WEST COAST ELECTRIC POWER TRUST AND GROUP

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2025

		Group		Parent	
	Notes	**31-Mar-25**	**31-Mar-24**	**31-Mar-25**	**31-Mar-24**
		$000	**$000**	**$000**	**$000**
Operating Revenue	5	107,505	89,874		
Other Income	6	572	90	200	251
		108,077	**89,964**	**200**	**251**
Operating Expenses	7	91,280	73,365	202	264
Depreciation, Amortisation and Impairment		8,770	7,921		
		100,050	**81,286**	**202**	**264**
Operating Profit (Loss)		**8,027**	**8,678**	**(2)**	**(13)**
Finance Income		367	337	2	4
Finance Expenses		(307)	(390)		
Net Finance Cost	8	**60**	**(53)**	**2**	**4**
Profit (Loss) Before Income Tax		**8,087**	**8,625**	**0**	**(9)**
Income Tax	9	2,809	4,279		
Profit (Loss) After Income Tax		**5,278**	**4,346**	**0**	**(9)**
Attributable to:					
Parent Entity		5,155	4,083		(9)
Minority Interest		123	263		
		5,278	**4,346**	**0**	**(9)**

The accounting policies and notes on pages 5 to 41 are an integral part of these financial statements.

WEST COAST ELECTRIC POWER TRUST AND GROUP

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

		Group		Parent	
	Notes	**31-Mar-25**	**31-Mar-24**	**31-Mar-25**	**31-Mar-24**
		$000	**$000**	**$000**	**$000**
Profit For The Year	16	**5,278**	**4,346**	**0**	**(9)**
Other comprehensive income					
Other comprehensive income that may be reclassified					
to profit or loss in subsequent periods					
Exchange Gain (Loss)		16			
Net gain/(loss) on cash flow hedges					
Tax on hedges	9				
Net other comprehensive income/(loss) that may be reclassified					
to profit or loss in subsequent periods		**16**			
Other comprehensive income that will not be reclassified					
to profit or loss in subsequent periods					
Revaluation of Property, Plant and Equipment			27,039		
Tax on revaluation	9		(7,571)		
Net other comprehensive income/(loss) that will not be					
reclassified to profit or loss in subsequent periods			**19,468**		
Total Comprehensive Income for the year, net of tax		**5,294**	**23,814**	**0**	**(9)**
Attributable to:					
Parent Entity		5,170	21,215		(9)
Minority Interest		123	2,599		
		5,294	**23,814**	**0**	**(9)**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

		Group		Parent	
	Notes	**31-Mar-25**	**31-Mar-24**	**31-Mar-25**	**31-Mar-24**
		$000	**$000**	**$000**	**$000**
Balance at 1 April		**199,391**	**175,793**	**31,219**	**31,228**
Total comprehensive income		5,294	23,814	0	(9)
Dividends to equity holders		(216)	(216)		
Reclassification of leased assets					
Balance at 31 March		**204,469**	**199,391**	**31,219**	**31,219**
Attributable to:					
Parent Entity		200,680	195,510	31,219	31,219
Minority Interest		3,788	3,881		
		204,469	**199,391**	**31,219**	**31,219**

The accounting policies and notes on pages 5 to 41 are an integral part of these financial statements.

WEST COAST ELECTRIC POWER TRUST AND GROUP

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

		Group		Parent	
	Notes	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
NON CURRENT ASSETS					
Property, Plant and Equipment	10	209,300	204,481		
Right-of-use-Assets	18	3,980	4,352		
Goodwill and Other Intangible Assets	11	5,380	5,486		
Investments in Subsidiaries	12			31,100	31,100
Other Investments	13	103	103		
Total Non Current Assets		**218,763**	**214,422**	**31,100**	**31,100**
CURRENT ASSETS					
Cash and Cash Equivalents	14	16,524	18,068	120	131
Other Investments	13	3,345			
Investments in Subsidiaries	12				
Trade and Other Receivables	15	24,289	16,062		
Prepayments		14	15	14	14
Inventories		2,075	2,308		
Current Tax Assets		14	19	14	19
Total Current Assets		**46,261**	**36,472**	**148**	**164**
TOTAL ASSETS		**265,024**	**250,894**	**31,248**	**31,264**
EQUITY					
Share Capital					
Reserves	16	59,794	59,778		
Retained Earnings	16	140,887	135,732	31,219	31,219
Minority Interest	16	3,788	3,881		
TOTAL EQUITY		**204,469**	**199,391**	**31,219**	**31,219**
NON CURRENT LIABILITIES					
Loans and Borrowings	17				
Lease Liabilities	18	3,791	4,152		
Fibre IRU Liability		722	785		
Provision for Site Restoration		60	66		
Employee Benefits		297	481		
Deferred Tax Liabilities	9	35,476	35,998		
Total Non Current Liabilities		**40,346**	**41,482**		
CURRENT LIABILITIES					
Trade and Other Payables	19	12,729	6,493	29	45
Employee Benefits		3,324	2,890		
Lease Liabilities	18	414	390		
Financial Derivatives	20	1,165			
Fibre IRU Liability		62	61		
Current Portion of Borrowings	17	1,000	2,000		
Income Tax Payable		1,515	(1,813)		
Total Current Liabilities		**20,209**	**10,021**	**29**	**45**
TOTAL LIABILITIES		**60,555**	**51,503**	**29**	**45**
TOTAL EQUITY AND LIABILITIES		**265,024**	**250,894**	**31,248**	**31,264**

Authorised for issue on 30 July 2025 for and on behalf of the Trust:

Peter Ewen, Chair *Greg Topp, Deputy Chair*

The accounting policies and notes on pages 5 to 41 are an integral part of these financial statements.

WEST COAST ELECTRIC POWER TRUST AND GROUP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		Group		Parent	
	Notes	**31-Mar-25**	**31-Mar-24**	**31-Mar-25**	**31-Mar-24**
		$000	**$000**	**$000**	**$000**
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		99,397	92,032		
Interest Received		305	336	2	4
Dividends Received		8	9	200	250
Payments to suppliers and employees		(84,644)	(75,501)	(213)	(246)
Interest Paid		(305)	(395)		
Income Tax Paid		(1)	(3,280)		
Net GST Paid		(138)	698		
Net cash inflows/(outflows) from operating activities	24	**14,622**	**13,899**	**(11)**	**8**
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		174	155		
Loan payments received					
Investments repaid					
Acquisition of property, plant and equipment		(11,207)	(5,521)		
Acquisition of investments		(3,345)			
Purchase of goodwill and intangibles		(193)	(196)		
Net cash inflows/(outflows) from investing activities		**(14,571)**	**(5,562)**		
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings					
Repayment of borrowings		(1,000)	(2,000)		
Lease Liabilities repayments		(395)	(363)		
Dividends paid		(216)	(227)		
Net cash inflows/(outflows) from financing		**(1,611)**	**(2,590)**		
Net increase (decrease) in cash and cash equivalents		**(1,560)**	**5,747**	**(11)**	**8**
Cash and cash equivalents at 1 April		18,068	12,321	131	123
Exchange (losses)/gains on cash and cash equivalents		16			
Cash and cash equivalents at 31 March	14	**16,524**	**18,068**	**120**	**131**

The GST (net) component of operating activities reflects the net GST paid and received with the IRD. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accounting policies and notes on pages 5 to 41 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Financial statements for the parent (separate financial statements) and consolidated financial statements are presented. West Coast Electric Power Trust (the parent) is a consumer trust, the beneficiaries of which are the electors of the areas served by Westpower Limited. The Trust is domiciled in New Zealand. The Trust's registered office is at 146 Tainui Street, Greymouth.

The Westpower Limited Group (subsidiaries) is involved in the reticulation and generation of electricity, electrical contracting and consultancy.

The consolidated financial statements comprise the parent and its subsidiaries as at and for the year ended 31 March 2025 (see note 26), together referred to as the Group.

The financial statements have been prepared in accordance with the requirements of the Electricity Industry Act 2010.

2 BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with NZ equivalents to International Financial Reporting Standards (NZ IFRSs) and other applicable financial reporting standards appropriate for profit-oriented entities.

The Group is a Tier 1 for-profit entity and has reported in accordance with Tier 1 for-profit accounting standards.

(b) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value.
- equity instruments designated at fair value through other comprehensive income.
- electricity distribution assets, hydro generation assets and land and buildings are measured at fair value.

The methods used to measure fair value are discussed further in Note 4.

(c) Functional and Presentation Currency

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

(d) Use of Estimates, Judgements and Assumptions

The preparation of 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 assumption 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 judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 3(k)(ii) Measurement of the recoverable amount of cash generating units.
- Valuation of Electricity Distribution, Hydro Generation and Land & Building Assets see Notes 10 & 21.

Significant Judgements

(i) Assessing the useful life of the hydro generation assets,

The Group has made a significant judgement that the current Department of Conservation concession will be extended from its current expiry date of 30 April 2059 to 2083 in line with the useful lives of the hydro generation assets.

If the concession is not renewed the following areas would be affected:

- an increase in depreciation (assessment of useful lives)
- an increase in the restoration liability provision (based on timing of future costs)
- create an impairment indicator, which could result in an impairment to the value of the scheme assets.

(ii) Determining the lease term of lease contracts with renewal options

The Group has lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised. The Group considers all relevant factors that create an economic incentive for it to exercise the renewal. The Group included the renewal periods of its property leases as part of the lease term because there will be a significant negative effect on the Group's operations if a replacement asset is not readily available.

(iii) Estimating the incremental borrowing rate for lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(iv) Determining the carrying value of the electricity swap

The Group has used the New Zealand Electricity Authority's futures price of electricity to determine the carrying value of the electricity hedge.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

(i) 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 presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) 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.

(b) Foreign Currency Transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling on the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised in the profit or loss statement in the period in which they arise.

(c) Financial Instruments

(i) Financial Assets

Financial assts are classified, at initial recognition, and subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). Financial assets are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial assets are measured as described below.

Financial Assets at Amortised Cost

Financial assets at amortised cost include cash and cash equivalents, short term deposits, trade and other receivables and other loans receivable. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial Assets Measured at FVOCI

The Group's investment in non subsidiary equity securities are not held for trading. The Group has made an irrevocable election at initial recognition to classify these investments as financial asset at fair value through other comprehensive income (FVOCI). Subsequent to initial recognition, they are measured at fair value and changes therein, are recognised directly in equity within a revaluation reserve. When an investment is derecognised, the cumulative gain or loss recognised in the revaluation reserve is reclassified to retained earnings and is not transferred to profit or loss.

The fair value of equity investments that are not traded in an active market and are classified as FVOCI, are based on non-market valuation techniques.

Investments in Subsidiaries

Investments in equity securities of subsidiaries, associates and joint ventures are measured at cost less impairment losses in the separate financial statements of the Parent.

(ii) Financial Liabilities

Financial liabilities are classified as subsequently measured at amortised cost, or subsequently measured at fair value through profit or loss. All financial liabilities are initially measured at fair value.

Loans and Borrowings
After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Trade and Other Payables
Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Derivatives Designated as Hedging Instruments
The Group uses derivative financial instruments to hedge its exposure to interest rate, electricity prices and foreign exchange risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value and transaction costs are expensed immediately. Subsequent to initial recognition, derivative financial instruments are stated at fair value at each balance date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedging relationship (see below).

Cash Flow Hedges
Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in equity is transferred to profit or loss in the same period that the hedged item affects profit or loss.

(d) Property, Plant and Equipment

(i) Recognition and Measurement
Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses. The cost of property, plant and equipment at 1 April 2006, the date of transition to NZ IFRS, was determined by reference to its fair value at that date.

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 profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in statement of financial performance on a straight-line or diminishing value basis so as to write off the cost or valuation of assets over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives, residual valuation and depreciation method for property, plant & equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

This review has resulted in a change to the estimated useful life and depreciation method for motor vehicles, plant and equipment, and furniture and fittings including computers from diminishing value to straight line from 1 April 2022.

The estimated useful lives for the current period are as follows:

	Acquired prior to 1 April 2022	Acquired on or after 1 April 2022
- electricity distribution system	5-70 years SL	5-70 years SL
- buildings	5-50 years SL	5-50 years SL
- motor vehicles	10-50% DV	4-15 years SL
- plant and equipment	2.5-67 % DV	3-80 years SL
- furniture and fittings including computers	5-67%DV	3-40 years SL
- hydro generation assets	4-70 years SL	4-70 years SL

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

(iv) Subsequent Measurement

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 based on either a depreciated replacement cost or a market based approach. Land and buildings were revalued as at 31 March 2022 by Coast Valuations Limited, registered valuers at $16,051,000. These are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from fair value.

The distribution system is subsequently measured at fair value. Fair value is determined on the basis of a periodic independent valuation prepared by external valuers, based on a discounted cashflow approach. Distribution system assets were revalued by PricewaterhouseCoopers as at 31 March 2023 at $117,284,000. These are reviewed at the end of each reporting period to ensure that the carrying value of the distribution system is not materially different from fair value. Consideration is given as to whether the distribution system is impaired as detailed in note 3(k)(iii).

The hydro generation assets are subsequently measured at fair value. Fair value is determined on the basis of a periodic independent valuation prepared by external valuers, based on a discounted cashflow approach. The hydro generation assets were valued by PricewaterhouseCoopers as at 31 March 2024 at $55,200,000. The hydro generation assets are subsequently reviewed at the end of each reporting period to ensure that the carrying value of the hydro generation assets is not materially different from fair value. Consideration is given as to whether the Hydro Generation Assets are impaired as detailed in note 3(k)(iii).

Any revaluation increase arising on the revaluation of land and buildings, hydro generation assets, and the distribution system is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings and the distribution system is charged as an expense in 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, hydro generation assets and the distribution system is charged to 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.

(e) Goodwill

Goodwill arises on the acquisition of subsidiaries. Goodwill represents the excess of the cost of the acquisition over the group's interest in the net fair value of the assets and liabilities of the acquiree. Goodwill is measured at cost less accumulated impairment losses. Where impairment losses are recognised these are not reversible. Goodwill is assessed at each reporting date for impairment.

(f) Other Intangible Assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives and amortisation method for other intangible assets are reviewed at the end of each reporting period, with the effect of any changes being accounted for on a prospective basis.

This review has resulted in a change in amortisation method from diminishing value to straight line from 1 April 2022.

The estimated useful lives for the current period are as follows:

Software	10-67% DV	3-20 years SL

(g) Contract Balances

(i) Contract Assets

A contract asset is the right to consideration in exchange for good or services transferred to the customer. If the Group performed by transferring goods or services before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract asset is measured based on the revenue recognition policy refer to 3(n).

(ii) Trade Receivables

A receivable represents the Group's right to an amount of consideration which is unconditional.

Standard payment terms are for payment due 20th of the month following the date of invoice. As a practical expedient, the Group has made no adjustment for the effect of the financing component of the contract if the Group expects, at contract inception that the period between the transfer of goods and service and payment will be less than one year.

(iii) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. If a customer pays consideration before the Group transfers the goods or services to the customer, a contract liability is recognised. Contract liabilities are recognised as revenue when the Group performs under the contract.

(h) Leases (as lessee)

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. As a practical expedient IFRS 16 permits a lessee not to separate non-lease components and instead account for any lease and associated non-lease components as a single arrangement. The Group uses this practical expedient.

(i) Right of Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Plant and machinery	5-15 years
Motor vehicles and other equipment	3-5 years
Other property	1-80 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(k)(iii) Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(i) Inventories

Inventories consist of construction materials. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(k) Impairment

(i) Impairment of Financial Assets

The carrying amounts of the Group's financial assets are reviewed at each balance date and an allowance for any expected credit losses recognised. Expected credit losses are based on the difference between the contractual cashflows due in accordance with the contract and all the cashflows that the Group expects to receive discounted at an effective interest rate.

Expected credit losses directly reduce the carrying amount of assets and are recognised in the profit or loss.

(ii) Trade Receivables

The recoverable amount of the Group's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument by instrument basis. All individual instruments that are considered significant are subject to this approach.

(iii) Impairment of Non Financial Assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Employee Benefits

(i) Defined Contribution Plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due.

(ii) Other Long Term Employee Benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the risk free interest rate. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

(iii) Short Term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(n) Revenue from Contracts with Customer

(i) Lines Charges

The Group provides electricity distribution services to energy retailers. This revenue is recognised at the time of supply under the output method based on the quantity, time and capacity provided. This reflects the physical transfer of the services to the customer.

(ii) Electricity Generation

Electricity generation revenue is recognised at the time of supply under the output method based on the date, time and quantity of electricity generated. This reflects the physical transfer of the services to the customer.

(iii) Contracting and Consulting Revenue

The Group provides electrical engineering consultancy and contracting services. The Group satisfies the performance obligations and recognises revenue over time. Revenue is recognised under the input method based on the costs incurred to date with reference to stage of completion of the contract and the contract value.

Performance obligations are considered to be satisfied over time on the basis that performance creates or enhances an asset that the customer controls and which has no alternative use (i.e. is a customised solution). The fact that another supplier would not need to re-preform the services provided to date demonstrates that the performance obligations are satisfied over time.

The transaction price is normally fixed at the start of the project, however changes to job scope, performance against contract timeframes or quality provisions, result in elements of variable consideration. Variable consideration is estimated based on the most likely amount. The variable consideration is not considered constrained based on the defined underlying contract provisions, the Group's historical performance and that the uncertainty will be resolved within a short timeframe.

As a practical expedient, the Group need not disclose the transaction price allocated to remaining performance obligations on the basis that

- the Group has a right to consideration from a customer in amount equal to the value transferred to the customer for the performance completed i.e. lines charges and electricity generation; or
- the performance obligation is part of a contract that has an original expected duration of one year or less i.e. contracting and consulting revenues.

(iv) Vested Assets and Capital Contribution

Vested assets are recognised as revenue at the fair value of the assets at the point that assets are connected to the network.

Capital contribution payments are calculated in line with Westpower's capital contribution policy. Capital contributions are recognised as revenue when payable at the point that the assets are connected to the network.

(o) Leases (as lessor)

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(i) Fibre IRU Liability

The Group has entered into Indefeasible Right of Use (IRU) Agreements for the provision of fibre assets for a term of 20 years with payment at the commencement of the agreements. The liability has been valued on a discounted cashflow basis over the term of the agreements.

(p) Finance Income and Expenses

Finance income comprises interest income on funds invested, unwinding of the discount on assets and dividend income. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established.

Finance expenses comprise interest expense on borrowings and dividends on preference shares classified as liabilities. Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is defined as a separate asset where the construction period exceeds twelve months and costs in excess of $2m. All other borrowing costs are recognised in profit or loss using the effective interest method.

(q) Income Tax Expense

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

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 the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. 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 not recognised for differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. 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.

(r) Government Grants

Government grants are recognised in the profit and loss statement on a systematic basis over the periods in which the Group recognises the expenses for the related costs for which the grants are intended to compensate**.**

Government grants are reported in the profit and loss statement as a deduction in the related expense.

(s) Goods and Services Tax

(i) Parent

The West Coast Electric Power Trust (parent) is not registered for Goods and Services Tax (GST). All items in the financial statements are inclusive of GST.

(ii) Subsidiaries

All items in the financial statements are net of Goods and Services Tax except for debtors and creditors which are shown in the balance sheet inclusive of GST. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the balance sheet.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cashflows.

(t) Changes in accounting policies and disclosures

The Group reassessed its methodology in accounting for hydro generation assets as at 31 March 2024 with respect to the basis of measurement of a certain class of property, plant and equipment after initial recognition. The Group had previously measured the hydro generation asset class on an historical cost basis, whereby after initial recognition of the asset cost the asset was carried at cost less accumulated depreciation and any accumulated impairment losses. On 1 April 2023 the Group elected to change the method of accounting for the hydro generation asset class of property, plant and equipment as the Group’s view is that the revaluation model provides more relevant and reliable information to the users of the Group’s financial statements. After initial recognition, hydro generation assets are measured at fair value at the date of the revaluation.

The following standards and interpretations issued have been adopted and have no material impact on the group:

Amendments to NZ IFRS 18 – Presentation and Disclosure in Financial Statements

NZ IFRS 18 - Presentation and Disclosure in Financial Statements NZ IFRS 18 changes the structure of the Income Statement by firstly, introducing two new defined subtotals (Operating profit and Profit before financing and income taxes) to increase comparability of information reported; and secondly, requiring an entity to classify all income and expenses into one of the following five categories: Operating, Investing, Financing, Income taxes and Discontinued operations.

The standard also introduces the concept of a 'management-defined performance measure' (MPM). MPMs are subtotals of income and expenses other than those listed by NZ IFRS 18 or specifically required by another IFRS accounting standard that an entity uses to communicate to users of financial statements management's view of an aspect of the financial performance of the entity as a whole. The entity is required to disclose a reconciliation between the MPM and the most directly comparable NZ IFRS 18 subtotal along with how it is calculated, any changes made to the calculation and a statement noting that the MPM may not be directly comparable to measures provided by other entities.

NZ IFRS 18 is effective from annual reporting periods beginning on or after 1 January 2027, early adoption is permitted. The Group plans to adopt the standard for the financial year ended 31 March 2028.

4 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Property, Plant and Equipment

The fair value of the distribution system assets is based on a discounted cashflow methodology. The significant valuation inputs are outlined in Note 21.

The fair value of the hydro generation assets is based on a discounted cashflow methodology. The significant valuation inputs are outlined in Note 21.

The fair value of land and buildings (excluding specialised buildings) are determined using a market based approach. This means that valuations performed by the valuer are based on active market prices, market rentals and yields.

Where buildings are of a specialised nature such as substation and depot buildings, these have been valued on a depreciated replacement cost basis. The significant valuation inputs are outlined in Note 21.

(b) Investments in Equity

The fair value of equity instruments through other comprehensive income is determined by non-market valuation techniques at the reporting date.

(c) Derivatives

The fair value of interest rate swaps is based on bank valuations. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. The fair value of electricity swaps is calculated on the present value of estimated future cash flows of the instruments. Where possible observable market data is used in preparing these valuations including:

- forward electricity price curve generated using the Australian Securities Exchange (ASX) quoted prices, adjusted using location factors published by the Electricity Authority; and
- discount rates derived from the market interest rates.

5. OPERATING REVENUE

	Group		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	$000	$000	$000	$000
Line Charges	27,447	24,422		
Less Special Discount	(2,981)	(3,001)		
Rentals & Sundry Income	939	1,175		
Vested Assets	1,009	1,464		
Generation Revenue	6,278	6,128		
Consulting Income	18,664	17,882		
Contracting Income [1]	56,149	41,804		
Total Operating Revenue	107,505	89,874		

[1] The amount of revenue recognised in the current reporting period from performance obligations satisfied in the previous year was $1.3m (2024: $0.9m).

6. OTHER INCOME

	Group		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	$000	$000	$000	$000
Gain on sale of property, plant and equipment	115	82		
Dividends from subsidiaries			200	250
Dividends received	8	9		
Unrealsied gains on foreign exchange contracts	354	(1)		
Other	95			1
Total Other Income	572	90	200	251

7. OPERATING EXPENSES

	Group		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	$000	$000	$000	$000
Loss on disposal of property, plant and equipment	92	65		
Loss on impairment and revaluation				
Trustees Honoraria	116	100	116	100
Directors' Fees	532	546		
Auditor's remuneration to Audit New Zealand:				
- Audit of financial statements	275	251	24	23
- Prior Year Audit of financial statements	35	36		
- Other audit related services	56	56		
Unrealised losses on foreign exchange	3	8		
Variable Lease Expense	477	159		
Impairment of Receivables	37	45		
Transmission Charges	3,659	3,026		
Maintenance and Operations	9,659	8,681		
Inventory Expensed	2,064	2,016		
Impairment of Inventory				
Employee Related Expenses- Defined contribution schemes	1,168	988		
Employee Related Expenses- Other employee benefits	37,417	34,201		
Other Expenses*	35,690	23,187	62	141
	91,280	73,365	202	264

The Group's contracting businesses received Government Grants in the form of the apprenticeship boost scheme. ElectroNet Services Limited received $56k for the apprenticeship boost scheme. These grants are reported as a deduction against the related expense in the table above.

The fees paid to Audit New Zealand for other audit related services were for the Information Disclosure Assurance Engagement.

The company made donations of $5k during the year (2024: $7k).

8. FINANCE INCOME AND EXPENSES

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Interest income		367	337	2	4
Finance Income		**367**	**337**	**2**	**4**
Interest expense on financial liabilities measured at					
amortised cost		168	243		
Interest on lease liability		139	147		
Finance Expense		**307**	**390**		
Net Finance Costs		**60**	**(53)**	**2**	**4**

9. INCOME TAX

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Current Tax Expense					
Current Period		3,314	2,546		
Adjustment for prior period		19	(1,182)		
		3,333	1,364		
Deferred Tax Expense					
Origination and reversal of temporary differences*		(517)	1,828		
Adjustment for prior period		(7)	1,087		
		(524)	2,915		
Income Tax Expense Recognised in Profit*		**2,809**	**4,279**		

Reconciliation of Effective Tax Rate

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Profit before income tax		8,088	8,625	0	(9)
Prima facie tax at 28%		2,265	2,415		(3)
Non deductible expenses		465	392		
Tax exempt income		()			
Change in temporary differences		56	74		3
Effective tax rate in foreign jurisdictions		15			
Under (over) provided in prior periods		12	(94)		
Imputation credits received		(3)	(4)		
Change in temporary differences					
Effect on deferred tax balances of:					
- Removal of depreciation on buildings			1,496		
Income Tax Expense Recognised in Profit		**2,809**	**4,279**		

9. INCOME TAX (continued)

Income tax Recognised Directly in Equity

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Deferred tax liability on revaluation of Hydro Generation and Electricity Distribution assets*			7,571		
Movement in fair value of derivatives					
Total Income Tax Recognised Directly In Equity			**7,571**		

Recognised Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:

Group		Opening Balance 31-Mar-24	Charged to Income	Charged to Equity	Closing Balance 31-Mar-25
		$000	$000	$000	$000
Deferred Tax Liabilities					
Property, plant and equipment*		36,419	113		36,532
ROU Assets		1,212	(99)		1,113
Available for sale assets		21			21
Construction contracts		114	(16)		98
Derivatives		1	(1)		
		37,768	(3)		37,765
Deferred Tax Assets					
Lease Liabilities		1,118	59		1,177
Employee Provisions		555	(11)		543
Provision for Impairment		96	(36)		61
Electricity Swaps			326		326
Tax losses			182		182
		1,769	519		2,289
Net Deferred Tax Liability*		35,998	(522)		35,476
Attributable to:					
Parent					
Subsidiaries*		35,998	(522)		35,476
		35,998	(522)		35,476

9. INCOME TAX (continued)

Group	**Opening Balance 31-Mar-23 $000**	**Charged to Income $000**	**Charged to Equity $000**	**Closing Balance 31-Mar-24 $000**
Deferred Tax Liabilities				
Property, plant and equipment*	26,309	2,539	7,571	36,419
ROU Assets	1,154	59		1,212
Available for sale assets	21			21
Construction contracts	69	45		114
Derivatives		1		1
	27,553	2,645	7,571	37,768
Deferred Tax Assets				
Lease Liabilities	1,187	(69)		1,118
Employee Provisions	497	58		555
Provision for Impairment	117	(21)		96
Audit Fees	67	(67)		()
Tax losses	173	(172)		
	2,042	(271)		1,769
Net Deferred Tax Liability*	25,511	2,916	7,571	35,998
Attributable to:				
Parent				
Subsidiaries*	25,511	2,916	7,571	35,998
	25,511	2,916	7,571	35,998

Imputation Credits	**Group**		**Parent**	
	31-Mar-25 $000	**31-Mar-24 $000**	**31-Mar-25 $000**	**31-Mar-24 $000**
Imputation credits are available for use in subsequent periods				
Through the Parent				
Through subsidiaries	40,593	35,758		
	40,593	35,758		

WEST COAST ELECTRIC POWER TRUST AND GROUP

NOTES TO THE FINANCIAL STATEMENTS

10. PROPERTY, PLANT AND EQUIPMENT

Group		Electricity Distribution System	Hydro Generation	Land and Buildings	Other	Total
		$000	$000	$000	$000	$000
Cost or deemed cost						
Balance at 31 March 2023		119,260	37,222	18,117	24,065	198,664
Additions		4,905	26	143	2,323	7,397
Disposals and impairments		(66)	(13)		(140)	(219)
Revaluation	21		19,625			19,625
Balance at 31 March 2024		**124,099**	**56,860**	**18,260**	**26,248**	**225,467**
Additions		5,155	2,218	2,519	3,173	13,065
Disposals and Impairments		(87)	(9)		(847)	(943)
Revaluation	21					
Balance at 31 March 2025		**129,167**	**59,069**	**20,779**	**28,574**	**237,589**
Accumulated Depreciation, Amortisation and Impairment						
Balance at 31 March 2023		()	6,988	440	13,925	21,353
Depreciation for the year		4,088	757	442	1,841	7,128
Disposals and Impairments		(2)			(79)	(81)
Revaluation	21		(7,415)			(7,415)
Balance at 31 March 2024		**4,086**	**330**	**882**	**15,687**	**20,986**
Depreciation for the year		4,273	1,211	450	2,109	8,043
Disposals and Impairments		(4)			(736)	(740)
Revaluation	21					
Balance at 31 March 2025		**8,355**	**1,541**	**1,332**	**17,060**	**28,289**
Net Book Value at 31 March 2024		**120,013**	**56,530**	**17,378**	**10,560**	**204,481**
Net Book Value at 31 March 2025		**120,812**	**57,528**	**19,447**	**11,514**	**209,300**

The hydro generation assets have been revalued for the 2024 year, in the event that the assets had been recognised under the cost model, the carrying amount of the assets as at 31 March 2025 would have been $29m.

Capital work in progress is contained in the following categories:

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Electricity Distribution System		2,105	1,822		
Hydro Generation		2,127	1		
Land and Buildings		1,488			
Other		10	689		
		5,730	2,512		

Security

At 31 March 2025, the assets of the group are subject to a guarantee to secure bank loans.

11. GOODWILL AND OTHER INTANGIBLES

Group		Goodwill	Software	Total
		$000	$000	$000
Cost or deemed cost				
Balance at 31 March 2023		6,993	4,124	11,117
Additions			190	190
Disposals				
Balance at 31 March 2024		**6,993**	**4,314**	**11,307**
Additions			193	193
Disposals				
Balance at 31 March 2025		**6,993**	**4,507**	**11,500**
Amortisation and impairment losses				
Balance at 31 March 2023		2,645	2,800	5,445
Amortisation for the year			376	376
Impairment Loss				
Disposals				
Balance at 31 March 2024		**2,645**	**3,176**	**5,821**
Amortisation for the year			299	299
Impairment Loss				
Disposals				
Balance at 31 March 2025		**2,645**	**3,475**	**6,120**
Net Book Value at 31 March 2024		**4,348**	**1,138**	**5,486**
Net Book Value at 31 March 2025		**4,348**	**1,032**	**5,380**

Goodwill is held in relation to the contracting and consulting operations of the Group. While these operations may be separate corporate entities, they are considered interdependent parts of the Group as part of the “Design.Build.Deliver” strategy. The recoverable amount in relation to these balances has been assessed based on value in use. The assessment has been based on 10 year cashflow forecasts which are based on past experience and forecast pipeline works including revenues from joint projects. Growth and inflation rates of 3% have been applied in assessing any impairment. A discount rate of 8.60% has been applied.

Capital work in progress is contained in the following categories:

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Software and Other		149	3		

12. INVESTMENT IN SUBSIDIARIES

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Non Current Assets					
Ordinary Shares - Westpower Limited				25,800	25,800
Preference Shares - Westpower Limited				5,300	5,300
				31,100	31,100

13. OTHER INVESTMENTS

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Non Current Assets					
Equity instruments designated at fair value through OCI					
- International Panel & Lumber (West Coast) Limited		103	103		
		103	103		
Current Assets					
Term deposits with less than 12 months to maturity		3,345			
		3,345			

14. CASH AND CASH EQUIVALENTS

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Bank Balances		3,242	9,461	120	131
Call Deposits		13,282	8,607		
Cash and Cash Equivalents in Statement of Cashflows		16,524	18,068	120	131

15. TRADE AND OTHER RECEIVABLES

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Trade and other receivables		17,922	9,982		
Trade receivables due from related parties		94	1		
Prepayments		1,135	964		
Contract assets		5,189	5,171		
		24,340	16,118		
less provision for impairment		(51)	(56)		
		24,289	16,062		

16. EQUITY

Hedging Reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Fair Value Reserve

The fair value reserve comprises the cumulative net change in the fair value of equity instruments designated at fair value through other comprehensive income, until the investment is derecognised.

Revaluation Reserve

The revaluation reserve relates to the revaluation of property, plant and equipment.

Dividends per Share

Dividends paid by Amethyst Hydro Limited to minority interests were paid at a rate of $0.2273 per share.

16. EQUITY (continued)

GROUP	**Attributable to Equity Holders of the Company**						
	Hedging Reserve	*Foreign Currency Translation Reserve*	*Revaluation Reserve Restated**	*Retained Earnings Restated **	*Total*	Minority Interest in AHL	Total Equity Restated*
	$000	*$000*	*$000*	*$000*	*$000*	*$000*	*$000*
Balance at 31 March 2023			42,646	131,649	174,295	1,498	175,793
Profit for the year				4,083	4,083	263	4,346
Other comprehensive income:							
Fair value of cashflow hedges							
Revaluation			23,794		23,794	3,245	27,039
Income tax on items taken directly to equity			(6,662)		(6,662)	(909)	(7,571)
Total other comprehensive income			17,132		17,132	2,336	19,468
Total comprehensive income for the year			17,132	4,083	21,215	2,599	23,814
Transfer to Retained Earnings							
Dividends to Equity Holders of Amethyst Hydro Ltd (AHL)						(216)	(216)
Balance at 31 March 2024			**59,778**	**135,732**	**195,510**	**3,881**	**199,391**
Profit for the year				5,155	5,155	123	5,278
Other comprehensive income:							
Fair value of cashflow hedges							
Revaluation							
Exchange Gain (Loss)		16			16		16
Income tax on items taken directly to equity							
Total other comprehensive income		16			16		16
Total comprehensive income for the year		16		5,155	5,171	123	5,294
Dividends to Equity Holders of Amethyst Hydro Ltd (AHL)						(216)	(216)
Balance at 31 March 2025		**16**	**59,778**	**140,887**	**200,681**	**3,788**	**204,469**

WEST COAST ELECTRIC POWER TRUST AND GROUP

NOTES TO THE FINANCIAL STATEMENTS

17. LOANS AND BORROWINGS

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Non Current Liabilities					
Non current portion of secured bank loans					
Current Liabilities					
Current portion of secured bank loans		1,000	2,000		
		1,000	2,000		
		1,000	2,000		

	Weighted Average Interest Rate		*Face Value 2025*	*Carrying Value 2025*	*Face Value 2024*
	2024	*2025*	*$000*	*$000*	*$000*
Less than one year					
Secured bank loan-call	5.96%	6.37%	1,000	1,000	2,000
Secured bank loans	6.73%	6.73%			
Longer than one year					
Secured bank loans					
Total Interest Bearing Liabilities - Group			**1,000**	**1,000**	**2,000**

The bank loans are secured over all the assets of the Group. The borrowing facility is due for renewal in March 2026.

18. LEASES (AS A LESSEE)

The Group has lease contracts for offices, buildings, warehouses, vehicles, transmission sites and office equipment. The property leases have lease terms between 1-80 years and include various terms such as renewable rights, inflation features and variable lease payments. The Group also has leases of equipment with lease terms of five years.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	Vehicles & Equipment	Land & Buildings	Total
	$000	**$000**	**$000**
As at 31 March 2023	185	3,943	4,128
Additions	57	613	670
Disposals		(26)	(26)
Depreciation	(236)	(183)	(419)
As at 31 March 2024	**6**	**4,347**	**4,353**
Additions	32	24	56
Disposals			
Depreciation	(5)	(424)	(431)
As at 31 March 2025	**33**	**3,947**	**3,980**

Set out below are the carrying amounts of lease liabilities and the movements during the period.

	$000	
As at 31 March 2023	4,266	
Additions	670	
Accretion of interest	145	
Terminations	(29)	
Payments	(510)	
As at 31 March 2024	**4,542**	
Additions	56	
Accretion of interest	139	
Terminations		
Payments	(533)	
As at 31 March 2025	**4,205**	
	31-Mar-25	**31-Mar-24**
	$000	**$000**
Current	414	390
Non current	3,791	4,152
	4,205	**4,542**

As at 31 March 2025 the Group had total cash outflows for leases of $533,011 (2024: $509,025). The Group also had non-cash additions to right-of-use assets and lease liabilities of $57,361 (2024 $669,839).

As at 31 March 2025 the Group had one lease which had not yet commenced to which they were committed $239,200 (2024: Nil).

19. TRADE AND OTHER PAYABLES

		Group		Parent	
		31-Mar-25	**31-Mar-24**	**31-Mar-25**	**31-Mar-24**
		$000	**$000**	**$000**	**$000**
Trade payables due to related parties		19	21	2	8
Other trade payables		11,056	5,154	27	37
Accrued interest					
Contract Liabilities		1,654	1,318		
		12,729	6,493	29	45

Contract liabilities at the beginning of the period were recognised as revenue in the following 12 months.

The Group provides contracting services for which the transaction price allocated to partially unsatisfied performance obligations at 31st March 2025 are set out below.

The Group has applied the practical expedient not to disclose the transaction price allocated to remaining performance obligations relating to the Electricity Generation and Design Consultancy contracts on the basis that the Group has a right to consideration from a customer in amount equal to the value transferred to the customer for the performance completed.

The Group has applied the practical expedient not to disclose the transaction price allocated to remaining performance obligations relating to contracts with an original expected duration of one year or less.

19. TRADE AND OTHER PAYABLES (continued)

Contracting Services	31-Mar-25	31-Mar-24
	$000	$000
To be recognised <1 yr	67,079	4,142
To be recognised >1 yr	6,517	

Amounts received in advance of performance are included in Contract Liabilities.

20. FINANCIAL INSTRUMENTS

Exposure to credit, interest rate, foreign currency, and liquidity risks arises in the normal course of the Group's business.

Credit Risk

Financial instruments which potentially subject the Group to credit risk are cash and cash equivalents, trade receivables and investments. The Group places its cash with high quality financial institutions and limits the amount of exposure to any one financial institution. The Group has a high concentration of credit risk to the Mercury Group in relation to distribution line charges to the electricity retailer, and other contract works. The Mercury Group represent 41.94% of receivables as at 31 March 2025 (2024 5.41%).

When determining changes in the credit risk of a financial asset since initial recognition, the Group considers reasonable and supportable information that is relevant and available. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due and the party is unlikely to pay its obligations to the Group in full.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write off. However, financial assets that are written off may still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The carrying amount of financial assets represents the Group's maximum credit exposure. The Group has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status. The Group's exposure to geographical credit risk is almost entirely within New Zealand, with some transactions to Australia.
The status of trade receivables at the reporting date is as follows:

20. FINANCIAL INSTRUMENTS (Continued)

The status of trade receivables at the reporting date is as follows:

GROUP		Trade Receivables				
		Days Past Due				
31 March 2025	Contract Assets	Current	<30 days	30-60 days	>61 days	Total
	$000	$000	$000	$000	$000	$000
Expected credit loss rate					118%	
Estimated total gross carrying amount at default	5,189	17,001	667	304	43	18,016
Expected credit loss					51	51

GROUP		Trade Receivables				
		Days Past Due				
31 March 2024	Contract Assets	Current	<30 days	30-60 days	>61 days	Total
	$000	$000	$000	$000	$000	$000
Expected credit loss rate					44%	
Estimated total gross carrying amount at default	5,171	9,000	623	233	127	9,983
Expected credit loss					56	56

As at 31 March 2025 the Group has contract assets of $5,189,000 (2024: $5,171,000). There are no expected credit losses on contract assets (2024: nil).

A provision for expected credit losses relates to receivables past due by more than 60 days and is based on an analysis of individual balances. Set out below is the movement in the allowance for expected credit losses for trade receivables and contract assets.

	31-Mar-25	31-Mar-24
	$000	$000
As at 1 April	56	11
Provision for expected credit losses	(5)	45
Write-off		
As at 31 March	51	56

Loans receivable are secured by way of bond or other commercial arrangement. The value of security is at least equal to the value of the outstanding loan balance.

Liquidity Risk

Liquidity risk represents the Group's ability to meet the contractual obligations of its debt. The Group evaluates its liquidity requirements on an ongoing basis. The Westpac term loan facility has been classified as a short term obligation as it expires on the 31st March 2026. The Group has sufficient funds in cash and short term deposits to cover any liquidity risk that this may pose. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

20. FINANCIAL INSTRUMENTS (Continued)

Foreign Currency Risk

The Group has minimal currency risk given that financial instruments are principally transacted in New Zealand dollars. Foreign exchange contracts may be employed by the Group to manage its exposure to currency fluctuations for major transactions denominated in currencies other than New Zealand dollars. In 2025 the Group has managed its currency risk for large contracting project materials purchases by purchasing USD and by ensuring that the principal to these contracts bear the USD foreign currency risk.

As at 31 March 2025 the Group held USD $3,515,208 (2024: $1,175), which at a NZD/USD exchange rate of 0.5710 equates to NZ$6,156,771.

As at 31 March 2025 the Group had exposure to Australian dollar receivables of $559,229 NZD (2024: $180,675 NZD). As at 31 March 2025 the Group had no foreign exchange contracts to purchase Australian dollars AUD (2024: AUD $Nil) and no foreign exchange contracts to purchase United States dollars (2024: USD $Nil).

Interest Rate Risk

The Group manages its exposures to changes in interest rates on borrowings in line with the policy parameters set in its Treasury Policy. The Treasury Policy sets minimum and maximum parameters allowing the Group to have up to between 60% and 90% of its borrowings at fixed rates for terms up to 7 years to achieve an appropriate mix of fixed and floating interest rate exposures. This is achieved by borrowing at a floating rate and using interest rate swaps as hedges of the variability of cashflows attributable to movements in interest rates. The Group applies a hedge ratio 1:1. Management have approved a temporary exemption from these parameters while it reviews the Treasury Management Policy and its debt facility arrangements. This is in light of the changing market environment (interest rates) and to ensure that any decisions align with the risk appetite of the company and are financially sound.

The Group determines the existence of an economic relationship between the hedging instrument and hedging item based on the reference interest rates, tenors, repricing dates and maturities and notional amounts. The Group assesses whether the derivatives designated in each hedging relationship if expected to be effective in offsetting changes in cashflows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group’s own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cashflows attributable to the change in interest rates.

Other Market Price Risk

The Group was exposed to variability in electricity sales revenue due to changes in electricity spot prices. To manage this risk on 1 July 2024 the Group entered into an agreement with Manawa which fixed the price for a specified volume of generation. The notional quantity of the electricity swap agreement at 31 March 2025 was 3MWh (2024: Nil) with a fair value of -$1,165,368 (2024: Nil). The agreement concludes on 30 June 2025. The swap contract has not been designated as a cashflow hedge resulting in a fair value adjustment impacting the Group Operating Profit by -$1,165,368 (2024: Nil).

As at 31 March 2025 the group had no interest rate swap cover on its borrowings (2024: Nil).

The group has no rate swaps fixed rate cover for the Group’s borrowings (2024: Nil).

20. FINANCIAL INSTRUMENTS (Continued)

Capital Management

The Trust's capital includes Trust capital, reserves, retained earnings and minority interests. The Trust's equity is largely managed as a by-product of the decisions made by the Board of the Directors in managing the operations of the Group. The objective of managing the Trust's equity is to ensure that the Trust effectively achieves its objectives and purposes under the Trust Deed whilst remaining a going concern.

Sensitivity Analysis

In managing interest rate and currency risks, the Group aims to reduce the impact of short term fluctuations on the Group's earnings. Over the longer term however, permanent changes in foreign exchange and interest rates will have an impact on profit.

At 31 March 2025, the group had no swap exposure therefore estimated that a general increase of one percentage point in interest rates would have a nil effect on the Group's profit (2024: Nil) and a nil effect on equity (excluding retained earnings) (2024: Nil).

A decrease of one percentage point in interest rates would also have a nil effect on profit and equity by (2024: Nil).

It is estimated that a general increase of ten percentage points in the value of the New Zealand dollar against other foreign currencies would have decreased the Group's profit before tax by less than $10,000 for the year ended 31 March 2025 (2024 less than $10,000).

WEST COAST ELECTRIC POWER TRUST AND GROUP

NOTES TO THE FINANCIAL STATEMENTS

20. FINANCIAL INSTRUMENTS (Continued)

Classification of Financial Instruments

GROUP - 2025	Note	FVOCI Hedging Instruments $000	FVOCI $000	FV Profit & Loss $000	Amortised Cost $000	Total Carrying Value $000
Current Assets						
Cash and cash equivalents	14				16,524	16,524
Other investments	13				3,345	3,345
Trade and other receivables	15				17,964	17,964
Financial derivatives	20					
					37,833	37,833
Non Current Assets						
Other investments	13		103			103
			103			103
Total Financial Assets			103		37,833	37,936
Current Liabilities						
Trade and other payables	19				11,075	11,075
Finance lease payable	18				414	414
Loans and borrowings	17				1,000	1,000
Financial derivatives	20			1,165		1,165
				1,165	12,489	13,654
Non Current Liabilities						
Loans and borrowings	17					
Finance lease payable	18				3,791	3,791
Financial derivatives	20					
					3,791	3,791
Total Financial Liabilities				1,165	16,280	17,445

GROUP - 2024	Note	FVOCI Hedging Instruments $000	FVOCI $000	FV Profit & Loss $000	Amortised Cost $000	Total Carrying Value $000
Current Assets						
Cash and cash equivalents	14				18,068	18,068
Short Term Deposits						
Trade and other receivables	15				9,927	9,927
Financial derivatives	20					
					27,995	27,995
Non Current Assets						
Other investments	13		103			103
			103			103
Total Financial Assets			103		27,995	28,098
Current Liabilities						
Trade and other payables	19				5,174	5,174
Finance lease payable	18				390	390
Loans and borrowings	17				2,000	2,000
Financial derivatives	20					
					7,564	7,564
Non Current Liabilities						
Loans and borrowings	17					
Finance lease payable	18				4,152	4,152
Financial derivatives	20					
					4,152	4,152
Total Financial Liabilities					11,716	11,716

20. FINANCIAL INSTRUMENTS (Continued)

PARENT - 2025	Note	FVOCI Hedging Instruments	FVOCI	Amortised Cost	Total Carrying Value
		$000	$000	$000	$000
Current Assets					
Cash and cash equivalents	14			120	120
Trade and other receivables	15				
				120	120
Total Financial Assets				120	120
Current Liabilities					
Trade and other payables	19			30	30
				30	30
Total Financial Liabilities				30	30

PARENT - 2024	Note	FVOCI Hedging Instruments	FVOCI	Amortised Cost	Total Carrying Value
		$000	$000	$000	$000
Current Assets					
Cash and cash equivalents	14			131	131
Trade and other receivables	15				
				131	131
Total Financial Assets				131	131
Current Liabilities					
Trade and other payables	19			45	45
				45	45
Total Financial Liabilities				45	45

Maturity Analysis of Financial Liabilities

GROUP - 2025	Balance Sheet	Contractual Cashflows	Less than 1 Year	1-2 Years	2-5 Years	5-7 Years	More than 7 Years
	$000	$000	$000	$000	$000	$000	$000
Secured bank loans	1,000						
Trade and other payables	11,075	11,075	11,075				
Lease Liabilities	4,205	2,415	533	436	780	228	438
Total Non Derivative Liabilities	**16,280**	**13,490**	**11,608**	**436**	**780**	**228**	**438**
Interest Rate Swaps:							
Net Interest Settled Outflow (Inflow							
Electricity Hedge:							
Electricity Swaps outflow/liability	1,165	1,165	1,165				
Total Derivative Liabilities	1,165	1,165	1,165				
	17,444	**14,654**	**12,772**	**436**	**780**	**228**	**438**

[1] The contractual cashflows of the secured bank loans are based on the next loan maturity/rollover which is independent of the facility term.

20. FINANCIAL INSTRUMENTS (Continued)

GROUP - 2024	Balance Sheet $000	Contractual Cashflows $000	Less than 1 Year $000	1-2 Years $000	2-5 Years $000	5-7 Years $000	More than 7 Years $000
Secured bank loans	2,000					0	0
Trade and other payables	5,176	5,176	5,176				
Lease Liabilities	4,541	2,709	489	479	991	278	473
Total Non Derivative Liabilities	**11,718**	**7,885**	**5,665**	**479**	**991**	**278**	**473**
Interest Rate Swaps:							
Net Interest Settled Outflow (Inflow							
Electricity Swaps outflow/liability							
	11,718	**7,885**	**5,665**	**479**	**991**	**278**	**473**

PARENT - 2025	Balance Sheet $000	Contractual Cashflows $000	Less than 1 Year $000	1-2 Years $000	2-5 Years $000
Trade and other payables	29	29	29		
Total Non Derivative Liabilities	**29**	**29**	**29**		

PARENT - 2024	Balance Sheet $000	Contractual Cashflows $000	Less than 1 Year $000	1-2 Years $000	2-5 Years $000
Trade and other payables	45	45	45		
Total Non Derivative Liabilities	**45**	**45**	**45**		

21. FAIR VALUE MEASUREMENT

The following table provides the fair value measurement hierarchy for the Group's assets and liabilities:

GROUP - 2025					
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset measured at fair value		$000	$000	$000	$000
Electricity Network Assets (Note 10)	31-Mar-23	120,812			120,812
Hydro Generation Assets (Note 10)	31-Mar-24	57,528			57,528
Land and Buildings (Note 10)	31-Mar-22	19,447		17,898	1,549
Liabilities measured at fair value					
Electricity Swaps	31-Mar-25	(1,165)		(1,165)	
GROUP - 2024					
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset measured at fair value		$000	$000	$000	$000
Electricity Network Assets (Note 10)	31-Mar-23	120,013			120,013
Hydro Generation Assets (Note 10)	31-Mar-24	56,530			56,530
Land and Buildings (Note 10)	31-Mar-22	17,378		15,763	1,615
Liabilities measured at fair value					
Interest Rate Swaps (Note 20)	31-Mar-22				
Electricity Swaps (Note 20)	31-Mar-22				

There have been no transfers between Levels 1 and 2 during the period.

Land and Building Assets:

Westpower Land and Building Assets were revalued by Coast Valuations Limited as at 31 March 2022.

Description of unobservable inputs to level 3 valuations:

- **Electricity Distribution Assets**

The Group's electricity distribution assets were valued at 31 March 2023 on a discounted cashflow basis by PWC in accordance with NZ IAS 16 and NZ IFRS 13.

The discounted cashflow methodology used by PWC was based on inputs provided by the Group and excluded any cashflows associated with future extensions to the service capability. It also assumes that the current industry arrangements and regulatory frameworks continue in their current state.

A summary of the key unobservable inputs into this valuation are shown in the table below.

Significant unobservable input	Sensitivity of the input to fair value
WACC (post tax) 6.21%	An increase/(decrease) of post tax WACC of 0.5% would decrease/(increase) the valuation by $4.2m/($4.2m)

Distribution Revenue	An increase/(decrease) of distribution revenue of 5% would increase/(decrease) the valuation by $7.45m/($7.45m)
Operating Expenditure	An increase/(decrease) of operating expenditure of 5% would decrease/(increase) the valuation by $0.81m/($0.81m)
Capital Expenditure	An increase/(decrease) of capital expenditure of 5% would decrease/(increase) the valuation by $0.35m/($0.35m)

A reconciliation of the movement in value of electricity distribution assets is provided in Note 10

- **Hydro Generation Assets**

The Group engaged PWC as at 31 March 2024 to undertake an independent valuation of the hydro generation assets, and in particular, the Amethyst Hydro scheme. PWC has significant experience in undertaking generation asset valuations and has expert capability in the electricity market. The valuation was undertaken in accordance with NZ IAS 16 and NZ IFRS 13.

In the absence of an active market for the hydro generation assets, PWC calculated fair value using significant unobservable inputs (level 3, as defined in NZ IFRS 13). PWC used a discounted cashflow methodology (DCF) to underpin the valuation of the hydro assets.

PWC prepared the cashflow forecast based valuation based on inputs provided by the Group and on PWC's assessment of future electricity pricing. A sensitivity analysis using the PWC cashflow model was also undertaken using the future price path forecast published by Energy Link in April 2024.

The PWC valuation range based on their future price path was $45.3m to $55.2m. The mid-point valuation based on the Energy Link price forecasts was $65.2m, and as a result of this sensitivity analysis the hydro generation assets have been revalued to $55.2m, which is the top end of the PWC independent value range.

PWC's key valuation assumptions include:

- A DCF model for 20 years with a terminal value to reflect cashflows after 2044.
- Revenue forecasts are based on PWC's in house wholesale price path forecast which is converted from the Benmore pricing node to the relevant plant pricing node. It is then adjusted by a peaking factor of 1.08 to reflect the asset's ability to generate at times of above average wholesale electricity prices.
- The PWC price path forecast is based on ASX electricity futures at the Benmore reference node out to December 2027. The medium to long term price path forecasts are based on an assessment of the prices required for new generation to be built to meet forecast electricity demand growth. This growth is assumed to be 2.1% per annum on average over the next 20 years due to rapid electrification of transport and industrial loads.
- The discount rate used in the DCF is 8.15% and is based on the WACC for a generation business calculated using recent financial market data.

- The generation asset is assumed to operate in perpetuity subject to reconsenting and regular maintenance.
- The terminal value is calculated using the Gordon Growth model and uses a terminal growth rate of 2% and normalised capital expenditure equal to average real capex over the projection period.

PWC's sensitivity analysis showed that the valuation was most sensitive to the Price Path based electricity revenue forecasts, generation output, and WACC.

- A 5% increase/(decrease) in the forecast price path would increase/(decrease) the fair value by $3.2m/($3.3m)
- A 5% increase/(decrease) in the generation output would increase/(decrease) the fair value by $3.2m/($3.3m)
- A 0.41% (5% multiplicative variance) increase/(decrease) in WACC would (decrease)/increase the fair value by ($2.6m)/$3.0m

A reconciliation of the movement in value of hydro generation assets is provided in Note 10

- **Building Assets – Specialised**

Westpower's substation buildings are considered purpose built with no reliable market evidence and so have been valued on a depreciated replacement cost basis. An optimised depreciated replacement cost methodology has been applied in line with Treasury Guidelines including development of asset registers, standard replacement costs, optimisation and assessment of useful lives.

Below is a reconciliation of the movement in the value of specialised building assets for the period:

		Group
		$000
Balance 31 March 2023		**1,681**
plus Additions		
less Depreciation		(66)
Reclassifications on Revaluation		
Revaluation Movement		
Balance 31 March 2024		**1,615**
plus Additions		
less Depreciation		(66)
Reclassifications on Revaluation		
Revaluation Movement		
Balance 31 March 2025		**1,549**

- **Financial Assets at fair value through other comprehensive income (FVOCI)**

As financial assets at FVOCI (note 13) are not actively traded the fair value of these investments has been assessed based on the net asset backing of these investments.

22. COMMITMENTS

		Group		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
Capital Commitments					
No longer than 1 year		3,261	786		

23. CONTINGENCIES

ElectroNet Services Limited and Mitton ElectroNet Limited have provided guarantees secured over the assets of the companies, to Westpac in relation to debts owed by Westpower Limited (no change from 2024).

Westpower limited has provided a guarantee in relation to the debts owed by Amethyst Hydro Limited (no change from 2024).

Westpower Limited has provided bank guarantees to the value of $100,000 (2024 $100,000).

ElectroNet Services Limited has provided Contractors Performance Guarantees to the value of $10,363,301 (2024 $2,404,870).

ElectroNet Services Limited has a Retentions Bond to the value of $2,062,252 (2024 $628,985).

ElectroNet Services Limited has Completion Bonds to the value of $0 (2024 $876,458).

Mitton ElectroNet Limited has provided a bank guarantee to the value of $25,000 to the Wellington Regional Chamber of Commerce in relation to a carnet and a bank guarantee to the value of $77,617 to Samson Corporation Ltd for a rental bond (2024 $25,000).

The Group has no other contingent liabilities or contingent assets.

24. RECONCILIATION OF PROFIT FOR THE YEAR WITH NET CASH FROM OPERATING ACTIVITIES

	Group		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	$000	$000	$000	$000
Profit for the year	**5,278**	**4,346**	**0**	**(9)**
Adjustments for non cash items				
Depreciation	8,472	7,545		
Amortisation of intangibles	299	376		
Vested assets	(1,009)	(1,464)		
Loss (Gain) on sale of property, plant and equipment	(22)	(17)		
Loss on impairment and revaluation				
Loss (Gain) on hedge revaluation	1,165			
Reversal of previous loss on revaluation				
Movement in financial instruments				
Change in deferred tax	(522)	2,915		
Change in employee benefits (non current)	(184)	(34)		
	8,199	9,322		
Movement in working capital items				
Change in trade and other receivables	(8,227)	4,383		
Change in inventories	233	(66)		
Change in trade and other payables	6,177	(1,554)	(16)	22
Change in employee benefits (current)	434	(207)		
Change in current tax asset	3,331	(1,919)	5	(5)
Adjustments for items classified as investing activities				
Change in capital creditors	(803)	(413)		
Change in finance lease (current)				
Change in finance lease (non current)				
Adjustments for items classified as financing activities				
Change in tax creditors (RWT on dividend)		7		
Net Cash from Operating Activities	**14,622**	**13,899**	**(11)**	**8**

RECONCILIATION OF CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	31-Mar-24	Cash Flows	Non-Cash Movement	31-Mar-25
	$000	$000	$000	$000
Long term borrowings				
Short term borrowings	2,000	(1,000)		1,000
Lease liabilities *	4,541	(395)	58	4,205
Total liabilities from financing activities	6,541	(1,395)	58	5,205

* for more information refer to note 18

	31-Mar-23	Cash Flows	Non-Cash Movement	31-Mar-24
	$000	$000	$000	$000
Long term borrowings				
Short term borrowings	4,000	(2,000)		2,000
Lease liabilities *	4,266	(395)	670	4,541
Total liabilities from financing activities	8,266	(2,395)	670	6,541

* for more information refer to note 18

25. RELATED PARTIES

Parent and Ultimate Controlling Party

The immediate parent of the Group is the West Coast Electric Power Trust. See summary of group entities Note 26.

Trustees and Directors Interests

Trustees and Directors or their related parties hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Group in the reporting period. The transactions were for the purchase of accommodation, electrical contracting and IT services.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have significant influence were as follows:

		Transaction Value for the period ended		Balance Outstanding	
	Note	31-Mar-25 $000	31-Mar-24 $000	31-Mar-25 $000	31-Mar-24 $000
Trustee					
Services provided to:					
G Topp	(i)	-	35	-	-
P Ewen	(ii)	244	-	68	-
Services received from:					
G Topp	(i)	-	-	-	-
P Ewen	(ii)	49	-	27	-
Director					
Services provided to:					
S Merriman	(iii)	-	8	-	-
R Pickworth	(iv)	-	9	-	1
H Croft	(v)	8	39	-	-
A Williams	(vi)	1	3	-	-
A Brantley	(viii)	37	-	26	-
Services received from:					
S Merriman	(iii)	41	47	3	-
R Pickworth	(iv)	-	10	-	-
H Croft	(v)	102	96	18	6
A Williams	(vi)	41	47	3	6
M Doyle	(vii)	11	10	-	-
H Little	(ix)	4	-	-	-

(i) The Group provided services to Reefton Power House Trust. G Topp is a Trustee of the Reefton Powerhouse Trust.

(ii) The Group provided services to and received services from the West Coast Regional Council. P Ewen is a Councillor for the West Coast Regional Council.

(iii) The Group provided services to W Merriman in 2024, S Merriman is married to W Merriman. The Group provided services to and received services from The Ashley Hotel Limited. The group received services from The Towers on the Park Limited, S Merriman is a Shareholder of The Ashley Hotel Limited and The Towers in the Park Limited.

(iv) The Group provided services to and received services from Westroads Limited in 2024. R Pickworth is a Director of Westroads Limited. The Group Provided services to Industrial Controls Limited in 2024, R Pickworth is a director of industrial Controls Limited.

(v) The Group provided services to and received services from T Croft Limited. H Croft is a Shareholder of T Croft Limited.

(vi) The Group provided services to and received services from The Ashley Hotel Limited. The group received services from The Towers on the Park Limited. A Williams is a director and shareholder of these companies.
(vii) The Group received services from Hari Hari Hydro Limited, M Doyle is a Director/Shareholder of Hari Hari Hydro Limited. The Group received services from Martin Doyle in his capacity as a Sole Proprietor.
(viii) The Group provided services to Alpine Energy Limited. A Brantley is a Director of Alpine Energy Limited.
(ix) The Group received services from Stations Inn. H Little is the owner of the Stations Inn.

Other Related Party Transactions

		Transaction Value for the year ended		Balance Outstanding	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
		$000	$000	$000	$000
ElectroNet Services Limited and West Coast Electric Power Trust (WCEPT)					
Services provided to WCEPT (GST incl.)		3	-	1	-
Westpower Limited and West Coast Electric Power Trust (WCEPT)					
Dividend paid to WCEPT		200	250	-	-
Services provided to WCEPT (GST incl.)		13	13	2	1

Key Management Personnel Compensation

Key management personnel include the Trustees of the West Coast Electric Power Trust

		31-Mar-25	31-Mar-24
		$000	$000
Trustees honoraria		116	100
Trustees meetings fees		8	9
		124	109

26. Group entities

Subsidiaries

	Country of Incorporation	Ownership Interest (%) 2025	2024
Westpower Limited (subsidiary of West Coast Electric Power Trust)	New Zealand	100	100
ElectroNet Services Limited (ENS) (subsidiary of Westpower)	New Zealand	100	100
Mitton ElectroNet Limited (subsidiary of ENS)	New Zealand	100	100
ElectroNet Technology Limited (subsidiary of ENS)	New Zealand	100	100
Electronet Consulting UK Limited (subsidiary of MEL)	England and Wales	100	0
Amethyst Hydro Limited (subsidiary of Westpower)	New Zealand	88	88
Waitaha Hydro Limited (subsidiary of Westpower)	New Zealand	100	0

27. POST BALANCE DATE EVENTS

No significant events have occurred in the period between balance date and the authorisation of the financial statements for issue by the board.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of West Coast Electric Power Trust and Group's financial statements for the year ended 31 March 2025

The Auditor-General is the auditor of West Coast Electric Power Trust (the Trust) and its controlled entities (collectively referred to as "Group"). The Auditor-General has appointed me, Chantelle Gernetzky, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust and Group on his behalf.

Opinion

We have audited the financial statements of the Trust and Group on pages 1 to 41, that comprise the statement of financial position as at 31 March 2025, the statement of financial performance, 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 material accounting policy information and other explanatory information.

In our opinion, the financial statements of the Trust and Group:

- present fairly, in all material respects:
  - their financial position as at 31 March 2025; and
  - their 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.

Our audit was completed on 30 July 2025. 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 Trustees and our responsibilities relating to the financial statements, and we explain our independence.

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 Trustees for the financial statements

The Trustees are responsible on behalf of the Trust and Group for preparing the financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust and Group for assessing the Trust and Group's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless the Trustees intend to wind up the Trust and Group or to cease operations, or have no realistic alternative but to do so.

The Trustees' responsibilities arise from the Electricity Industry Act 2010 and the Trust Deed of the Trust.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, 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 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.

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

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 risk of material misstatement of the financial statements, 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 for 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 Trust and Group's internal control.

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

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust and 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, 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 Trust and Group to cease to continue as a going concern.

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

- We obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustees 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.

Independence

We are independent of the Trust and 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 (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an assurance engagement for a Group subsidiary pursuant to the Electricity Distribution Information Disclosure (Targeted Review 2024) Amendment Determination 2024 [2024] NZCC 2. This assurance engagement is compatible with those independence requirements.

Other than the audit and the assurance engagement, we have no relationship with, or interests in, the Trust or any of its controlled entities.

Chantelle Gernetzky
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand