Buller Electricity Limited

Financial Statements

for the year ended 31 March 2021

Contents

Directors' Declaration

In the opinion of the directors of Buller Electricity Limited, the group financial statements and notes, on pages 6 to 22:

- comply with New Zealand generally accepted accounting practice and give a true and fair view of the financial position of the Group as at 31 March 2021 and the results of operations and cash flows for the year ended on that date;

- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements of the Buller Electricity Group for the year ended 31 March 2021.

For and on behalf of the Board of Directors:

F T Dooley
Director
June 24 2021

G A Naylor
Director
June 24 2021

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BULLER ELECTRICITY LIMITED'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

The Auditor-General is the auditor of Buller Electricity Limited (the group). The Auditor-General has appointed me, Peter Taylor, using the staff and resources of KPMG, to carry out the audit of the financial statements and the performance information of the group on his behalf.

Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the group on pages 6 to 22, that comprise the statement of financial position as at 31 March 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the group on page 22.

In our opinion:

- the financial statements of the group:
    - present fairly, in all material respects:
        - its financial position as at 31 March 2021; and
        - its financial performance and cash flows for the year then ended; and
    - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR); and
- the performance information of the group presents fairly, in all material respects, the group's achievements measured against the performance targets adopted for the year ended 31 March 2021.

Our audit was completed on 24 June 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of Matter – Profitability affected by the unusually high wholesale market prices of electricity derivative contracts

Without modifying our opinion, we draw attention to Note 17 of the financial statements, which outlines that the Company's profitability and its investment in associate, Pulse Energy Alliance LP (PEALP), have been positively affected by the revaluation of PEALP's electricity derivative contracts, and the resulting unrealised gain. This was due to the unusually high wholesale market prices of those contracts at 31 March 2021. The fair value of PEALP's electricity derivative contracts has the potential to vary significantly in the future depending on wholesale market prices.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors is also responsible on behalf of the group for preparing performance information that is fairly presented.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the group for assessing the group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Energy Companies Act 1992.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

- We evaluate the appropriateness of the reported performance information within the group's framework for reporting its performance;

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 23 to 24, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit and regulatory audit, we have no relationship with, or interests in, the group.

Peter Taylor
KPMG
On behalf of the Auditor-General
Christchurch, New Zealand

Buller Electricity Limited
Statement of Comprehensive Income
For the Year Ended 31 March 2021

		Group	
In thousands of New Zealand dollars	**Note**	**2021**	**2020**
Continuing operations			
Operating revenue	4	11,794	13,336
Other income		210	140
Historic expense recoveries	18	7,383	-
Operating expenses	5	(7,072)	(8,805)
Administrative expenses	5	(2,451)	(2,307)
Share of profit of associates	17	74,469	(17,281)
Profit from operating activities		84,333	(14,917)
Finance income		214	78
Finance expenses		(226)	(225)
Net finance costs		(12)	(147)
Profit before income tax expense		84,321	(15,064)
Income tax expense	6	(23,134)	4,152
Profit from continuing operations		61,187	(10,912)
Other comprehensive income			
Revaluation of land and buildings		-	510
Other comprehensive income, net of tax, that may be reclassified subsequently to profit and loss		-	510
Total comprehensive income for the year		61,187	(10,402)

The accompanying notes form an integral part of these financial statements.

Buller Electricity Limited
Statement of Financial Position
As at 31 March 2021

In thousands of New Zealand dollars	Note	Group 2021	Group 2020
Assets			
Property, Plant and Equipment	7	27,818	27,107
Goodwill	8	156	156
Intangible assets	8	353	27
Investments accounted for using the equity method	17	90,337	13,533
Deferred Tax Assets	6	-	1,011
Non-current assets		118,664	41,834
Cash and cash equivalents		478	702
Trade and other receivables	9	9,214	2,054
Loans to associates	15	-	2,250
Inventories		144	179
Current assets		9,836	5,185
Total assets		128,500	47,019
Liabilities			
Loans and borrowings	10	4,711	8,261
Deferred tax liabilities	6	22,123	-
Non-current liabilities		26,834	8,261
Trade and other payables	11	3,548	1,825
Current liabilities		3,548	1,825
Total liabilities		30,381	10,086
Equity			
Share capital	12	7,550	7,550
Reserves	12	1,234	1,234
Retained earnings		89,335	28,148
Total Equity		98,119	36,932

The accompanying notes form an integral part of these financial statements.

Buller Electricity Limited
Statement of Changes in Equity
For the Year Ended 31 March 2021

		Group			
In thousands of New Zealand dollars	**Note**	**Share capital**	**Revaluation reserve**	**Retained earnings**	**Total Equity**
Balance at 1 April 2019		7,550	724	39,060	47,334
Profit for the year		-	-	(10,912)	(10,912)
Revaluation of land and buildings	7	-	510	-	510
Other Comprehensive Income					
Effective portion of changes in fair value of cash flow hedges		-	-	-	-
Income tax on items of other comprehensive income		-	-	-	-
Total other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	510	(10,912)	(10,402)
Balance at 31 March 2020		7,550	1,234	28,148	36,932
Balance at 1 April 2020		7,550	1,234	28,148	36,932
Profit for the year		-	-	61,187	61,187
Other Comprehensive Income					
Effective portion of changes in fair value of cash flow hedges		-	-	-	-
Income tax on items of other comprehensive income		-	-	-	-
Total other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	61,187	61,187
Balance at 31 March 2021		7,550	1,234	89,335	98,119

The accompanying notes form an integral part of these financial statements.

Buller Electricity Limited
Statement of Cash Flows
For the Year Ended 31 March 2021

		Group	
In thousands of New Zealand dollars	**Note**	**2021**	**2020**
Cash flows from operating activities			
Cash receipts from customers		12,838	12,928
Cash paid to suppliers and employees		(7,764)	(9,383)
Interest received		214	78
Interest paid		(226)	(225)
Income tax		-	-
Net cash used in operating activities		5,063	3,398
Cash flows from investing activities			
Purchase of equity investment in associate		(1,674)	(2,352)
Net proceeds and loans to equity accounted associates		2,250	(750)
Purchase of property, plant and equipment		(1,979)	(1,235)
Purchase of intangible assets and development expenditure		(332)	-
Net cash from (used in) investing activities		(1,735)	(4,337)
Cash flows from financing activities			
Net proceeds and repayments of borrowings		(3,550)	1,101
Net cash from (used in) financing activities		(3,550)	1,101
Net increase/(decrease) in cash and cash equivalents		(223)	163
Cash and cash equivalents at beginning of year		702	538
Cash and cash equivalents at end of year		478	702

The accompanying notes form an integral part of these financial statements.

Buller Electricity Limited

Notes to the consolidated financial statements for the year ended 31 March 2021.

1. Reporting entity

Buller Electricity Limited (the “Company”) is a company domiciled in New Zealand, registered under the Companies Act 1993. These financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013, the Companies Act 1993 and the Energy Companies Act 1992.

The consolidated financial statements of Buller Electricity Limited as at and for the year ended 31 March 2021 comprise the Company and its subsidiaries (together referred to as the "Group").

Buller Electricity Limited is primarily involved in the reticulation of electricity, electricity retail and electrical contracting services.

2. Basis of preparation

(a) Statement of compliance

The consolidated financial statements of the Buller Electricity Limited Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). Buller Electricity Limited is a for-profit entity for the purpose of complying with NZ GAAP. The consolidated financial statements comply with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime ('NZ IFRS RDR'), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply for NZ IFRS RDR.

The Group is eligible and has elected to report in accordance with Tier 2 For-Profit Accounting Requirements (NZ IFRS RDR) on the basis that the Group has no public accountability and is not a large for-profit public sector entity. In applying NZ IFRS RDR, the Group has applied a number of disclosure concessions.

The consolidated financial statements are prepared on a going concern basis.

Impact of COVID-19

The spread of COVID-19 virus has resulted in unprecedented and wide ranging measures both within New Zealand and across the globe in attempts to try to limit the spread of the virus. Within New Zealand these measures have resulted in government implementing a four level alert system. New Zealand moved to level 4 "lock-down" on the 26 March 2020 and subsequently back through the alert levels to alert level 1 on the 9 June 2020. Subsequent to this period the Auckland region has moved to alert level 3 and the rest of the country to alert 2 twice for limited time periods.

In response the Group took decisive actions to limit the impact on the business and our staff. During the lockdown period the operations of the group were affected but as the core operations of the group are focussed on the reticulation and retail of electricity which are essential services the impact was largely limited to the contracting services business. All non-essential contracting work ceased during alert level 4. When the lock-down ended on 27 April 2020 and New Zealand moved to alert level 3 operations within the contracting services business which had to be ceased were able to be recommenced with strict health and safety precautions.

Subsequent moves to level 2 and level 1 across New Zealand have largely allowed the operations of the business to continue as normal with appropriate government advice adhered to at all times. The operations of the business were significantly impacted during level 4 and 3. Subsequent efforts by the entire team in the Group have allowed the business to recovery reasonably well in comparison to budget but revenue was still adversely affected.

The Group has also accessed available government incentives.

The Board have taken action as appropriate to protect our people and our operations. The Board will continue to follow developments closely and will take further action to protect our people and business as appropriate. The Board remain confident that the preparation of the financial statements on a going concern basis remains appropriate and that the Group will continue to pay its debts as they fall due in the ordinary course of business for the foreseeable future.

The consolidated financial statements were approved by the Board of Directors on 24 June 2021.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for financial assets measured at fair value through profit and loss or other comprehensive income and non-system land and buildings which are measured at fair value.

The methods used to measure fair value of non-system land and buildings are discussed further in Note 7.

(c) Functional and presentation currency

These consolidated financial statements are presented in New Zealand dollars ($), which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

(d) Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in Note 7.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has $13,396,315 (2020: $16,490,354) of tax losses to carry forward. These losses relate to the Company and its subsidiaries, who have taxable temporary differences and tax planning opportunities available that can support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it can recognise deferred tax assets on the tax losses carried forward. Further details on taxes are disclosed in Note 6.

(e) Changes in accounting policies

No new standards, amendments to standards and/or interpretations were effective during period that had a material impact on the Group's accounting policies or disclosures.

(f) New standards adopted, standards and interpretations issued but not yet effective

New standards, amendments to standards and/or interpretations are effective for annual periods beginning on or after 1 April 2021, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group.

(g) Goods and Services Tax (GST)

All amounts are shown exclusive of Goods and Services (GST), except for receivables and payables, which are stated inclusive of GST. The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables/payables in the Statement of Financial Position.

3. Significant accounting policies

(a) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(b) Financial assets

i) Classification

The Group classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss), and

• those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as a separate line item in the statement of profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Impairment expenses are presented as separate line items in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The change results in the earlier recognition of credit losses.

The collectability of trade receivables is reviewed on an ongoing basis. The amount of the provision is the difference in the timing of payments from those contractually expected and those the Group actually expects. Any credit losses or changes in credit losses since initial recognition of the asset are reflected at each reporting date. The amount is recognised in the profit and loss statement.

(c) Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

(d) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(e) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

<u>Financial liabilities at fair value through profit or loss</u>

Financial liabilities at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss.

<u>Other financial liabilities</u>

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest method is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(f) Finance expenses

Finance expenses comprise interest expense on borrowings that are recognised in the profit or loss. Interest expense is accrued on a time basis using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4. Operating revenue

(a) Contracting revenue

Contracting revenue is recognised as the fair value of the services being provided for electrical capital work, repairs and maintenance. Revenue is recognised over time based on an input method as the service is delivered with the time spent on the contract. For contracts with multiple performance obligations revenue is recognised at a point in time when the performance obligation is satisfied. Customers are invoiced monthly and payment is due within 30 days of invoice date.

(b) Lines revenue

Line charges are recognised at the fair value of services provided for the provision of electricity distribution services. Prices are regulated and customers are charged through a mix of fixed charges and variable charges. Revenue is recognised over time based on an output method as the service is delivered to match the pattern of consumption. Customers are invoiced monthly and payment is due within 30 days of invoice date. Lines charges are recognised with reference to the quantity of electricity delivered to the customer.

	Group	
In thousands of New Zealand dollars	**2021**	**2020**
Capital Contributions	189	83
Contracting revenue	3,690	5,429
Line Charges	7,884	7,783
Vested assets	31	41
Operating revenue	**11,794**	**13,336**

5. Operating expenses & Administrative expenses

		Group	
In thousands of New Zealand dollars	**Note**	**2021**	**2020**
Operating expenses include:			
Depreciation	7	1,337	1,173
Amortisation	8	6	100
Transmission costs		428	1,367
Administrative expenses include:			
Net (Profit) / Loss on Sale of Property, Plant and Equipment		149	(43)
Reduction in Provision for Impairment of Trade Receivables	9	4	(4)
Directors' Fees		205	181
Auditor's remuneration to KPMG and the Office of the Auditor General comprises:			
Audit fees		60	60
Other audit-related services		26	26
Total auditor's remuneration		**85**	**85**

For the current year, other audit-related services include the audits of Lines Business Information Disclosures prepared by the Group pursuant the provisions of Part 4 of the Commerce Act 1986.

Included in operating and administrative expenses are personnel expenses as follows:

Kiwisaver employer contribution	146	145
Redundancy	-	-
Wages and salaries	4,086	4,590
	4,232	**4,736**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

6. Income tax and Deferred tax

(a) Income tax expense in the income statement

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

	Group	
In thousands of New Zealand dollars	**2021**	**2020**
Current tax		
Current tax on profits for the year	866	789
Losses utilised in current year	(866)	(789)
Adjustment for current tax of prior periods	-	-
Total current tax	**(0)**	**-**
Deferred tax		
Origination and reversal of temporary differences	23,134	(4,878)
Adjustment for current tax of prior periods	-	726
Total deferred tax	**23,134**	**(4,152)**
Total tax	**23,134**	**(4,152)**
Numerical reconciliation of income tax expense to primae facie tax payable		
Profit before tax	84,321	(15,064)
Income tax using domestic tax rate 28% (2020: 28%)	23,610	(4,218)
Adjustments:		
Losses utilised within Group	-	-
Non-deductible expenses	(468)	13
Reinstatement of deferred tax on commercial buildings	-	(84)
Recognition of deferred tax not previously recognised	-	103
Derecognition of deferred tax asset on IRE buildings	(8)	-
Other	(0)	34
Under/(over) provided in prior periods	-	-
	23,134	**(4,152)**

Imputation credits available for use in subsequent reporting periods

The imputation credit available to the Group for use in subsequent reporting periods is $1,291,155

(b) Deferred tax in the balance sheet

	Property, plant and equipment	Available Losses	Other	Total
Balance at 1 April 2019	(4,465)	5,892	(4,567)	(3,140)
Amount recognised in profit or loss	(144)	(1,274)	5,569	4,151
Amount recognised in other comprehensive income	-	-	-	-
Balance at 31 March 2020	(4,609)	4,618	1,002	1,011
Amount recognised in profit or loss	(82)	(866)	(22,186)	(23,134)
Amount recognised in other comprehensive income	-	-	-	-
Balance at 31 March 2021	**(4,691)**	**3,752**	**(21,184)**	**(22,123)**

7. Property, Plant and Equipment

(a) Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost, except for non-system land and buildings which are carried at fair value less accumulated depreciation and impairment losses in the case of land and buildings.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

- electricity distribution system	3 - 60 years SL
- freehold buildings	20 - 50 years SL
- motor vehicles	3 - 16 years SL
- plant and equipment	2 - 30 years SL

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(iv) Subsequent Measurement

Non-system land and buildings are subsequently measured at fair value. Fair value is determined on the basis of a periodic independent valuation prepared by external valuers. The fair values are recognised in the financial statements of the Group and are reviewed at the end of each reporting period to ensure that the carrying value of non-system land and buildings is not materially different from fair value.

Any revaluation increase arising on the revaluation of non-system land and buildings is recognised in other comprehensive income and presented in the asset revaluation reserve in equity. To the extent that a revaluation reverses a revaluation decrease for the same asset previously recognised as an expense in the profit or loss, the increase is credited to the profit or loss up to the amount of the decrease previously charged. A decrease in carrying amount arising on the revaluation of non-system land and buildings is charged as an expense in the profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to the profit or loss. On the subsequent sale or retirement of a revalued item, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

The fair value of non-system land and buildings is recognised based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In thousands of New Zealand dollars	**Electricity distribution system**	**Land (at fair value)**	**Buildings (at fair value)**	**Motor vehicles**	**Plant and equipment**	**Total**
Group						
Carrying amounts						
At 31 March 2020	**23,687**	**754**	**1,506**	**636**	**524**	**27,107**
Cost / revalued amount						
Balance at 1 April 2020	50,545	754	1,797	1,359	1,847	56,302
Additions	1,789	-	81	243	99	2,212
Revaluations	-	-	-	-	-	-
Disposals	(399)	-	-	(20)	(1)	(420)
Balance at 31 March 2021	51,935	754	1,878	1,582	1,945	58,094
Depreciation and impairment losses						
Balance at 1 April 2020	26,858	-	291	723	1,323	29,195
Depreciation for the year	1,007	-	35	154	141	1,337
Impairment losses through profit or loss	-	-	-	-	-	-
Disposals	(242)	-	-	(14)	(0)	(256)
Balance at 31 March 2021	27,623	-	326	863	1,464	30,276
Carrying amounts						
At 31 March 2021	**24,312**	**754**	**1,552**	**718**	**481**	**27,818**

Non-system land and buildings were re-valued at 31 March 2020 using valuations provided by Preston Rowe Paterson West Coast , an independent registered valuer, in accordance with the New Zealand Institute of Valuers' Asset Valuation Standards.

The fair value of financial and non-financial assets follows a hierarchy based on the source of inputs used in the valuation.

The valuation approach for non-system land and buildings is a combination of depreciated replacement cost and market comparables where this information is available. Key valuation inputs include the value per square metre of land and the cost of the industrial buildings in the valuation. When valuation reports are required, management obtain valuations from independent valuers.

No borrowing costs have been capitalised in the current or comparative periods.

Security

The assets are subject to a first ranking General security over the assets (refer Note 10).

8. Intangible assets

(a) Development cost

Development activities involve a plan or design for the production of new or substantially improved products, processes and software integration. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete the development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the profit or loss when incurred.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of development activities over the estimated useful life of between five and ten years from the date that the development asset is available for use.

(b) Computer Software

Computer software has a finite useful life and is measured at cost less accumulated amortisation and accumulated impairment losses. Cost is amortised on a straight-line basis over the estimated useful life of the software of between three and five years.

(c) Goodwill

Goodwill arose on the acquisition of the operations of Emerge Electrical and Instrumentation Limited on 1 February 2017. Goodwill represents the excess of the cost of the business acquisition over the fair value of net identifiable assets, liabilities and contingent liabilities at the date of acquisition. Goodwill is assessed as having an indefinite useful life and is not amortised but is subject to impairment testing.

For the purposes of impairment testing goodwill is allocated to Electro Services Limited (the cash generating unit). Goodwill is tested for impairment annually, or more frequently when there is an indication that the cash generating unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

As at balance date, the recoverable amount of Electro Services Limited was higher than its carrying amount, and as such no impairment of goodwill has been recognised.

In thousands of New Zealand dollars	**Goodwill**	**Software**	**Development cost (internally generated)**	**Total**
Group				
Balance at 1 April 2020	156	-	27	183
Additions	-	-	332	332
Disposals	-	-	-	-
Amortisation	-	-	(6)	(6)
Carrying amount at 31 March 2021	**156**	**-**	**353**	**509**

9. Trade and other receivables

Trade receivables and accrued revenue are initially recognised at fair value and are subsequently measured at amortised cost less any allowance for doubtful receivables.

The collectability of trade receivables is reviewed on an ongoing basis. The impairment of trade receivables is based on an expected credit loss model. If a credit risk changes or arises and is no longer deemed as low risk the Group recognises the full lifetime expected credit loss on the carrying amount of the asset. The amount of the provision is the difference in the timing of payments from those contractually expected and those the Group actually expects. Any credit losses or changes in credit losses since initial recognition of the asset are reflected at each reporting date. The amount is recognised in the profit or loss.

	Group	
In thousands of New Zealand dollars	**2021**	**2020**
Trade receivables	8,934	1,655
Less: Provision for impairment of trade receivables	(17)	(13)
Trade receivables - net	8,917	1,642
Prepayments	86	115
Other receivables	211	297
	9,214	2,054

10. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings.

In thousands of New Zealand dollars	Note	Group 2021	Group 2020
Unsecured Loan - Buller Electric Power Trust	15	1,741	1,741
Secured loan		2,970	6,520
		4,711	8,261
Current		-	-
Non-current		4,711	8,261
		4,711	8,261

The loan from Buller Electric Power Trust is unsecured and is repayable on the expiry of 13 month' notice of demand, made in writing. As at 31 March 2021, no such notice of repayment was in effect. The interest rate is 5.5% (2020: 5.5%).

At 31 March 2021 the Group has a credit facility of $10,000,000 (2020: $10,000,000) maturing on 30 June 2022. This facility has provided the Group with what are effectively term borrowings.

There is a balance drawn down by the Group on the credit facility at 31 March 2021 of $2,970,000 (2020: $6,520,000). This carries an interest rate determined at the time amounts are drawn down of the Westpac Money Market Call Advance Rate plus a margin of 1.35%. The Group's facility is subject to a Line of Credit Fee of 0.40% p.a. and is secured by a first ranking general security over the assets of Buller Electricity Limited.

11. Trade and other payables

These represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are stated at amortised cost.

In thousands of New Zealand dollars	Group 2021	Group 2020
Current		
Trade payables and accruals	2,610	794
Employee entitlements	768	931
Other payables	169	101
	3,548	1,825

12. Capital and reserves

The Group has 7,550,000 (2020: 7,550,000) ordinary shares on issue. There have been no changes in the number of shares on issue in the current or prior financial year.

All issued shares are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group.

Revaluation reserve
The revaluation reserve relates to the revaluation of non-system land and buildings.

Dividends
No dividends ($nil) were declared or paid by the Group for the year ended 31 March 2021 (2020: $nil).

13. Capital and other commitments

The equity accounted investment has an agreement with the Buller District Council for naming rights for the Pulse Energy Recreation Centre ($70,000 p.a. for 1 year expiring 30 June 2022, with a right of renewal for a further 5 years). Other sponsorship commitments include the Buller Gorge Marathon ($6k per year up to a maximum of 3 years subject to all the KPI's being met) and the Oparara Wilderness Trail Run ($5k reviewed annually and subject to all the KPI's being met).

14. Contingent liabilities

No contingent liabilities and other commitments at balance date.

15. Related parties

Parent and ultimate controlling party

The immediate and ultimate parent of the Group is Buller Electric Power Trust.

Transactions with key management and Directors of Buller Electricity Limited

Key management personnel and directors' compensation comprised:

	Group	
In thousands of New Zealand dollars	**2021**	**2020**
Short-term employee benefits (salaries & Directors' fees)	1,044	990
	1,044	990

A number of key management personnel, or their related parties, hold positions in other entities that result in them having influence over the financial or operating policies of these entities, this includes the senior management and Directors.

The Group also provides non-cash benefits to executive officers.

Related party transactions with subsidiaries and the ultimate parent

In thousands of New Zealand dollars	**Transaction value for the year ended 31 March**		**Balance outstanding as at 31 March**	
Group	**2021**	**2020**	**2021**	**2020**
Interest paid to Buller Electric Power Trust	96	96	-	-
Loan from Buller Electric Power Trust	-	-	1,741	1,741
ESL work on O'Conor Memorial Rest Home (Chair is Secretary)	22	-	2	-
Drawdowns by PEA LP	39,825	6,725	-	2,250
Lines revenue from PEA LP	1,799	1,687	138	136
Interest revenue from PEA LP	214	78	-	-
Sponsorship contributions from PEA LP	41	41	3	3

There exists a Short-Term Funding Agreement between Buller Electricity Limited (BEL) and Pulse Energy Alliance LP (PEA LP), dated 7 April 2020, whereby BEL has agreed to provide financial support surrounding the 20th of each calendar month to PEA LP, up to a maximum of $4,076,000 (zero drawn as at 31 March 2021), to bridge its Working Capital needs, and its obligations to the Clearing Manager, Electricity Distribution Companies and Margin Calls. This agreement expires 31 March 2022.

Further, PEA LP's $5m Market Overdraft Facility is supported by way of a several guarantee offered by both major shareholding parties, Pioneer Energy Limited (PEL) and BEL (approved by Westpac); both guarantees were limited to an amount of $2,5m each and in aggregate cover the Market Connect Overdraft Facility.

During the year management has purchased contracting services from the group. The total value of these transactions was less than $25,000.

16. Group Entities

(a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are exercisable are taken into account. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Details of the Group's material subsidiaries are as follows:

	Country of Incorporation	Ownership Interest	
		2021	**2020**
Electro Services Limited	New Zealand	100%	100%
BEL Investment NZ Limited	New Zealand	100%	100%

17. Investments accounted for using the equity method

Investment in associates (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the investment, including any long-term investments that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

	Country of	Ownership interest		Nature of	Measurement	Carrying amount	
	incorporation	**2021**	**2020**	**relationship**	**method**	**2021**	**2020**
Pulse Energy Alliance LP	New Zealand	47%	47%	Associate	Equity method	90,337	13,533

BEL Investment NZ Limited acquired a 49% equity stake in Pulse Energy Alliance LP on 31 March 2016 upon the disposal of BEL Investment NZ Limited's operations. On 14 February 2017 Electra Limited acquired a 4.02% partnership interest in the Pulse Energy Alliance LP, of which 1.9698% was acquired from BEL Investment NZ Limited. As a result of this sale BEL Investments NZ Limited's partnership interest in the Pulse Energy Alliance LP was reduced from 49% to 47.03%. The country of incorporation is also the principal place of business for Pulse Energy Alliance LP and the proportion of directors voting interests held is 40% (2020: 33%). Pulse Energy Alliance LP is a customer service business selling electricity, gas and broadband services. Pulse Energy Alliance LP is a limited liability partnership and consequently does not have published price quotations. The reporting date of Pulse Energy Alliance LP is 31 March. There are no contingent liabilities relating to the Group's interest in the associates.

The results of BELs share of PEALP profits for the year ended 31 March 2021 were positively impacted by the revaluation of electricity derivative contracts held at year end and the resulting unrealised gain. Within the PEALP financial statements, these are recognised at fair value with changes in fair value recorded in Profit & Loss. As the wholesale market price was at an unusually high level at year end this has had a significant impact ($70.94m) on BEL's share of associate profit. The quantum of any fair value difference is dependent on the extent of derivatives and market prices at any point in time and has the potential to vary significantly in future periods. If contracts are held to maturity, there will be neither a loss or gain thus over time the fair value revaluation will reverse.

18. Subsequent events

The historic expense recoveries represents an adjusting subsequent event, which are one-off and not on-going.

The $2.5m guarantee provided to PEA LP in support of their BNZ Market Overdraft Facility has been amended to $5m, effective June 2021 to December 2021.

19. Statement of Service Performance

Commercial performance targets - Group	**Actual 2021**	**Target 2021**	**Actual 2020**	**Target 2020**
After tax return on shareholders funds (%)	62.4%	2.1%	-29.5%	3.3%
Return on total assets (%)	65.6%	2.6%	-31.7%	4.0%
Equity ratio (%)	76.4%	79.1%	78.5%	83.3%

The actual vs target 2021 KPI's reflect better than budgeted results for BEL due to historic expense recoveries, together with BEL Investments NZ Limited extraordinary unrealised fair value hedge gains.

Network operational performance targets	**Actual 2021**	**Target 2021**	**Actual 2020**	**Target 2020**
SAIDI	458	340	250	340
SAIFI	2.4	2.2	2.9	2.2
CAIDI	190	155	87	155

SAIDI: Is the total number of minutes the power is off divided by the total number of consumers connected to the network
SAIFI: Is the total number of consumers affected by an outage divided by the total number of consumers connected
CAIDI: Is the average length of time of each outage of an outage for each consumer affected

Outage durations were worse than budget, due to two significant and unforseen essential mainetance works, and a car vs pole accident.

Occupational health and safety	**Actual 2021**	**Target 2021**	**Actual 2020**	**Target 2020**
LTI's	1	0	1	0

We have had a total of 1 Lost Time Injury (LTI's) in the period, the result of a back strain. We are 208 days LTI free at 31 March 2021.

Company Directory

NATURE OF BUSINESS	Electricity Distribution Network Services Owner of an Electrical Contracting business and significant owner of an Electricity Retail business.
REGISTERED OFFICE	24 Robertson Street Westport 7825 New Zealand
DIRECTORS	Francis Thomas Dooley (Chairman) Murray Warden Frost William Woodhouse Lee Graham Arthur Naylor Craig Matthew Scanlon
MANAGEMENT	Eamon John Ginley (Chief Executive) Alan George Hawes (Operations Manager) Dale Lynley Ross (Network Manager) Joseph Daniel Segall (Chief Financial Officer) Darren Glen Stevenson (ESL Business Manager)
SHAREHOLDER	Buller Electric Power Trust
AUDITOR	Peter J Taylor using the resources of KPMG on behalf of the Auditor General
BANKERS	Westpac Banking Corporation
SOLICITORS	Buddle Findlay (Christchurch)
BUSINESS LOCATION	Westport
POSTAL ADDRESS	P O Box 243 Westport 7866 New Zealand

For the year ended 31 March 2021

Statutory Disclosures

Remuneration of Directors

Remuneration and other benefits received or due by directors holding office during the year were as follows:

	Company 2021		
F T Dooley	$53,500	W W Lee	$38,250
M W Frost	$39,037	C M Scanlon	$28,000
G A Naylor	$35,750		

Executive Employees Remuneration & Other Benefits

Remuneration band ($000)	Current and former employees
110-120	2
140-150	1
170-180	1
280-290	1

Disclosure of Interests

Section 139(1) of the Companies Act 1993 requires the directors of the company to disclose particular details of interest to the Board.

Directors Interests in Contracts

The directors have declared that they do not have any interests in contracts made with any other entities by virtue of their directorship or membership of this company with the exception of Director F T Dooley.

F T Dooley has disclosed that in his capacity as a director of Pulse GP Limited, he is interested in certain transactions previously entered into between Buller Electricity Limited and Pulse Energy Alliance LP, namely the following:

- Conveyance and Use of Systems Agreement dated 6 August 2008;
- Agreement Relating to Funding of Pulse Energy Alliance LP dated 12 March 2020;
- General Security Deed dated 31 March 2016.

F T Dooley has also disclosed that:

(a) he is to be regarded as interested in any transaction which may in the future be entered into between Buller Electricity Limited and Pulse Energy Alliance LP; and

(b) in his capacity as a director of Pulse GP Limited (the general partner of Pulse Energy Alliance LP) he is interested in those of the specific transactions referred to above to which Pulse Energy Alliance LP is a party and is to be regarded as interested in any transaction which may in the future be entered into between Buller Electricity Limited and Pulse Energy Alliance LP.

Directors Code of Governance

Directors in discharging their duties draw on and apply relevant Corporate Governance best practice principles in relation to Buller Electricity and its subsidiaries.

Directors Loans

There were no loans made by the company to directors.

Use of Company Information

During the year, the Board received no notices from directors of the company requesting to use company information received in their capacity as directors.

Directors Insurance

The company has arranged for policies of directors liability insurance cover for $7.5 million, which ensures that generally directors will incur no monetary loss as a result of actions undertaken by them as directors. Certain actions are specifically excluded for example the incurring of penalties and fines which may be imposed in respect of breaches of the law.

Auditor

In accordance with Section 45 of the Energy Companies Act 1992 the Controller and Auditor-General will be reappointed as auditor for the company. The Audit Service Provider is Peter J Taylor using the resources of KPMG on behalf of the Auditor General.

Dividends

As at 31 March 2021 the Directors have not recommended payment of any dividend to the Buller Electric Power Trust.

For and on behalf of the Board

Chairman

Director

24 June 2021