance but not provided for	Nil	Nil
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Note 8 Contingent Liabilities

There is a maximum underwriting guarantee of \$1,400,000 associated with the share capital in PowerBuy Group Limited to enhance that company's credit rating and negotiating powers with electricity generators.

With the establishment of the new wholesale electricity market operation on 1 October 1996, the prudential requirements of the market necessitated in the Company providing a third party guarantee to Electricity Market Company Limited (EMCO) based on the average monthly amount of electricity purchased during the different seasons. As at 31 March 1997 a standby letter of credit was provided by Westpac Banking Corporation amounting to \$1,157,725. The Company has provided full indemnity to Westpac Banking Corporation in relation to the standby letter of credit. (1996 NIL)

Note 9 Deferred Shares

These shares are owned by the Ashburton District Council and have no rights as to:

- a) Any distribution of dividends or rebates or
- b) Exercise any vote except as provided in clause 14.2 of the Company's Constitution.
- c) Any distribution on a winding up of Company.
- d) Any rights on amalgamation of the Company except as expressly provided in clauses 6.2 to 6.12 of the Company's Constitution.

Note 10 Customer Rebate

Calculations for the rebate paid to each customer were based on the individual customer group's contribution to the operating surplus and allocated according to the value of their electricity purchases for the financial year.

The 1996 rebate was paid by cheque after balance date while the 1997 rebate was credited to customer's accounts prior to balance date.

ELECTRICITY ASHBURTON LIMITED - LINES BUSINESS ACTIVITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1997

	Notes	1997 \$	1996 \$
REVENUE	1	10,739,534	9,414,084
OPERATING EXPENDITURE	2	6,755,435	5,461,639
DEPRECIATION		1,613,772	1,412,058
		<u>8,369,207</u>	<u>6,873,697</u>
OPERATING SURPLUS before Rebate		2,370,327	2,540,387
Customer Rebates	9	1,085,343	1,158,154
OPERATING SURPLUS before Taxation		1,284,984	1,382,233
Taxation	3	732,231	640,702
OPERATING SURPLUS after Taxation		<u>\$552,753</u>	<u>\$741,531</u>

STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 1997

	1997 \$	1996 \$
EQUITY AT THE START OF THE YEAR	2,142,055	1,400,524
Operating Surplus after Taxation	552,753	741,531
Total Recognised Revenue and Expenses for the Period	<u>552,753</u>	<u>741,531</u>
EQUITY AT THE END OF THE YEAR	<u>\$2,694,808</u>	<u>\$2,142,055</u>

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1997

	Notes	1997 \$	1996 \$
EQUITY :			
Authorised Capital :			
31,000,000 shares of \$1		<u>31,000,000</u>	<u>31,000,000</u>
Issued Capital :			
24,200,000 shares of \$1 fully paid			
Deferred Shares	8	23,191,670	23,191,670
Rebate Shares		1,008,330	1,008,330
Share Premium Reserve		1,756,173	1,756,173
Retained Earnings		<u>2,694,808</u>	<u>2,142,055</u>
TOTAL SHAREHOLDERS' EQUITY		<u>\$28,650,981</u>	<u>\$28,098,228</u>

REPRESENTED BY :

CURRENT ASSETS :

Bank and Short Term Deposits		(1,845,296)	70,064
Inventories		1,150,397	1,305,011
Taxation Refund		25,618	0
Accounts Receivable	5	<u>986,544</u>	<u>1,620,275</u>
Total Current Assets:		<u>\$317,263</u>	<u>2,995,350</u>

CURRENT LIABILITIES :

Provision for Taxation		0	95,620
Customer Rebate Payable	9	0	1,302,923
Accounts Payable	6	1,069,772	891,270
Bank Loan		210,494	0
Total Current Liabilities		<u>1,280,266</u>	<u>2,289,813</u>

NET CURRENT ASSETS

(963,003) 705,537

NON CURRENT ASSETS :

Investments		0	0
Fixed Assets	4	<u>30,909,209</u>	<u>28,118,088</u>
Total Non Current Assets		30,909,209	28,118,088

NON CURRENT LIABILITIES :

Deferred Taxation		1,295,225	725,397
TOTAL NET ASSETS		<u>\$28,650,981</u>	<u>\$28,098,228</u>

For and on behalf of the Board

CHAIRMAN

DATE

DIRECTOR

The accompanying notes form part of these financial statements

**LINE BUSINESS ACTIVITY - NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 1997**

Note 1 Revenue	1997	1996
	\$	\$
Line Services	7,138,664	6,475,749
Transmission	2,598,580	2,271,410
Line Contracting	585,340	362,183
Sundry Income	43,153	32,251
Capital Contributions	373,797	272,491
	<u>\$10,739,534</u>	<u>\$9,414,084</u>

Note 2 Operating Expenditure

Transmission Charges	2,510,437	2,219,124
Directors Fees & Exps	63,702	103,494
Shareholder Committee Fees & Exps	16,000	18,803
Grant - Electricity Ashburton Trust	0	24,723
Audit Fees - Annual	14,250	16,717
Audit Fees - Other	1,250	1,047
Interest Paid	63,709	12,170
Other	4,086,087	3,065,561
	<u>\$6,755,435</u>	<u>\$5,461,639</u>

Note 3 Taxation

Taxation Reconciliation:

Accounting Operating Surplus before Taxation	1,302,421	1,382,233
Prima Facie Taxation @ 33%	429,801	456,136
Plus Tax Effect of:-		
Permanent Differences	44,785	6,542
Prior Year Adjustment	257,645	178,024
Taxation Charge for Year	<u>\$732,231</u>	<u>\$640,702</u>

	1997 \$	1996 \$
Comprising:		
Current Taxation	162,403	200,418
Prior Year Adjustment	0	20
Deferred Taxation	569,828	440,264
	<u>\$732,231</u>	<u>\$640,702</u>
Imputation Credits:		
Opening Balance	1,495,032	857,480
Taxation Paid During the Year	297,720	637,552
Credits Attached to Dividends Paid	0	0
Closing Balance	<u>\$1,792,752</u>	<u>\$1,495,032</u>

Note 4 Fixed Assets

	Cost	Accumulated Depreciation	1997 Book Value	1996 Book Value
Distribution Network	44,403,835	16,739,074	27,664,760	25,209,383
Land & Bldgs	1,538,150	177,003	1,361,147	1,322,580
Motor Vehicles	1,972,652	1,007,235	965,417	775,552
Plant & Equipment	2,210,105	1,292,220	917,885	810,573
	<u>\$50,124,742</u>	<u>\$19,215,532</u>	<u>\$30,909,209</u>	<u>\$28,118,088</u>

Note 5 Accounts Receivable

	1997 \$	1996 \$
Trade Debtors	749,487	1,065,044
Prepayments	12,996	12,847
Accrued Income	224,061	542,384
	<u>\$986,544</u>	<u>\$1,620,275</u>

Note 6 Accounts Payable

	1997	1996
	\$	\$
Trade Creditors	758,193	645,178
Employee Provisions	311,579	246,092
	<u>\$1,069,772</u>	<u>\$891,270</u>

Note 7 Financial Commitments

Estimated capital expenditure
contracted for at balance but
not provided for

\$438,529	\$669,224
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Note 8 Deferred Shares

These shares are owned by the Ashburton District Council and have no rights as to:

- a) Any distribution of dividends or rebates or
- b) Exercise any vote except as provided in clause 14.2 of the Company's Constitution.
- c) Any distribution on a winding up of Company.
- d) Any rights on amalgamation of the Company except as expressly provided in 6.2 to 6.12 of the Company's Constitution.

Note 9 Customer Rebate

Calculations for the rebate paid to each customer were based on the individual customer group's contribution to the operating surplus and allocated according to the value of their electricity purchases for the financial year.

The 1996 rebate was paid by cheque after balance date while the 1997 rebate was credited to customers' accounts prior to balance date.

DISCLOSURE OF FINANCIAL AND EFFICIENCY PERFORMANCE MEASURES AS REQUIRED BY REGULATIONS 13, 14, 15 AND 16 OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994.

Regulation 13

1. Financial Performance Measures

(Calculations **INCLUDE** the effects of the customer rebate for 1997 and 1996)

	1997	1996	1995
(a) Accounting return on total assets:	0.2%	0.1%	2.0%
(b) Accounting return on equity:	(1.5%)	(1.2%)	0.8%
(c) Accounting rate of profit:	(0.5%)	(1.1%)	1.3%

Prior Year Comparisons

In order to provide a consistent comparison with the sector, the performance measures above are restated below after adding back the impact of the customer rebates.

	1997	1996	1995
(a) Accounting return on total assets:	2.4%	2.3%	2.0%
(b) Accounting return on equity:	0.8%	1.0%	0.8%
(c) Accounting rate of profit:	1.8%	1.1%	1.3%

2. Efficiency performance measures

(a) Direct line costs per kilometre:	\$1,476 /km	\$1,204 /km	\$1,247 /km
(b) Indirect line costs per electricity customer:	\$43 /customer	\$33 /customer	\$32 /customer

Regulation 14

- 1. ODV Valuation** **\$55.0M**
Date 1/4/94

Regulation 15

1. Energy Delivery Efficiency Performance Measures

(a) Load Factor	54.9%	53.0%	58.9%
(b) Loss Ratio	7.1%	6.9%	6.8%
(c) Capacity Utilisation	26.6%	26.3%	25.2%

2. Statistics

	1997	1996	1995
(a) System lengths (kms)			
- 33kV	288	269	251
- 22kV	32	-	-
- 11kV	1,776	1,783	1,770
- 400V	213	206	203
	<u>2,309</u>	<u>2,258</u>	<u>2,224</u>
(b) Circuit length (overhead) (kms)			
- 33kV	285	266	248
- 22kV	32	-	-
- 11kV	1,718	1,733	1,723
- 400V	122	120	120
	<u>2,157</u>	<u>2,119</u>	<u>2,091</u>
(c) Circuit length (underground) (kms)			
- 33kV	3	3	3
- 22kV	0	-	-
- 11kV	58	50	47
- 400V	91	86	83
	<u>152</u>	<u>139</u>	<u>133</u>
(d) Transformer capacity (kVA)	213,027	206,352	194,569
(e) Maximum demand (kW)	56,628	54,179	49,047
(f) Total electricity supplied (kWh)	252,958,669	234,757,621	235,757,754
(g) Total electricity conveyed on behalf of other persons (kWh)	0	0	0
(h) Average number of customers	13,164	12,997	12,915

Regulation 16

3. Reliability performance measures

(a) Class A	-	-	-
Class B	197	229	217
Class C	186	258	225
Class D	2	-	4
Class E	-	-	-
Class F	-	-	-
Class G	-	-	-
Total	<u>385</u>	<u>487</u>	<u>446</u>


	1997	1996	1995
(b) Total number of faults per 100 circuit kilometres prescribed voltage electric lines	9.06	12.57	11.13
(c) Total number of faults per 100 circuit kilometres of underground prescribed voltage electric lines			
33 kV	-	-	-
22 kV	-	-	-
11 kV	3.45	4.00	2.14
Total	3.28	3.77	2.00
(d) Total number of faults per 100 circuit kilometres of overhead prescribed voltage electric lines			
33 kV	4.56	1.50	2.42
22 kV	9.38	-	-
11 kV	10.01	14.54	12.65
Total	9.24	12.81	11.36
(e) The SAIDI for total of interruptions	343.49	215.88	249.11
(f) The SAIDI for total of interruptions within each interruption class			
Class A	-	-	-
Class B	95.41	102.28	58.22
Class C	150.51	113.61	126.65
Class D	97.58	0	64.24
Class E	-	-	-
Class F	-	-	-
Class G	-	-	-
(g) The SAIFI for total of interruptions	2.89	1.82	2.21
(h) The SAIFI for total of interruptions within each interruption class			
Class A	-	-	-
Class B	0.34	0.44	0.29
Class C	2.18	1.38	1.09
Class D	0.36	-	0.83
Class E	-	-	-
Class F	-	-	-
Class G	-	-	-
(i) The CAIDI for total of interruptions	119.04	118.44	112.72
(j) The CAIDI for total of interruptions within each interruption class			
Class A	-	-	-
Class B	280.59	232.59	200.76
Class C	68.93	82.14	116.19
Class D	269.52	-	77.40
Class E	-	-	-
Class F	-	-	-
Class G	-	-	-


CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS PURSUANT TO REGULATION 26 (2) OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1994

We, Edwin Glass and Donald George Church, directors of Electricity Ashburton Limited certify that, having made all reasonable enquiry, to the best of our knowledge,

- (a) The attached audited financial statements of Electricity Ashburton 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 related 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 Electricity Ashburton 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 1 April 1994 adjusted for depreciation.


E Glass


D.G Church

29 July 1997



Audit New Zealand

CERTIFICATION BY AUDITOR IN RELATION TO FINANCIAL STATEMENTS

I have examined the attached financial statements prepared by Electricity Ashburton Limited and dated 29 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 'K J Boddy'. The signature is fluid and cursive, with a large initial 'K' and 'B'.

K J Boddy
Audit New Zealand
On behalf of the Controller and Auditor-General
5 August 1997



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 Electricity Ashburton Limited and dated 29 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.

K J Boddy
Audit New Zealand
On behalf of the Controller and Auditor-General
5 August 1997



Audit New Zealand

CERTIFICATE BY AUDITOR IN RELATION TO ODV VALUATION

I have examined the valuation report prepared by Cooper & Lybrand and Worley Consultants Limited, dated 7 April 1995, which 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.

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

3 August 1995



