

WAIPA NETWORKS LIMITED - LINES BUSINESS

SCHEDULE 1 - PART 7
FORM FOR THE DERIVATION OF FINANCIAL PERFORMANCE MEASURES FROM FINANCIAL STATEMENTS

Derivation Table	Input and Calculations	Symbol in formula	ROF	ROE	ROI
Operating surplus before interest and income tax from financial statements	1,758,536				
Operating surplus before interest and income tax adjusted pursuant to regulation 18 (OSBIIT)	1,758,536				
Interest on cash, bank balances, and short-term investments (ISTI)	15,821				
OSBIIT minus ISTI	1,742,715	a	1,742,715		1,742,715
Net surplus after tax from financial statements	790,681			790,681	
Net surplus after tax adjusted pursuant to regulation 18 (NSAT)	790,681	n			
Amortisation of goodwill and amortisation of other intangibles	0	g	add 0	add 0	add 0
Subvention payment	0	s	add 0	add 0	add 0
Depreciation of SFA at BV (x)	1,497,378				
Depreciation of SFA at ODV (y)	2,167,219				
ODV depreciation adjustment	-669,841	d	add -669,841	add -669,841	add -669,841
Subvention payment tax adjustment	0	s't		deduct 0	deduct 0
Interest tax shield	264,059	q			deduct 264,059
Revaluations	0	r			add 0
Income tax	151,855	p			deduct 151,855
Numerator			1,072,874 OSBIIT ^{ADJ} = a + q + s + d	120,840 NSAT ^{ADJ} = n + q + s - s't + d	656,960 TE ^{ADJ} = a + q - q + r + s + d - p - s't
Fixed assets at end of previous financial year (FA0)	58,774,792				
Fixed assets at end of current financial year (FA1)	60,784,458				
Adjusted net working capital at end of previous financial year (ANWC0)	898,849				
Adjusted net working capital at end of current financial year (ANWC1)	803,188				
Average total funds employed (ATFE)	60,630,644 (or regulation 33 time-weighted average)	c	60,630,644		60,630,644
Total equity at end of previous financial year (TE0)	51,964,826				
Total equity at end of current financial year (TE1)	52,755,507				
Average total equity	52,360,167 (or regulation 33 time-weighted average)	k		52,360,167	
WUC at end of previous financial year (WUC0)	0				
WUC at end of current financial year (WUC1)	0				
Average total works under construction	0 (or regulation 33 time-weighted average)	e	deduct 0	deduct 0	deduct 0
Revaluations	0	r			
Half of revaluations	0	r/2			deduct 0
Intangible assets at end of previous financial year (IA0)	0				
Intangible assets at end of current financial year (IA1)	0				
Average total intangible asset	0 (or regulation 33 time-weighted average)	m		add 0	
Subvention payment at end of previous financial year (S0)	0				
Subvention payment at end of current financial year (S1)	0				
Subvention payment tax adjustment at end of previous financial year	0				
Subvention payment tax adjustment at end of current financial year	0				
Average subvention payment & related tax adjustment	0	v		add 0	
System fixed assets at end of previous financial year at book value (SFA _{bv0})	57,827,502				
System fixed assets at end of current financial year at book value (SFA _{bv1})	59,845,149				
Average value of system fixed assets at book value	58,836,326 (or regulation 33 time-weighted average)	f	deduct 58,836,326	deduct 58,836,326	deduct 58,836,326
System Fixed assets at year beginning at ODV value (SFA _{odv0})	58,537,486				
System Fixed assets at end of current financial year at ODV value (SFA _{odv1})	59,948,163				
Average value of system fixed assets at ODV value	59,242,825 (or regulation 33 time-weighted average)	h	add 59,242,825	add 59,242,825	add 59,242,825
Denominator			61,037,143 ATFE ^{ADJ} = c - e - f + h	52,766,666 Ave TE ^{ADJ} = k - e - m + v - f + h	61,037,143 ATFE ^{ADJ} = c - e - 1/2r - f + h
Financial Performance Measure:			1.76 ROF = OSBIIT ^{ADJ} /ATFE ^{ADJ} x 100	0.23 ROE = NSAT ^{ADJ} /ATE ^{ADJ} x 100	1.08 ROI = OSBIIT ^{ADJ} /ATFE ^{ADJ} x 100

t = maximum statutory income tax rate applying to corporate entities bv = book value ave = average odv = optimised deprival valuation subscript '0' = end of the previous financial year
 subscript '1' = end of the current financial year ROF = return on funds ROE = return on equity ROI = return on investment