

Six Month Snapshot to September 2011



Summary of financial performance & equity

(In \$000s)

	Note	Unaudited 2011	Unaudited 2010
Revenue		44,700	37,284
Group Operating surplus	1	5,757	5,548
Income Tax expense		(312)	(407)
Net profit after taxation	2	5,402	5,142
Equity at start of year		133,810	132,430
Equity at 30 September	3	139,062	137,442

Summary of financial position

(In \$000s)

		Unaudited 2,011	Unaudited 2,010
Share capital		18,000	18,000
Retained earnings	3	69,075	68,733
Reserves	3	51,987	50,708
Total shareholders' equity	3	139,062	137,442
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Long term liabilities	4	95,991	90,669
Current liabilities	5	45,101	47,458
Total shareholders' funds and liabilities	6	280,154	275,568
Non-current assets		240,253	224,566
Current assets		39,901	51,002
Total assets	7	280,154	275,568

Summary of cash flows

(In \$000s)

		Unaudited 2011	Unaudited 2010
Net cash flows from operations	8	2,895	6,663
Net investment in new assets	9	(5,069)	(3,324)
Net repayment of borrowing	10	(4,712)	(2,501)
Net increase (decrease) in cash held		(6,886)	838
Add opening cash and cash equivalents brought forward		5,287	3,407
Cash and cash equivalents as at 30 September	11	(1,599)	4,245

Accounting Policy

These results have been compiled based on management reporting and therefore may not fully comply with NZIFRS.

The accounting policies adopted are consistent with those followed in the preparation of the financial statements for the year ended 31 March 2011.

Notes

- This is the amount that is left over after meeting all costs of running the business.
- The amount added to shareholders' funds at the end of the period. No discount was paid in this period.
- This is the total amount invested by shareholders' in the company. It is made up of \$18 million shares (2010: \$18 million shares), plus retained earnings (includes deduction for dividends paid to Electra Trust) plus reserve resulting from revaluation of electricity network assets as at 31 March 2010.
- Long term liabilities have increased due to the funding for Capex and working capital for subsidiaries. This also includes the reporting of a theoretical tax liability of \$39 million. It is not an obligation for payment and there is no likelihood of payment being required under current NZ tax law.
- Current liabilities include amounts owing within one year. These are comprised of accounts payable and debenture stock.
- This total shows the total funding of the business and how the assets of the business are financed, 50% (2010: 50%) by shareholders' equity and 50% (2010: 50%) by loans, debentures and other liabilities.
- The total assets of the business are comprised of the electricity network e.g. lines, transformers and sub-stations plus other assets such as vehicles, computer equipment and loan advances.
- The net cash flow from operations is the cash generated from the day-to-day activities of the company, including net loans advanced by the Finance Business.
- This figure is the amount of cash spent on buying new assets e.g. new network assets and lines, and investment in subsidiaries.
- The net cash flows from financing includes borrowing to fund new network assets and net debenture funding for the Finance Business.
- Cash balances fluctuate during the year as payments for assets are made and operating cash is received. There has been a reduction in cash held of \$5.8 million.