

# YOUR SALES DISCOUNT

In February 2009 Electra delivered you another annual sales discount on your electricity bill.

On average each consumer received \$191 (depending on how much electricity was used over the year) off their power bill. Our consumers have enjoyed sales discounts totalling \$104 million in the last 15 years, and we look forward to offering you a discount again in 2010.

## Heat Pump Promotion Winners

Kapiti residents Alethea and John Sargent won the Electra and Temperature Solutions promotion after purchasing a Mitsubishi heat pump.

The prize was \$1,000 off their power bills. Garry Quarterman, Director of Temperature Solutions (celebrating 30 years of business) delivered the good news to the Sargents.



Alethea and John Sargent with Garry Quarterman

# WHO IS ELECTRA?

Electra Trust holds the shares in the company, for you the consumers...

The Directors govern the Group...

Electra manages the powerlines and owns...



- Oxford Finance Corporation Limited,
- Linework - a line maintenance company,
- Stones - an electrical contracting company,
- and DataCol NZ Limited - reading and installing meters for the power industry, which owns 51% of MultiMedia Communications Limited - who work in fibre optic communications.

## KEY FACTS

- 9th biggest lines company in the country in terms of consumer numbers at 41,761.
- Electra's network extends from Paekakariki in the south to just north of Foxton and Tokomaru.
- The Electra Trust holds all shares in Electra on behalf of all those consumers connected to its' network.
- Electra employs 242 staff across the network operation and its' subsidiaries.

### Registered Office

Corner Bristol and Exeter Streets  
Box 244, Levin 5540  
Phone 0800 ELECTRA or 0800 353 2872  
www.electra.co.nz

# ANNUAL REVIEW

2008-2009

Electra Limited



**ELECTRA LIMITED** owns and operates the electricity lines and assets in the Kapiti and Horowhenua district

# THIS YEARS RESULTS

The information in this review is derived from the 2009 Annual Report of Electra Limited. The Annual Report of Electra Limited, including the audited financial statements is available on request from Electra. Its adoption will be voted on by the Trustees at the Annual Meeting of the Company on 31 July 2009.

### Five year highlights

For years ended as at 31 March	2009	2008	2007	2006	2005
Electricity sold GWh	339.2	402.6	406.0	384.9	388.3
Revenue (\$'000)	63,400	59,834	45,000	42,801	41,345
Sales discount issued (\$'000)	7,080	7,438	8,887	8,325	7,000
Total shareholders funds to total assets	43%	43%	46%	59%	56%

### Network Company only

For years ended as at 31 March	2009	2008	2007	2006	2005
Electricity operating costs per consumer	\$212	\$159	\$144	\$122	\$126
Reliability average outage minutes per consumer per year	89*	104	88	70	78

\*Excludes extreme events that occurred during the year. Including these events SAIDI would have been 683.12.

# LOOKING TO THE FUTURE

We are confident Electra is well positioned for the future. The company is in a solid financial position, with low debt and a diversified asset base. We remain alert for good business opportunities which can complement our existing revenue streams. Growing income from our various businesses remains the key to profitability and thus our ability to reward our consumers through the sales discount.

Total revenue earned by the group.

The discount for each individual consumer was based on the amount of network charges paid.

After sales discount and then deducting costs of running the business we're left with this figure.

We paid a dividend to the Electra Trust to cover the Trust expenses.

This is the amount our owners have invested in the company; approximately \$3.26 per share or \$1,946 per consumer. It's made up of the original share capital, reserves (the value that's been built up over the last ten years), and retained earnings (profit that's not paid out by dividend).

The cash generated (after discount) from day to day operations

The cash spent on assets, new businesses and finance loans

The loans and debentures borrowed or repaid

Cash in bank at the beginning of the year

The bank balance at the end of the year

### Summary of financial performance & equity

In thousands of dollars	NZ IFRS 2009	NZ IFRS 2008
Operating revenue	63,400	59,834
Discount issued to consumers	(7,080)	(7,438)
Operating surplus	3,561	3,182
Taxation	(724)	(1,491)
Net profit after taxation	1,838	1,691
Dividends	(220)	(310)
Equity at start of year	79,634	76,593
Equity at end of year	\$81,252	\$79,634

### Summary of financial position

In thousands of dollars	2009	2008
Share capital	19,660	19,660
Retained earnings	61,592	59,974
Total shareholders' equity	81,252	79,634
Long term liabilities	57,116	58,890
Total current liabilities	51,696	48,619
Total shareholders' funds and liabilities	190,063	187,143
Fixed assets	150,152	148,084
Current assets	39,911	39,059
Total Assets	\$190,063	\$187,143

### Summary of cash flows

In thousands of dollars	2009	2008
Net cash flows from operations	10,215	792
Net cash flows to investing	(9,171)	(15,872)
Net loans raised and cash flows from financing	934	15,957
Net increase/(decrease) in cash held	1,978	877
Add opening cash	1,671	794
Ending cash carried forward	\$3,649	\$1,671

Includes associate profit.

Includes deferred tax liability of \$20.1m. Over the last year \$7m debenture stock has transferred from current liabilities and bank loans have decreased by \$1.1m.

Amounts due for payment within one year.

The economic value of the plant, equipment, lines and sub-stations.

The value of cash, inventories, hire purchase loans and the amounts owed to the Company by customers.

The total assets of which 43% is funded by borrowings.

## DataCol NZ and MultiMedia Communications

Meter reading specialist company DataCol NZ capped off the year winning water meter reading contracts with Metrowater and Manukau Water which are the biggest water utilities in the country.

Electricity power meter reading is still the main function of the company. DataCol contractors carry out eight million readings a year and visit the homes of 600,000 New Zealanders every month.



Bruce Franks, Chief Executive DataCol NZ with Jim Bentley, Chief Executive of Metrowater

To support their increasing presence in Auckland DataCol and its subsidiary MultiMedia Communications opened their new premises in Penrose in December 2008.



DataCol NZ and MultiMedia Communications Auckland office

MultiMedia Communications (MMC) is a specialist fibre optic cable installation and electrical contracting company, a key player in one of New Zealand's "newer" industries.

MMC sees itself continuing to grow including opportunities from the Government's ultra fast broadband plan. (It is very experienced in this area, having worked with major telecommunications companies on numerous fibre installation projects.)



Ingo and Grit Schleuss

## Electra Business Award Winner 2008 – Company Branding Shop

Ingo and his wife Grit are deserving winners of the 2008 Electra Business Award. Their tenacity, courage and vision have made the Company Branding Shop (CBS) in Levin a thriving business in a short time.

"We started in a hallway of a screenprint company with one desk, two computers and an embroidery machine," says Ingo. Now they have a large factory on the southern approach to Levin, employing eight staff.

CBS is what its name suggests – a branding specialist. It boasts a range of services - textile printing, laser engraving, sign writing, embroidery - whether a company needs its logo and name emblazoned on clothes, vehicles, signs or anywhere, CBS can do it.

The Electra Business Award tops another successful year. They doubled the size of the factory and won a three month contract to embroider the silver fern on 4000 garments for New Zealand's Olympic athletes.



July 2008 Storm

## Linework

Adversity is always a good test of a business and the severe storm that battered Kapiti-Horowhenua in late July was a real test for Linework. Its commitment to assist one of its major customers, Electra, to minimise disruption to its consumers proved that the company was up to the challenge.

Linework's teams swung quickly into action after high winds struck right along the length of Electra's network bringing down power lines and severing connections to 25,000 consumers.



Field staff braved challenging conditions to undertake repairs and to ensure the disruption to consumers was kept to a minimum.

## Stones Electrical Contractors

Stones excellent reputation in Kapiti-Horowhenua allowed them to maintain workflow despite the slowdown in residential and commercial developments during the year.

In Kapiti-Horowhenua work on larger homes on lifestyle blocks providing sophisticated electrical solutions for entertainment and computer systems continued. On the commercial side, Stones completed wiring work on two retirement home expansions in Paraparaumu.



Oxford Finance at the Levin 2009 AP&I Show

## Oxford Finance Corporation

Oxford continued to build its presence among businesses in its home patch of Kapiti-Horowhenua during the year. The new office in Paraparaumu and the second year of sponsoring the annual Agriculture, Pastoral and Industry (AP & I) show in Levin have helped more people get to know us.

Oxford knows the sound, conservative approach that has stood it in good stead for 22 years will continue to underline its performance in the years ahead.

The continued support of local investors is much appreciated.



## Jabin Clapperton – Linework Apprentice

Jabin Clapperton, 18, does not do things by half. He is knee deep into two apprenticeships at Linework - cable jointing and electrical fitting - and loving it. His days are full of variety, from re-wiring substations to jointing 11,000 volt cables.

"I was stoked to get the job – it was the first job I ever applied for and getting two trades at the same time is not something I was going to complain about!"

Jabin is one of 32 apprentices and trainees in the Linework and Stones workforce.